

# Accounting Historians Notebook

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Article 16

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Fall 1984

## Accounting historians notebook, 1984, Vol. 7, no. 2 (fall) [whole issue]

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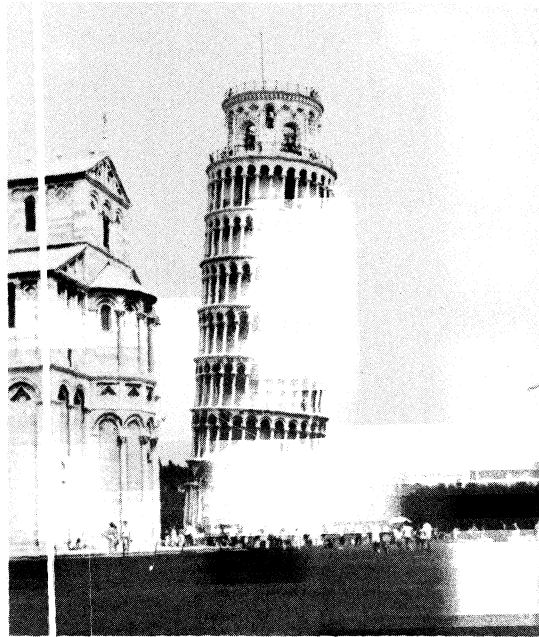


# The Accounting Historians NOTEBOOK

Vol 7, No. 2

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Fall, 1984



## PISA CONFERENCE IS MAJOR SUCCESS

Over 100 accounting historians from eighteen countries around the world met together at the University of Pisa (Italy) from August 23 through 27, 1984. This Fourth International Congress was a scholarly success in the same way that the forerunner Congresses in Brussels (1970), Atlanta (1976), and London (1980) had been. Indeed, any accounting history conference held at the University where Luca Pacioli once taught would have to be a memorable one. Professor Tito Antoni of the University of Pisa put together a program of nearly 50 papers on accounting

history topics. A list of the papers presented at the Congress appears elsewhere in this issue of *The Notebook*.

The opening ceremony featured welcoming speeches by the mayor of Pisa and the president of the University. Following the opening ceremony, delegates were escorted to an exhibit featuring rare accounting books. The earliest book was a thirteenth century volume authored by Leonardo Fibonacci (better known in the English speaking world as Leonardo of Pisa). Leonardo is

Continued on Page 3

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**MESSAGE FROM THE PRESIDENT**

The annual meeting of the trustees and the business meeting of the Academy, which were held in Toronto, Canada, August 16, 1984, were well attended. Included among the items of business considered were:

1. Academy by-laws were amended to allow for the election of a president-elect
2. The first independent auditor's (Ernst & Whinney) report of the Academy was presented.
3. The budget was approved.
4. Officers and trustees were elected.
5. The recipient of the Hourglass Award, Esteban Hernandez Esteve, was announced. Since he was not present, the award was formally presented by Gary Previts at the Fourth International Congress of Accounting Historians in Pisa, Italy the following week.

I have heard many complimentary remarks about the Fourth Congress. Our appreciation is extended to Tito Antoni for his dedicated support of this event.

To support the Academy in fulfilling its objectives, the following committees have been established;

*The Accounting History Education Committee*

Horace Givens (chairperson)

The primary objective of this committee is to determine various ways that historical accounting materials can be integrated into existing undergraduate and graduate accounting courses.

*The Membership Committee*

Bob Kozub (chairperson)

This committee's objective is to increase the membership of the Academy.

*The Hourglass Award Committee*

Gary Previts (chairperson)

Tom Johnson

Ken Most

Gail Wright

This committee is responsible for advising the president of the academy on matters relating to the Hourglass Award, including a recommendation for the recipient of the award.



There are plans to establish additional Academy committees such as a committee on the methodology of accounting history research. If you would like to serve on this or any other committee, please let me know.

The Academy has acquired a personal computer to further facilitate attaining its objectives. This computer will be used primarily by the secretary and the Accounting History Research Center (AHRC). The secretary and the AHRC are both at Georgia State University.

The Academy is committed to serving its members; therefore, we welcome any suggestions you might have concerning its operations. We look forward to hearing from you.

