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The Accounting Historians NOTEBOOK

Vol. 3, No. 1

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Spring, 1980

DR. NEWLOVE AND THE WASHINGTON SCHOOL OF ACCOUNTANCY

*by Hans Johnson
University of Texas at San Antonio*

Sixty years ago if a young person desired an accounting education he found it necessary to attend a "night school." The night schools were normally of a proprietary nature, but a few could be found on the campuses of major metropolitan universities; examples included New York University, The University of Pennsylvania, and Northwestern University. Generally speaking, however, accounting was not usually accepted as a program of university study. Students worked at clerical jobs during the day and attended class at night. Their common goal tended to be that of passing the CPA examination.

What follows is a brief story of one such "night school." The Washington School of Accountancy, located in Washington, D.C. and affiliated with the Y.M.C.A., was in its heyday during the period 1919 to 1923. Prominent in its success was Dr. G. H. Newlove who was its Dean. The material for this story comes from a review of the School's Catalogs and from the recollections of Dr. G. H. Newlove himself.

THE SCHOOL

The Washington School of Accountancy was established in 1907, but courses leading to the degree of Bachelor's of Commercial Science (B.C.S.) were not offered for the first time until 1916. In that year the enrollment was 246 students and the enrollment grew to 1,633 students in 1920. About one-third of the students were either college graduates or "had more or less collegiate training" which was unusually good for such a school. The average age of the student body was twenty five. Admission requirements directed that each

prospective student be seventeen years of age or older, be of good character, and must have completed fifteen units of high school work. Students without the necessary high school credits could be admitted conditionally, but upon completion of the degree requirements they would receive a certificate instead of a diploma. Although the student body was predominately male, the Catalog states that "women are admitted to all classes on the same status as men." Tuition was \$40 per semester payable in four monthly installments or at a 5 percent discount if paid in cash.

The curriculum leading to the B.C.S. degree required three years of study to complete. The typical student enrolled in three two hour courses per semester; twelve hours or six courses per year for a total of thirty-six hours. A semester lasted seventeen weeks and included sixteen lectures and a final examination. In order to graduate the student had to complete all assigned work and examinations with a minimum grade of 70 percent. They were required to attend at least 75 percent of the lectures for each class.

The Catalog boasted that "no profession offers more immediate and satisfying rewards than that of Accountancy." Large auditing firms then hired junior accountants at a salary ranging from \$1,600 to \$2,500 and seniors earned \$3,500 and above. Further, "all accountants receive liberal compensation for over-time work and expenses when traveling on out-of-town engagements." The usual charge to clients was \$10 to \$20 per day for juniors and \$25 for seniors.

Instructors at the School were "men of liberal education and broad experience, not only in the teaching of their subjects but in commercial application of them." In 1920 there were twelve

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The main event this year is the Third International Congress of Accounting Historians. It will be held at the London Business School from the 16th to the 18th of August. Main speakers include Professors Basil S. Yamey, Tito Antoni, Williard E. Stone and M. Ernest Stevelinck. Some 50 papers will be presented and the program also includes the Haskins Seminar.

In addition, the regular history session and the annual business meeting of the Academy are scheduled at the American Accounting Association annual meeting in Boston during August. (The schedule for those attending the annual meeting and Congress will be rather tight!) Tom Johnson is organizing the history session and it promises to be an interesting one. Most of the papers will deal with issues related to auditing, a subject which is now being rediscovered.

Ed Coffman has become a co-editor of the *Journal* and Williard Stone has been "promoted" to advisory editor. In addition, Dale Flesher has

become a co-editor of the *newsletter* and Ashton Bishop has taken over the *Working Paper Series*. Other Academy members who retain important responsibilities in the publications area are Gary Previts, Maureen Berry, Dale Buckmaster and Hans Johnson.

Perhaps the most important issue we face concerns the Academy's relationship with the AAA. Essentially, the problem is to decide whether to remain independent of the AAA or to become an affiliated section. Having just become President, I can frankly say that I am not sure what the best course of action is. Naturally, your opinions on this question are welcome.

I hope to see many of you in Boston. In the meanwhile, if you have any suggestions, let me hear from you.

Richard P. Brief

A BOOK RECOMMENDATION FROM THE EDITOR

The long awaited book, *A History of Accounting in America*, by Gary Previts and Barbara Merino, is now available. This editor has not only read the book, but has also used it already in a graduate seminar course. As might be expected from such noted authors, the book is excellent. The volume is recommended both for classroom use and for personal reading. Believe it or not, the students could not put it down; they were generally reading ahead of the assigned chapters.

Previts and Merino consider the social, political, economic, and personal elements of each major period in the development of American accounting including important original accounting writing from Puritan times, the classical thought and practice of the Great Depression, and the contemporary "bottom line" culture of the 1970's. The humor, anecdotes, warm friendships and bitter controversies that underlie the growth of a profession are highlighted in this text. The book includes almost everything that a reader would find interesting, even a murder mystery.

The book is available for \$17.95 from Ronald Press, P. O. Box 092, Somerset, NJ 08873.

SECRETARY SAYS TO PAY DUES

Academy secretary, Al Roberts, says that members should pay their 1980 dues immediately or something awful will happen (he didn't say what). The rolls for the membership directory will be closed on June 1. Anyone who has not paid their dues by June 1 will have their name deleted from the new directory.