Edward N. Coffman

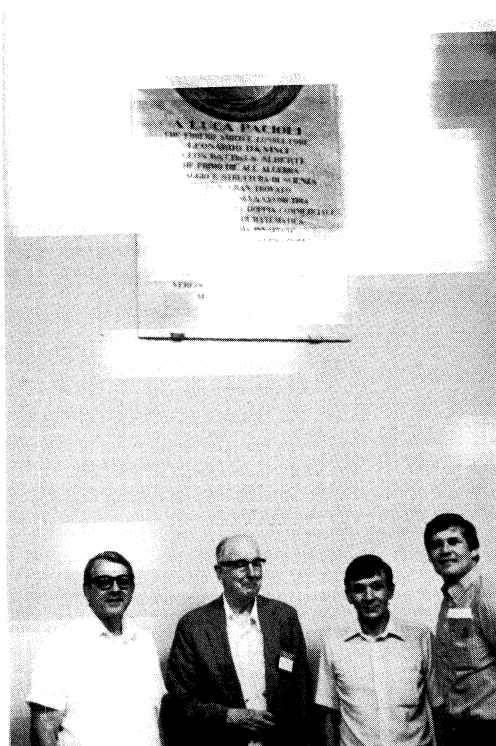
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**THE ACCOUNTING HISTORIANS NOTEBOOK**

The Academy of Accounting Historians  
Box 658  
Georgia State University  
University Plaza  
Atlanta, Georgia 30303

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Editor: Dale L. Flesher  
School of Accountancy  
University of Mississippi  
University, Mississippi 38677



Al Roberts (Georgia State), Paul Garner (Alabama), Gary Previts (Case Western), and Dale Flesher (Mississippi) pose in front of the Pacioli memorial in Borgo San Sepulcro.

credited by some scholars as being more of a contributor to the development of double-entry accounting than Pacioli, or any who followed. As a part of the registration packet, all delegates were given a heavy, three inch bronze medal picturing Leonardo on the obverse side and the dates of the Congress on the reverse.

In a dark, mortuary-like room in the University's art department, delegates were treated to a memorable sight in the form of three original copies of Pacioli's classic work, *The Summa* . . . . One copy was a first printed edition, another was a first French edition published during Pacioli's lifetime, and the third copy was handwritten, and included illustrations by Leonardo de Vinci. Leonardo de Vinci was

a professor at the University of Pisa at the same time as Pacioli.

On Friday afternoon and all day Saturday, Congress delegates attended concurrent sessions to listen to papers in a variety of areas. By Saturday night, everyone was aware of the new spirit embodying the field of accounting history. There is something about associating with the world's great scholars that inspires even the least of us to accomplish even more. Despite the early highlights of the Congress, however, the best was yet to come.

### The Home of Pacioli

The apex of the conference was the day-long Sunday bus trip through the beautiful Appenines to Borgo San Sepulcro, the

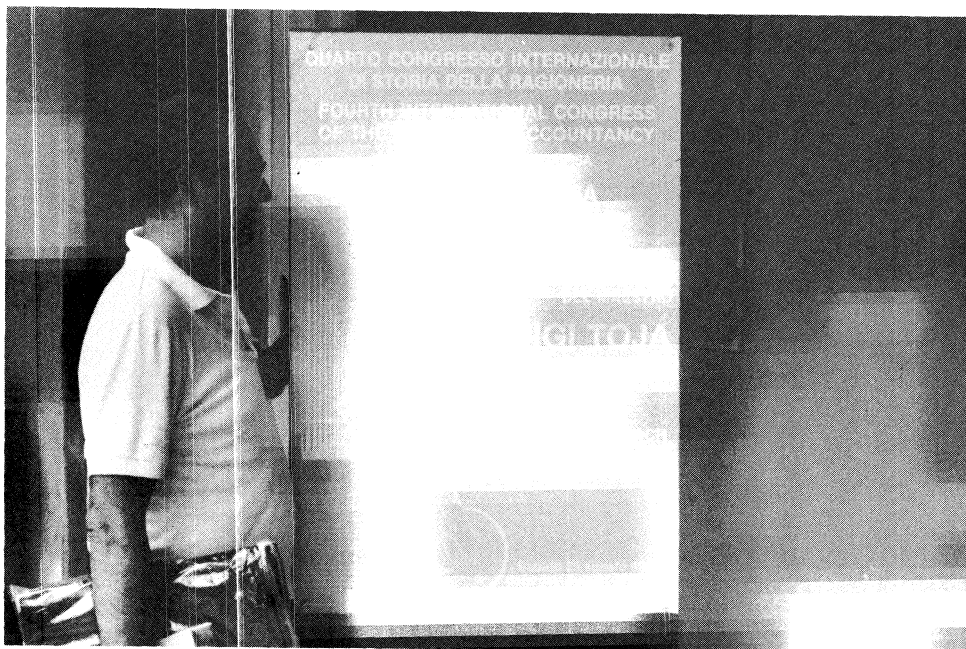
birthplace of Fra Luca Pacioli. Like pilgrims journeying to a holy shrine, three busloads of accounting historians made what is surely the most inspirational trip of their lives. Our buses were met by the eloquent and handsome mayor of the town who is a Communist. After a few welcoming speeches and the distribution of small medals honoring the father of accounting, we paused for photographs in front of the Pacioli memorial. We then walked the streets that Pacioli walked and visited the church where he lived, taught, wrote, and died. The experience was an emotional one for all those in attendance. To think that a man who was born and later died in this small mountain village could have had such an impact on the entire world is almost beyond belief. And to have been one of those lucky individuals to visit the great man's birthplace made all of us there think that we were a little bit special too.

The only thing that seemed strange to the members of our group was the lack of interest shown in Pacioli by the villagers of Borgo San Sepulcro. There were no statutes; there were not even any postcards available relating to the man. Even the history of the town listed Pacioli as only one of several famous sons—the rest being semi-famous artists with whom only the Italians in our group were familiar. The mayor and other dignitaries thought it strange that an international group such as ours would journey so far to worship a forebear whom the locals hardly knew. Indeed, this was a town rarely visited by tourists. The frequent stares and waving by the local citizens, and the lack of any other tour buses, assured us that few travelers visit what to us is a shrine. The many hours of attention by the mayor and his assistants also made us feel that pilgrims such as ourselves were rare in these parts.

At about 5:00 P.M., we reboarded the buses and passed through the gates of the old walled village. The old wall is still standing—still looking as formidable as it did when Pacioli walked within over 500 years ago. Although we were leaving Borgo San Sepulcro, we knew in our hearts that Borgo San Sepulcro would never leave us. A new spirit had been kindled in the hearts and minds of every man and woman there. We had been to the mountain where Pacioli had walked; we were indeed at a oneness with him.

After visiting the birthplace of Pacioli, the remaining day of the conference could only be anticlimatic. Even the closing banquet seemed somewhat quiet and laid back in comparison to other lunches and dinners at the conference. Perhaps the Monday night banquet was quieter because people were tired; indeed, most individuals had been in Pisa for a week and as is true at most accounting conferences, the hours had been long. Alternatively, the relaxed atmosphere at the banquet may have been attributable to the sadness brought about by the knowledge that the Fourth International Congress was at an end. It was time to say goodbye to friends both old and new. But, despite the sadness of leaving, there was still the renewed spirit, the rebirth, brought about by the trip to Borgo San Sepulcro, the walking of the halls of the University of Pisa, and the awareness of the types of research being conducted by accounting historians throughout the world. In summary, the Fourth International Congress was a memorable one for all concerned. The faculty of the University of Pisa, particularly Tito Antoni, the secretary of the Congress, deserve a tribute for all of their efforts in arranging this gala event.

## PICTURES FROM PISA



Richard Vangermeersch (Rhode Island) examines one of the posters announcing the Fourth Congress. Dick dazzled the natives with his fluent use of the Italian language.

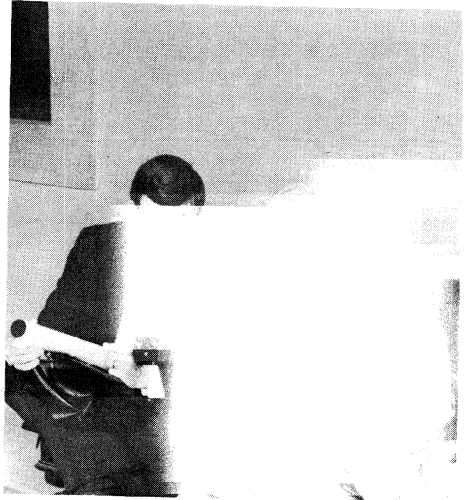


The Congress luncheons were held in the dining hall of the 500-year old Scula.