THE ACCOUNTING HISTORIANS NOTEBOOK

The Academy of Accounting Historians
Box 658
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The University of Georgia

et al.: Accounting historians notebook, 1980, Vol. 3, no. 1 [whole issue]
THIRD INTERNATIONAL CONGRESS OF ACCOUNTING HISTORIANS
London—August, 1980

When: August 15-18, 1980

Where: London Graduate School of Business Studies

Registration forms are available from:

Dr. G. A. Lee
Department of Industrial Economics
The University of Nottingham
University Park
Nottingham NG7 2RD
ENGLAND

A THIRD ATTEMPT AT A PROVISIONAL PROGRAM

FRIDAY, 15 August, 1980

2:00-10:00 p.m. Registration at London Business
School

SATURDAY, 16 August, 1980

7:30-9:00 a.m.

BREAKFAST

9:15-10:30 a.m.

1. Plenary Session:—

Speaker: Professor Basil S. Yamey
(GB)

On *Not* Writing a General
History of Accounting

10:30-11:00 a.m.

COFFEE

11:00-12:15 p.m.

Parallel Sessions:—

2. *Theory of Accounting History*

M.J.R. Gaffikin (AUS)

H. R. Givens (USA)

Developing a Theory of
Accounting History
The Development and
Significance of a Theory of
Accounting History

3. *Inflation Accounting*

F. L. Clarke (AUS)

D. A. Buckmaster (USA)

Inflation Accounting and the
Accidents of History
The Development of Concepts of
Monetary Holding Gains and
Losses in the USA

4. *Accounting Education*

L. Goldberg (AUS)

P. J. C. Seneque (SA)

The Florescent Decade:
Accountancy Education in
Australia 1945-1955
The Development of Accounting
Education in South Africa

5. *Antiquity*

M. Glautier (F)

T. K. Foroughi (USA)

Accounting and Social Control in
Antiquity
Some Aspects of Ancient Iranian
Accounting

2:00-3:30 p.m.

Parallel Sessions:—

6. *New Worlds*

R. W. Gibson (AUS)

H. Mann (CAN)

Early Agricultural and Pastoral
Accounting in Australia
Some Canadian Accounting
Records, c. 1765.

7. *Disclosure and Form*

R. Ma & R. Morris (AUS)
(represented by R. Macve)

R. S. Waldron (GB)

Disclosure Practices of Banks in
England and Australia in the 19th
Century
The Influence of Legal Decisions
on the Form of British Company
Accounts in the Early Part of this
Century

8. *Diffusion and Disclosure*

K. Nishikawa (J)

J. R. Edwards (GB)

Western Accounting in Japan to
1900
Changing Patterns of Disclosure
in Company Accounts 1900-1939

9. *Miscellaneous*

G. J. Previts (USA)

P. J. Wallis (GB)

Constructing the Data for
Historical Investigations of
Accounting Phenomena: An
Alternative Hypothesis Approach
Book Subscription Lists and the
Accounting Historian

3:30-4:00 p.m.

TEA

4:00-5:45 p.m.

10. HASKINS SEMINAR (Plenary)

(Chairman: Richard Brief,
President, Academy of Accounting
Historians)

E. Stevelinck (B)

H. Stettler (USA)

The Iconography of Luca Pacioli
The Historical Relationship of
Accounting and Auditing—with
Contemporary Emphasis on the
United States

6:30-7:30 p.m.

RECEPTION

7:30 p.m.

CONGRESS DINNER:

Speaker: W. T. Baxter

SUNDAY, 17 August, 1980

9:00-10:00 a.m.

BREAKFAST

10:15-11:30 a.m.

Parallel Sessions:

11. *European Accounting*

C. Antinori (I)

C. Caramiello (I)

An Anomalous Edition of
Pacioli's *Summa de Arithmetica*
1494
Francesco Villa: the "pioneer" of
accountancy in Italy

12. *Budgeting and Managerial
Accounting*

T. Var (CAN)

Development of Budget Concept
of Ottoman Empire 1300-1923

13. *Taxation and Inflation*

A. Grandell (FIN)

R. Mattesich (CAN)

Mediaeval Techniques of
Collecting Taxes
History of General and Current
Price Level Adjustments

14. *Eastern Europe*

A. Jaruga and K. Brzezina
(POLAND)

D. T. Bailey (GB)

Development of Accounting in
Centrally Planned Economies: the
Polish and Soviet Union Case
The Development of Accounting
in the USSR since the October
Revolution

12:30-2:00 p.m.

LUNCH

2:15-3:30 p.m.

Parallel Sessions:—

15. *Cost Accounting & First World
War*

M. Berry (USA)

J. Hewgill (GB)

Ministry of Munitions and Cost
Accounting in World War I
The War Office Cost Accounting
Experiment 1919-1925

16. *Professional Origins*

J. D. Edwards (USA)

M. Kedslic (GB)

Early American Accounting
Practitioners
Social Origins of Scottish
Chartered Accountants 1854-1904

17. *Influences*

A. Briloff (USA)

M. J. Mumford (GB)

Congressional Oversight of the
Accounting Profession in the
United States
Some Factors Influencing the
Development of Accounting
Thought

18. *Accounting Authors*

P. Jouanique (F)

J. R. Etor (GB)

Mathieu de la Porte: His life and
his work
Struggle for Recognition: The
Story of Edward and Theodore
Jones (1767-1881)

3:30-4:00 p.m.