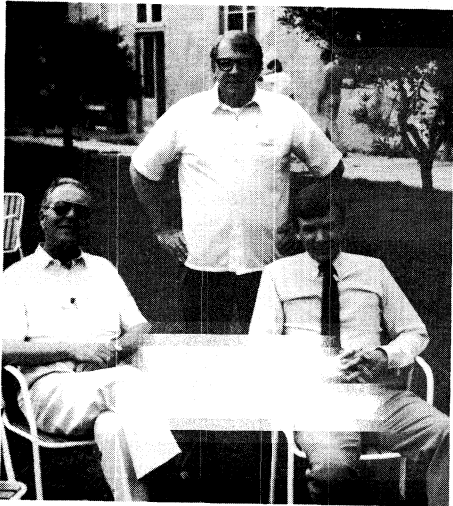
## PICTURES FROM PISA



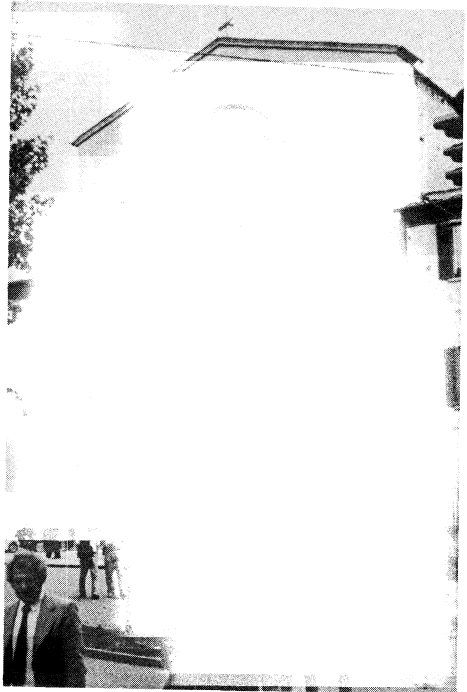
A large bronze medal honoring Leonardo of Pisa was given to all registrants.



Gary Previts discusses plans for the 1988 and 1992 Congresses with Ernest Stevelinck.

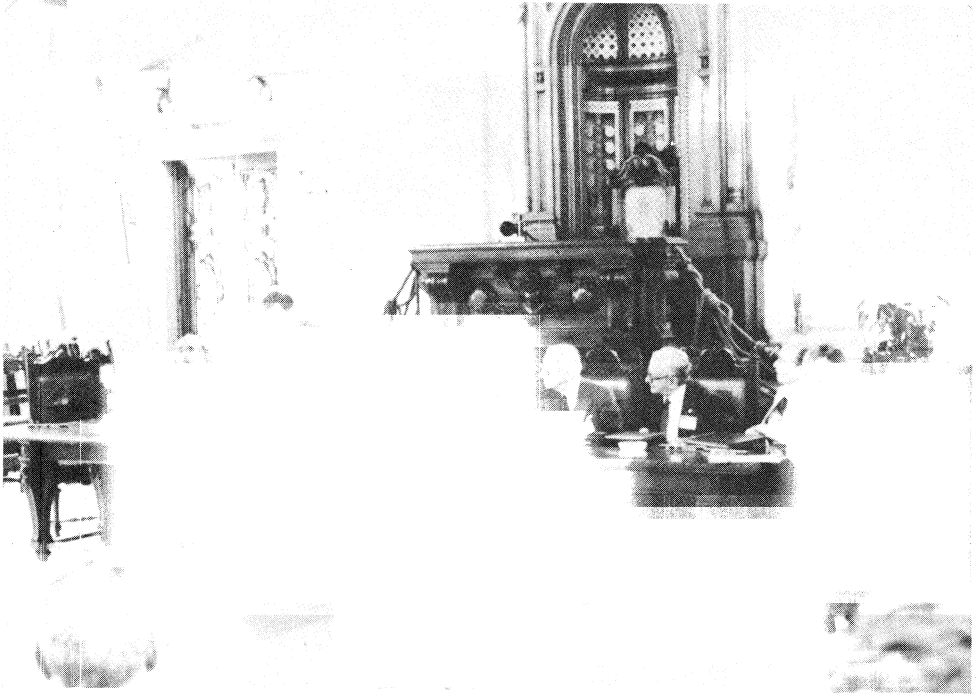


Tito Antoni (Pisa), Al Roberts (Georgia State), and Gary Previts (Case Western) relax in the courtyard outside the Scula.

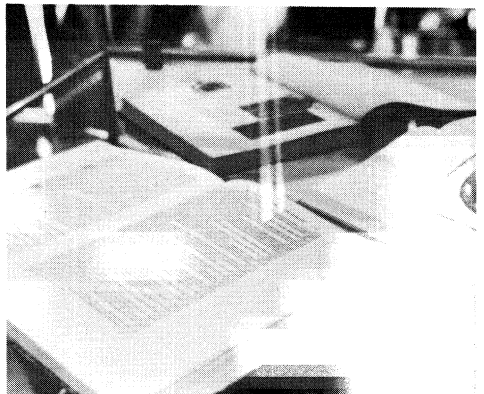
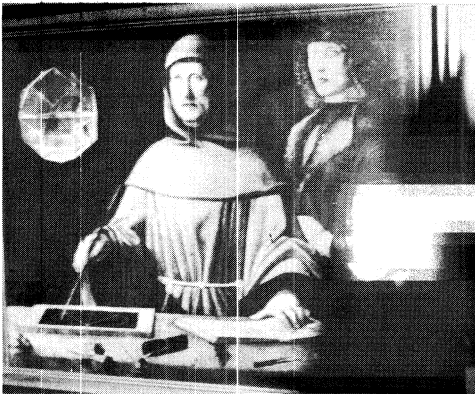


Several Congress registrants can be seen leaving Paciolini's church in Borgo San Sepulcro.

## PICTURES FROM PISA



The opening ceremony of the Congress featured speeches by several noted accounting historians and Italian politicians.



The Pacioli exhibit featured the famous painting of Accounting's Father and three original copies of his *Summa*.



## HOURGLASS AWARD WON BY ESTEBAN HERNANDEZ ESTEVE

Esteban Hernandez Esteve, the deputy general manager of the Bank of Spain, is this year's recipient of the prestigious Hourglass Award for his contributions to the history of accounting thought. The Hourglass Award is presented annually to a person(s) who has made a significant contribution to the study of accounting history. This is the first year that the award has gone to someone for publication in a language other than English.

Dr. Hernandez Esteve was born in Barcelona, Spain, in 1931. He holds an MBA degree from Barcelona (1954) and a Doctor of Science in Economics from Cologne (1964).

Dr. Hernandez Esteve is the author of two books and many articles on the subject of accounting history in Spain. His major work, the one for which the Hourglass Award was primarily made was (English translation): *Contribution to the Study of Spanish Accounting History*. One critic lauded the book with the following statement:

Hernandez Esteve presents a very well documented, scholarly work that sheds some insight on the nature of Spanish accounting history. The work is very readable and never becomes overbearing or pedantic, just content to give the reader an overview of the men who built the pyramid that is Spanish accounting. He did an exhaustive research and carefully investigated the movers and shakers, as well as the contributions of their disciples.

Dr. Hernandez Esteve was presented the Hourglass Award at the closing banquet of the Fourth International Congress of Accounting Historians in Pisa. The award was first announced at the Academy annual meeting in Toronto.

Esteban Hernandez Esteve joins an elite group of scholars by winning the Hourglass Award. Previous winners of the award include some of the leading names in accounting history research. The previous Hourglass winners, and the publications that won them the award, are as follows:



Esteban Hernandez Esteve

- 1973—Steve Zeff, *Forging Accounting Principles in Five Countries*.
- 1974—Michael Chatfield, *A History of Accounting Thought*.
- 1975—Hanns-Martin W. Schoenfeld, *Cost Terminology and Cost Theory: A Study of its Development and Present State in Central Europe*.
- 1976—Osmu Kojima and Basil Yamey, for reproduction of Ympyn's *A Notable and Very Excellent Worke* (1547).
- 1977—A. Van Severter, for translation of O. Ten Have's: *A History of Accountancy*.
- 1978—David A. R. Forrester, *Schmalenbach and After*.
- 1979—Murray Wells, *Accounting for Common Costs*.
- 1980—Gary John Previts and Barbara D. Merino, *A History of Accounting in America*.
- 1981—H. Thomas Johnson, for a series of articles on "The Development of Management Accounting."
- 1982—Williard Stone, for a series of articles on "American Accounting History."
- 1983—Richard P. Brief, for authoring many books and articles and editing 196 volumes on accounting history subjects.

## GUESS WHO CONTEST NUMBER FIVE

Although there were very few correct answers to Contest Number Four, this editor was criticized by the contest winner for making these contests too easy. However, Contest Number Five has just as many clues as previous contests.

The winner of Contest Number Four was Professor Terry Sheldahl of Millsaps College in Jackson, Mississippi, who correctly identified the boyish grin of current Academy President, Edward Coffman. This makes the third consecutive contest that Dr. Sheldahl has won. Thus, he is in a good position to argue that these contests are too easy. For those of you who have noticed that Professor Sheldahl and the editor of *The Notebook* live in the same state, let me assure you that we live over 180 miles apart and there is no way he could breach my security system. In addition, *The Notebook* is not mailed out from Mississippi; thus Professor Sheldahl is not receiving his copy of *The Notebook* earlier than other members. I think the only conclusion is that Dr. Sheldahl is a very sharp individual.