TEA

4:00-5:15 p.m.

Parallel Sessions:—

19. *Early Italian Accounting*

T. Antoni (I)

A. Martinelli (USA)

Medium of Exchange and Money
of Account in Mediaeval
Accounting Documents
The Ledger of Cristianus
Lomellinus and Dominicus de
Garibaldo, Stewards of the City
of Genoa, 1340-1341

20. *Management Accounting*

H. Thomas Johnson (USA)

Management Accounting and Industrial Structure in History: the American Experience
17th and 18th Century Tontines-Comments on Internal Control

R. M. Jennings (USA)

21. *European Accounting*

H. Kellenbenz (D)

A Manuscript on Accounting written by a Factor of the Fuggers (1545)

either
or

A. T. de Brito (P)

C. J. Sammut (Malta)

Title uncertain
Luca Pacioli

6:00-7:00 p.m.

7:00 p.m.

CASH BAR

DINNER

MONDAY, 18 August, 1980

7:30-9:00 a.m.

9:15-10:30 a.m.

BREAKFAST

Parallel Sessions:—

22. *17th & 18th Century Accounting*

G. A. Lee (GB)

The Executorship Accounts of Francis Willughby's Estate 1672-1680

W. J. HAUSMAN (USA)

Business Enterprise in 18th Century Britain: Toft Moor Colliery, 1770-1779

23. *Miscellaneous*

R. P. Brief (USA)

Dicksee's Contributions to the Development of Accounting Theory and Practice

T. Coe, G. Sorter and B. Merino (USA)

An Historical Analysis of Articulated Financial Statements in a Corporate Society

24. *American Accounting*

R. Bloom (USA)

Foundations of the Trueblood Objectives Report in Historical Accounting Literature

H. F. Stabler and N. X. Dressel (USA)

May and Paton: Two Giants Revisited

25. *British Accounting*

R. H. Raymond (USA)

The Double Account System Revisited

M. J. Mephram (GB)

Robert Hamilton (1743-1829)—a Survey of his contribution to the Development of Accounting

10:30-11:00 a.m.

11:00-12:40 p.m.

Coaches to Chartered Accountants' Hall, Moorgate Place, EC4.

Reception at The Institute of Chartered Accountants in England and Wales; visit to Institute's Centenary Exhibition.

12:40-1:00 p.m.

1:00-2:00 p.m.

2:00 -p.m.

Return by coach to London Business School

LUNCH

Depart

PROFILE WILLIAM HOLMES

by Anthony Krzystofik
University of Massachusetts at Amherst

In May of 1979 William Holmes, a member of the Academy and member of the editorial board of the *Accounting Historians Journal*, passed away in Hingham, Massachusetts. The expression that one is "a gentleman and a scholar" is often loosely used and so that its appropriate significance is lost. However, in the case of William Holmes the expression is not only appropriate, but most deserving.

Bill, at the time of his death, was an audit manager with the firm of Peat, Marwick, Mitchell & Co. in Boston. In recognition of his dedication to the profession and work with the Publication Committee of the Massachusetts Society of Certified Public Accountants, the firm of Peat, Marwick, Mitchell & Co. and the Executive Committee of the Society have established an annual student literary award in the name of William Holmes. The honor is most appropriate as it reflects what Bill Holmes represented. Bill was an accomplished scholar, as evidenced by his research and publication in accounting. However, he was also a source of guidance and encouragement to young accountants.

A native of Glasgow Scotland, Bill received his early education at Queens Park Academy and Bell Commercial College. During World War II, he served in the British Navy, and was involved in a number of naval engagements. One of these engagements caused damage to the ship he was serving on and it was eventually brought to Boston for repair. It was during this period that he met Mildred Burke, whom he later married. Eventually he emigrated to the United States and took up residence in Massachusetts. He continued his education at Northeastern University, earning an AB with honors. However, his education did not end there. He had an intellectual curiosity and an insatiable appetite for exploring new fields. It was said of him, "that anything he touched he soon became an expert in," such as utility accounting, retail accounting, governmental accounting, analytical auditing and statistical sampling to mention only a few. But he was also a musician, chess player, a wireless expert, a collector, historian, etc. Not only was he a student, but he was also a good teacher, especially of young staff accountants in the firm.

He was in great demand as a speaker on subjects that would range from his radio collection to some highly technical accounting subject. He also gave much of himself by serving in a number of civic and community organizations.

While an accountant by vocation, he was a scholar by avocation. His publications included the co-authorship of a history of accounting in Massachusetts and a number of articles in leading accounting journals. His articles won three of the annual Literary Awards in the *Massachusetts CPA Review*, the most of any Society member. His articles also won two national Peat, Marwick & Mitchell Literary Awards. He presented a number of papers at accounting educator programs. Besides being on the editorial board of the *Accounting Historian* (the Academy's predecessor publication), he served as an associate editor of the *Massachusetts CPA Review*. At the time of his death he had just been asked to serve on the editorial board of *Abacus*, and had been invited to present a paper at the World Congress of Accounting Historians meeting to be held in England in 1980.

His research in the history of accounting not only led to a number of articles and papers, but also attracted the attention of other scholars and educators. While a number of research scholars have now begun to study the early contributors of accounting, Bill's writing gave it a unique and human style. His publications on accounting history captured the activities of the early settler as people with strong economic and accounting interest. This is an important contribution because traditionally the business and economic motivation and the role of accountants have not been recognized by historians.

Also significant for accounting historians was the research approach used by Bill in the study of accounting history. As an example, Bill exhaustively explored original documents and people located in state and local government archives. In the Boston area where Bill was currently researching documents, many had not been examined for a number of decades. If any of the documents were studied, they were not by the critical eye of an accountant that interprets the transaction in ledgers, journals, and the usual business papers. As an amateur historian, Bill did not have the time necessary to uncover all that was

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Profile Continued

hidden in documents stored by state and local governments. However, his work does point out to scholars where information is available for further study. Furthermore, he represents a new type of scholar, one who pursues scholarship as an avocation, not as a professional career. Encouraging others to pursue this type of activity can certainly lead to different types of research. New interpretations may also be possible from the review and analysis of the commercial transactions of the early settler by the non-academic researcher.

Bill Holmes also spoke of the need to explore the records and documents of the early corporations and business ventures. Many of these documents may still be available in storage in successor organizations where access may be available only to a non-academic researcher. This may also be true of documents of early professional organizations and associations where many of the writings of the early pioneers of the accounting profession are still available. Bill Holmes at the time of his death was exploring the early correspondence of the Massachusetts Society of Public Accountants and the framers of many of the present practices in accounting.

Bill's research efforts in the history area actually began rather late in his career. However, in this short time he made a significant contribution and

has given direction for other scholars to follow either as a vocation or avocation.

Bill was also a collector of early American bookkeeping textbooks having in his possession approximately 70 books from the 1791 to 1900 period. He also had a collection of many early original American scientific management books from the 1900-1910 period and early American textbooks on municipal accounting.

In the spirit that was Bill Holmes, one of his last requests was that this rare collection be given to the Institute of Chartered Accountants in Edinburgh Scotland, as he felt their collection of American texts was limited. This collection will now be able to benefit scholars and aspiring accountants in Scotland.

It is therefore most appropriate that the memory of the work and dedication of William Holmes be best evidenced by the establishment of the William Holmes—Peat, Marwich, Mitchell Student Literary Award. The award was presented at the Massachusetts Society program on October 18, 1979 honoring the top senior and junior accounting majors in Massachusetts' colleges and universities.

No other form of recognition is more appropriate for the gentleman and scholar that was William Holmes.



HISTORY SESSIONS AT REGIONAL MEETINGS

Several of the regional AAA meetings have held accounting history sessions including the following:

Midwest Regional (Chicago):

"Significant Contributions of George Hillis Newlove to the Development of Accounting Thought," by Nabil Hassan, Kent State University.

"A Report on Academic Developments in Accounting Which Should Find Their Way Into Practice," by Maybelle Kohl, Suffolk University.

Mid-Atlantic Regional (Morgantown):

"More About Post Civil War Accountants in Baltimore," by James Jones, CPA, Baltimore, Maryland.

"Memories of A Siense Mercantile Company of the Thirteenth Century," by Alvaro Martinelli, Appalachian State University.

"The Historical Evaluation of Accounting Objectives," Robert Bloom, College of William and Mary.

"The Evolution of the Suibb and Sons Cost System," by Rosita S. Chen and Sheng-Der Pan, Shippensburg State College.

Southeast Regional (Columbia):

"Managerial Accounting and Financial Reporting in the Antebellum South," by Dale L. Flesher and Tonya K. Flesher, University of Mississippi.

"Partnership Accounts and Maritime Loans in Genoa During the Twelfth Century," by Alvaro Martinelli, Appalachian State University.

"Lloyd Morey: Pioneer in the Development of Municipal Accounting," by James H. Potts, East Tennessee State University.

"Contributions of Durand Springler," by Al R. Roberts, Georgia State University.

"Contributions of John Carey," by Gadis J. Dillon, University of Georgia.

"A. P. Richardson: Humanist Accountant," by Michael T. O'Neill.

HISTORY IN PRINT

ARTICLES

- "Administrative Coordination, Allocation and Monitoring: A Comparative Analysis of the Emergence of Accounting and Organizations in the USA and Europe," by Alfred D. Chandler, Jr., and Herman Daems, *Accounting, Organizations and Society*, Vol. 4, No. 1-2, 1979, pp 3-20.
- "CA's in Canada—the first hundred years," by Harvey Mann, *CA Magazine*, Vol. 112, No. 12, December 1979, pp 26-30.
- "Canning's The Economics of Accountancy—After 50 years," by R. J. Chambers, *The Accounting Review*, Vol. 54 No. 4, October 1979, pp 764-775.
- "The Concept of Overhead Cost," by N. G. Bapat, *Management Accountant (India)*, Vol. 14, No. 4, 1979, pp 433-442.
- "Does Accounting Research Matter?" by Scott Henderson and Graham Peirson, *Accounting and Business Research*, Vol. 9, No. 33, Winter 1979, pp 25-34.
- "The Evolution and Revolution of Financial Accounting: a Review Article," by T. A. Lee, *Accounting and Business Research*, Vol. 9, No. 36, Autumn 1979, pp 292-299.
- "Fixed Asset Values: Ideas on Depreciation 1892-1914," by J. Kitchen, *Accounting and Business Research*, Vol. 9, No. 36, Autumn 1979, pp 281-291.
- "Internal Auditing Yesterday, Today and Tomorrow," by Lawrence B. Sawyer, *The Internal Auditor*, Vol. 36, No. 6, December 1979, pp 23-32.
- "Landmarks in Accounting History," *Accounting*, Vol. 90, No. 1031, June 1979, pp 37-39.
- "Oldcastle, Peele and Mellis: a Case of Plagiarism in the Sixteenth Century," by Basil S. Young, *Accounting and Business Research*, Vol. 9, No. 35, Summer 1979, pp 209-216.
- "Pacioli—the First Academic Accountant" by Christopher Nobes, *Accountancy*, Vol. 90, No. 1033, September 1979, pp 66-68.
- "Transformation of the Tax System and the Experts-1870-1930," by W. E. Brownlee, *National Tax Journal*, Vol. 32, No. 2, Supplement, June 1979, pp 47-54.

BOOKS

- Accounting in the Golden Age of Greece*, by George Costouros, Urbana, Illinois: Center for International Education and Research in Accounting, University of Illinois, 1979. Reviewed in *The Accounting Review*, Vol. 55, No. 1, January 1980.
- Business and Businessmen: Studies in Business, Economics and Accounting History*, edited by Shelia Marriner, New York: Rowman Press, 1978.
- Eric Louis Kohler: *Accounting Man of Principles*, edited by William Cooper and Yuji Ijiri, Reston, Virginia: Reston Publishing Co., 1979. Reviewed in: *Journal of Accountancy*, January 1980, p 86.
- The Estates of Thorney and Crowland*, by Sandra Raban, Cambridge: University of Cambridge Department of Land Economy, 1977. Reviewed in *Archives*, Vol. 13, No. 60, Autumn 1978, p. 218.
- Financial Reporting Techniques in 20 Industrial Companies Since 1861*, Richard Vangermeersch, Gainesville, Florida: University Presses of Florida, 1979.
- The Ledger of John Smythe 1538-1550*, edited by Jean Vanes, London: British Record Society 28 and Historical Manuscripts Commission joint publication, 1975. Reviewed in: *Archives*, Vol. 13, No. 60, Autumn 1978, p. 219.
- Manorial Records of Crexham, Oxfordshire 1200-1359*, edited by P.D. A. Harvey, London: Oxfordshire Record Society 50 and Historical Manuscripts Commission joint publications, 1976. Reviewed in: *Archives*, Vol. 13, No. 60, Autumn 1978, p. 217.
- The Origins of Central Banking in the United States*, by Richard H. Timberlake, Jr., Harvard University Press, 1978. Reviewed in: *The Journal of Economic History*, Vol. 39, No. 4, December 1979.
- Records of the Royal Bounty and Connected Funds*, compiled by R. Smith, London: Huguenot Society of London, 1974. Reviewed in: *Archives*, Vol. 14, No. 61, Spring 1979, p. 39-40.
- Research in Economic History: An Annual Compilation, Volume 3*, edited by Paul Uselding, Greenwich, Connecticut: Jai Press, 1979. Reviewed in: *The Journal of Economic History*, Vol. 39, No. 4, December 1979.

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THE ACADEMY OF ACCOUNTING HISTORIANS WORKING PAPER SERIES

Since the Academy established the Working Papers Series in 1974, 41 papers have been accepted on a variety of topics. The Working Paper Series has attained an international reputation and numerous requests have been received from scholars and students for the valuable resource material available in the papers. The first 40 working papers are now available in two single bound volumes (Working Papers 1-20, Volume 1 and Working Papers 21-40, Volume 2). In addition, Working Paper No. 41 entitled "Factors Shaping the Independent Public Auditing Profession in the United States from 1905 to 1933," by Bruce Committee, is available upon request.

To assist in the preparation of working papers, the general policies and guidelines that pertain to the submission of manuscripts are listed below.

The Academy of Accounting Historians established the Working Paper Series to provide a means of circulating members' research for general reading and critical analysis by colleagues. Members of The Academy and others benefit immensely by exposure to the written thoughts, ideas, and research findings of their colleagues. Following are the general policies that govern the Working Paper Series and the guidelines for submitting manuscripts. If for some reason the following hampers your preparation of a manuscript for the Working Paper Series, please contact the editor for assistance.

General Policies

1. Factors used in evaluating a manuscript include such criteria as quality of research, contributions to the knowledge in the field, extent of available research in the area, and interest to Academy members.

2. Authors are not restricted from having their manuscript published elsewhere after it has appeared as a working paper. If the paper is published elsewhere, reference should be made that the paper had appeared in the Working Paper Series of The Academy of Accounting Historians. Manuscripts presented which have been published elsewhere must be released by the prior publisher before they can be included in the Working Paper Series.

3. Manuscripts ranging in length from 8 to 30 pages are deemed most appropriate, however, manuscripts of all lengths will be considered. A short abstract should appear at the beginning of the manuscript.

4. The initial distribution of a working paper is to approximately 200 leading accounting practitioners and academicians, university libraries, and editors of professional accounting journals. Distributions thereafter are made as requests are received.

5. Upon the acceptance of 20 papers, the Academy codifies the individual papers into a bound volume.

Guidelines for Submitting Manuscripts

1. Manuscripts should be typed and double spaced with 1 inch margins on 8½ x 11 inch bond paper.

2. Page numbers should be centered on the fourth line from the top of each page, except page one which is not to be numbered.

3. All major headings within the manuscript should be centered in capital letters. Subheadings should start at the left margin and be underscored with the first letters of major words in capital letters.

4. Footnotes should be numbered sequentially throughout the manuscript and listed at the end of the manuscript.

5. Footnotes and references should be typed using a style which is consistent with *The Accounting Historians Journal*.

6. On page one of the manuscript should appear the title in *all* capital letters with the text of the manuscript beginning on the third line below the last line of the title. The name, affiliation, and position title of the author(s) are *not* included on this page.

7. Manuscripts should contain a cover page consisting of the title of the manuscript, the name, affiliation, and position title of the author(s), and any restrictions or qualifications the author(s) may desire in addition to the following (or its equivalent) which appears on all working papers:

Materials from this paper may not be quoted or reproduced in whole or in part without written

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full-time faculty members: six accountants (five were CPAs), four lawyers (two from Harvard Law School), and two Ph.D. economists (Universities of Pennsylvania and Columbia). An "Advisory Board of Accountancy Instruction" included such prominent individuals as John Raymond Wildman, The U. S. Commissioner of Education, and the Deans of Graduate Schools of the Universities of Illinois and Chicago.

THE CURRICULUM

As mentioned earlier, the Professional Accountancy Curriculum included thirty-six hours of two semester hour courses. The curriculum contained eleven accounting courses, four law courses, and one course each of economics, finance, and statistics. The accounting courses included four semesters of accounting theory and practice, one course each in accounting for investments, advanced theory, specialized accounting (various industries' practices), cost, auditing, and two semesters in CPA review. The emphasis appears to have been on balance sheet valuation and bookkeeping. In some situations electives could be added to or substituted in the regular curriculum. The electives were actuarial science, public speaking, income tax, and real estate.

The accounting texts used included the works of Roy B. Kester, Charles E. Sprague, Paul J. Esquerre, J. Lee Nicholson, Robert H. Montgomery, and G. H. Newlove. The first lecture the first semester was entitled "History of and Development of Accounting." It covered these topics: antiquity of accounting, medieval retrogression, early English accounting, rise of the double-entry system, development of the ledger account, and organizations of accountants.

Finally, under a caption entitled "Object and Method of the School," it is stated that there had been "frequent criticism" of accounting instruction which concentrated on lecture presentation with too little emphasis on practical application. To counter such criticism, students were required to prepare "sets of books" and to work a great variety of CPA problems. About 500 hours of practice work outside of class was required for the accounting courses alone. The curriculum "fits students to pass the CPA examinations, but this is a secondary feature of the course...it is distinctly a professional course, having for its aim the best possible preparation for the accounting profession."

Dr. Newlove first taught a review course for the CPA examination at the School in 1918. The Educational Director of the Y.M.C.A. was his friend and it was he who had asked Dr. Newlove to teach the course. At that time Newlove was an ensign in the U.S. Navy and was assigned to the Bureau of Supplies and Accounts.

"Lady Luck was really with us" on the first examination according to Dr. Newlove. "I brought in a building and loan problem given in the Pennsylvania CPA exam as an illustration of partnership accounting, and so help me on that first examination, which I took with the class, there was a problem on building and loan, and most of my students solved it and we got off to a flying start!" The examination was given by the Board of Public Accountancy of the State of North Carolina. Prior to the creation of the Uniform CPA Examination each state offered its own version. The District of Columbia did not have an examination and thus the North Carolina Board, which had no residency requirement, was eager to get the \$25 fee. The examination was given in the classrooms of the Y.M.C.A.

Dr. Newlove subsequently learned that the secretary-treasurer of the North Carolina Board was "one of the biggest cotton accountants in the country." One of the problems which had previously appeared on the examination was on the "theoretical ratio of production." Being a mathematician, Dr. Newlove developed a technique for solving the problem using simultaneous equations and three unknowns. He was again asked to teach a review class, this time in the Spring of 1919, and he used the cotton problem as an example. "As luck would have it, the same problem was repeated on the Spring examination and 80 percent of our group who took the exam passed the practice part."

Later that same year Dr. Newlove was offered and accepted the position of Dean of the School of Accountancy. Whereas in previous years only three elementary classes were offered in the Fall semester, the word had spread about the success of his students and thus in the Fall of 1919 eighteen sections were offered. By 1920 he had accumulated CPA material which had been given in 335 previous CPA examinations. He subsequently published four volumes of CPA questions and answers. Dr. Newlove remembers the CPA examination as being heavily oriented toward law, sometimes close to 50 percent. That explains the curriculum requirement of four semesters of Law. Arithmetic accuracy and speed were crucial to success on the practice part.

continued on page 12

Dr. Newlove left the Y.M.C.A. School around 1923 to join the Consolidated Returns Division of the Internal Revenue Service. It was there that he accumulated materials and experience for his later textbooks on consolidated financial statements. In 1928, he joined the faculty at the University of Texas and remained there until his retirement in 1967. And what happened to the Washington School of Accountancy? It gradually faded away into oblivion.

Working Papers Continued

permission of the author. Comments are invited and should be addressed to Ashton C. Bishop, Editor; Working Paper Series; c/o The Academy of Accounting Historians; School of Business; Virginia Commonwealth University; Richmond, Virginia 23284 or P.O. Box 658; University Plaza; Georgia State University; Atlanta, Georgia 30303. Single copy price: Complimentary to members, \$1.00 to non-members.

8. Mail two copies of the manuscript (an original and a photocopy) to:

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A recent article in the *Texas Times*, a publication of the University of Texas system, discussed the research of Denise Schmandt-Besserat, a professor of Middle Eastern studies at UT-Austin.

Her studies in 1977 of small clay geometric tokens contained in clay envelopes with similar markings on the outside pushed the roots of writing back to 8500 B.C. Ms. Schmandt-Besserat concluded that the tokens were used for household and business record keeping.

Seven types of tokens were used, including spheres, discs, cones, biconoids, ovoids, cylinders and triangles. She noted that cones, spheres, and triangles were units to measure capacity of grains, barley in particular. She stated that the units were not fully standardized and volume varied from place to place. Various systems were used to measure animals, barley, land and so forth. Repetition of the sign signified quantity.

Ms. Schmandt-Besserat's latest research has been a study of 183 impressed tablets found at sites in Syria, Iraq, and Iran. These tablets came from ancient Sumer during the period from 3500-3100 B.C. These records mark a turning point in civilization where the temple became the center of political and economic power over the masses. Gods were perceived to be humanlike, and production was dictated by religious administrators to satisfy the needs of the gods. These gifts to the gods were stored in special rooms in the temples and later evolved into taxes.

Ms. Schmandt-Besserat concluded that Sumer may be credited with the invention of writing. Although Ms. Schmandt-Besserat is primarily interested in the development of writing, it appears as if there is great potential in these materials for accounting historians. For example, if these tokens do represent the origins of writing, the natural conclusion is that the need for accounting records led to the development of writing. Perhaps some of our Texas members should get in contact with Ms. Schmandt-Besserat.

The theme of the history session at the AAA annual meeting in Boston will be: New Interpretations of Auditing History. The proposed program for the technical session is as follows:

"The Markets for Independence and Independent Auditors," by Ross L. Watts and Jerold L. Zimmerman, University of Rochester.

"Accounting and Auditing in American Banks, 1800-1863," by Paul Frishkoff, University of Oregon, and Linda DeAngelo, University of Washington.

"Development of the Audit Function in American Railroads, 1840-1890," by J. L. Boockholdt, University of Houston.

The discussant for the program will be Felix Pomeranz, Coopers & Lybrand.

**THE FIRST ANNUAL SEWANEE
ECONOMICS SYMPOSIUM
BUSINESS IN THE NEW SOUTH: A
HISTORICAL PERSPECTIVE**

The University of the South at Sewanee, Tennessee, hosted its first annual symposium April 3-5, 1980. Several distinguished business historians were on the program. Those sessions and speakers that may be of interest to accounting historians included the following:

Stanley Engerman, University of Rochester
"Agriculture as Business: The Southern Context"

Thomas Weiss, University of Kansas
"Southern Business Never Had It So Good—A Look at Antebellum Industrialization"

Herman Freudenberger, Tulane University
"Business Records: A Valuable Resource for Society and the Firm"

Those who wish additional information should contact: Department of Economics, The University of the South, Sewanee, Tennessee 37375.

"Who does nothing makes no mistakes; who makes no mistakes learns nothing."

"Books should be closed each year, especially in partnership because frequent accounting makes for long friendship."

"The third and last thing necessary is that all one's affairs be arranged in good order so that one may get, without loss of time, all particulars as to the debit and credit of all of them, as business does not deal with anything else."

"Attend religious meditation every morning, for through this you will never lose your way."

"Also it is said that the head of the merchant has a hundred eyes and still they are not sufficient for all he has to say or do."

"The purpose of every merchant is to make a lawful and reasonable profit so as to keep up his business. Therefore, the merchants should begin their business with the name of God at the beginning of every book and have His holy name in their minds."

**ANSWERS TO ACCOUNTING
HISTORY QUIZ**

The quotations appearing in the Fall issue of the *Notebook* were taken from *Contributions of Four Accounting Pioneers* by James Don Edwards and Roland F. Salmonson (MSU Business Studies, 1961). The answers are: (1) George O. May, (2) William A. Paton, (3) Eric L. Kohler, and (4) A. C. Littleton. Professor Hans Johnson, who prepared the quiz, announced himself as the winner and will receive the free "night on the town" in Cleveland on April 16.

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REFLECTIONS ON INTERNATIONAL
RESEARCH IN ACCOUNTING:
VINTAGE 1950

by Paul Garner
University of Alabama

This short item relating to accounting history was provoked by my reading of the regretful death of my long time professional acquaintance, in 1979, Professor F. Sewell Bray, who held for a few years in the 1950s the Stamp-Martin Professor of Accounting Chair at the Incorporated Accountants' Hall in the United Kingdom. The Stamp-Martin Professorship was either the second or third named professorship in accounting in the post World War II period, and Professor Bray held it with a great sense of duty and dedication to the accounting profession at large.

Shortly after noting the demise of Professor Bray, I found underneath many pamphlets and magazines my autographed copy of one of the several printed works written or prepared by Professor Bray during his tenure as the named professor. This dignified little booklet of 75 pages has the title of *Register of International Research in Accounting* and was published by the Oxford University Press in the early 1950s. It was developed from an idea of Professor Bray based on his observations of accounting research worldwide. During his years as Stamp-Martin Professor, he traveled rather extensively for an accounting professor, most of whom "stayed at home" attending to their own affairs. However, Professor Bray went to the continent a number of times, and he spent some weeks in the Far East, especially Australia, and from these travels and observations he wrote his classic *Accounting Mission*, among other works.

The principal purpose of this brief item is to furnish 1980 accounting researchers, now in generous number throughout the world, with a modest perspective on how far accounting research has come in slightly less than 30 years, based on the compilation of Professor Bray in his little booklet of 1952 and 1953. Evidently he had thought about the preparation of the *Register* for some years. He obviously also had to have a rather wide ranging correspondence and knowledge of accounting research in many countries, in order to undertake the writing of the manuscript for his printed work. As contrasted with the scores of accounting

publications today, the numerous committees and boards undertaking accounting research, and the approximately ten thousand accounting professors of the world (many of whom are engaged in a multiplicity of accounting research topics), Professor Bray could accurately state in his Foreword that "accounting is very largely an applied subject, and its development on research lines is a comparatively new and difficult undertaking. As a consequence, would-be entrants into this field are often at a loss to know where to start. The intention of this Register is to familiarize new research workers with what is already going on, and to help those already committed to keep in touch with changing ideas."

It should be observed that the booklet was a register of international research, in accounting, and not a register of international accounting research. In fact, the term "international accounting" may not have been coined by the early 1950s. Yet today, one finds it difficult to even keep up with this one sub area of accounting research.

As a practical matter, Professor Bray was not able to include all the countries of the world in his register and he made reference to the "incompleteness" of the survey. The countries referred to are New Zealand, Canada, United States, United Kingdom, Australia, France, The Netherlands, South Africa, with a majority of the items coming from the United Kingdom and the United States.

There are 38 accountancy bodies, universities, and institutions presented as sponsoring research work on accounting related subjects back there in the years after World War II. Professor Bray was able to find 111 specific topics under research at the time that he prepared his manuscript, which in the opinion of this writer, was a very sizable inventory of different topics. Naturally, it would not compare with the hundreds of subject areas nowadays; but it does show that accounting research was getting off to a good start in the limited group of countries included in the booklet.

There is an old cliché that there is "nothing new under the sun" and to some extent this is proven

accurate in examining the one hundred plus topics mentioned above. A few examples will suffice: First, our present well written upon subject of accounting for inflation, was being studied by five different persons or groups nearly 30 years ago. In fact, two whole books are noted in the *Register*. Second, social accounting was being examined by three of the researchers. Third, the long talked about accounting aspect of depreciation was receiving the attention of three investigators. Fourth, financial accounting standards and terminology had already come to the forefront, even before the APB and the FASB. Fifth, the topics relating to accounting history were receiving attention from a number of the famed researchers. Sixth, several of the research projects even 30 years ago were trying to ascertain what should be reported as periodic business income. Seventh, cost accounting was receiving the attention of 10 persons while auditing was being looked into by a slightly lesser number of seven individuals.

Some of the younger members of the Academy of Accounting Historians may be casually interested in the names of some of the American accounting researchers of the 1950-1953 era. Professor Bray had information from both seasoned and unseasoned researchers in our country such as Carman Blough, George O. May, Charles Bastable, Walter McFarland, Oswald Nielsen, A. J. Penz, Lawrence Vance, Rufus Wixon, John Wheeler, Norton Bedford, Frank P. Smith, Ralph C. Jones, and the writer of this little piece. Other prominent names that appear include Professor Herbert Greenwood of the University of Cape Town, Professor Trevor Johnston of New Zealand,

Professor W. P. Rodger of New Zealand (later knighted by her majesty Queen Elizabeth II for his many contributions to accounting), Professor Kenneth Byrd of Canada, Professor Ronald Edwards (who was also knighted by her majesty Queen Elizabeth II), Professor David Solomon (at that time with the London School of Economics and Political Science), R. A. Irish of Australia, and Mr. Bertrand Fain of France.

As a concluding note to this short human interest item, another sentence or so from the Foreword of the *Register* may well be appropriate: "A research record must always be a cooperative effort, engaged in for the purpose of providing a disinterested survey to suit the needs of all who really have the accounting subject at heart. Scholars will wish to consult a reasonably complete story, and in this respect it is our hope that we shall all become servants of one another."

(Footnote: Professor Bray served as the Stamp-Martin Professor for only a few more years after compiling his Register. He went back into practice as a partner of the internationally known firm of Tansley Witt and Company. It is hoped that someone will take the time and trouble to write a feature item on his life and contributions.)

EDITOR'S NOTE: Subsequent to the preparation of the above article, Professor Robert H. Parker of the University of Exeter has written a "memorial" for *The Accounting Review*. April, 1980, pages 307-316. This is indeed a most fitting tribute to the late Professor Bray.

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