### Contest Number Five

Now—for Contest Number Five: the accompanying photo is of a former president of the American Accounting Association (that narrows the field to about 67 individuals). This individual, the author of many books and articles, has been cited as one of the greatest contributors to twentieth century accounting development.

The above clues may have been too extensive for Dr. Sheldahl, but I doubt it. Hopefully, someone else can identify this issue's picture so that I don't have to send another book to Dr. Sheldahl.

### Great New Prize

To encourage wider participation in this contest, I am changing the prize. The first correct identifier of the accompanying picture will win a copy of *The New Product Decision*, a new book coauthored by Dale and Tonya Flesher. This book would cost you \$14.95 if you were to buy it from the National Association of Accountants.



GUESS WHO?

As in past contests, there will actually be two prizes awarded—one for the first correct entry from North America and one for the first correct entry postmarked outside of North America. This policy of issuing two first prizes allows for the delay in the mail service of our foreign members. All members of the Academy are eligible to enter.

With respect to entries postmarked outside of North America, it should be noted that Professor Richard Macve of The University College of Wales was the winner of Contest Number Three. His entry was the first correct one received although it arrived nearly six months after the North American winner was received. Professor Macve received a copy of *Accounting for Advertising Assets* as his prize. Some foreign entries have already been received for Contest Number Four, but all have been incorrect.

Be sure to read this column in the next issue of *The Notebook* to learn the identity of the individual in the photo and to learn the names of the contest winners.

## MILEPOSTS: PAUL F. GRADY

by

*Wesley T. Andrews, Jr.*  
*Florida Atlantic University*

Paul F. Grady, 83, retired Partner of Price Waterhouse & Co., died on April 21, 1984 in Boca Raton Community Hospital in Boca Raton, Florida. Mr. Grady died as a result of a cerebral hemorrhage sustained on March 9, 1984.

Born in Creal Springs, Ill., on May 19, 1900, Paul Grady graduated from Marion (Illinois) High School in 1918, and, after a brief period of service in the U.S. Navy, entered the University of Illinois that year, majoring in Chemical Engineering. During his college years, he worked full time for a local restaurateur in Urbana and, by graduation, was a one-third partner in the restaurant. He was forced to change from the study of Chemical Engineering to Accounting because "the required labs in Chemical Engineering took too much time away from my work (at the restaurant)". In 1923, Grady graduated with high honors from the University of Illinois with a bachelor's degree in accounting, whereupon he accepted a position on the staff of Arthur Andersen & Co. in Chicago. In that same year, he passed the CPA Exam in Illinois. On July 1, 1932, Paul Grady was admitted to partnership in the firm of Arthur Andersen & Co.

During the second World War, Paul Grady served as executive assistant to the Secretary of the Navy, James Forrestal, with responsibility for organizing and formulating policies for the Navy Cost Inspection Service, covering the audit and authorization procedures for Navy procurement. In recognition of this service, he received the Navy Distinguished Civilian Service Medal in 1944 and the Presidential Award of Merit in 1947.

After completion of service in the Navy Department, Mr. Grady joined the firm of Price Waterhouse & Co. in New York as a partner, retiring from that firm in 1960. During his active career with Price Waterhouse, he was

director of Technical Accounting Policies of the U.S. firm.

During his long and distinguished career, Paul Grady served both his country and his profession in many ways. As a lifelong friend of President Herbert Hoover, he served on both the first and the second Hoover Commissions as Chairman of the Task Force on Governmental Lending Agencies. He was a member of the Board of Overseers of the Hoover Institution at Stanford University and a member of the Board of The Herbert Hoover Presidential Library Association in West Branch, Iowa.

As a longtime member of the AICPA, Mr. Grady rendered more than 40 years of service to that organization by way of committee work, which included serving as Chairman of its Committees on Auditing Procedure (1944-48), Practice Review (1962-63), Relation with Securities and Exchange Commission (1954-57), Relation with Bankers (1950-52), Public Utility Accounting (1939-41), Insurance Trust (1958-60), and Labor Union and Welfare Pension Funds (1957-58). He also served the American Accounting Association as Vice President in 1954.

In addition to these matters, Paul Grady was active in other areas of service, serving on the Board of Dry Dock Savings Bank in New York for 14 years, chairing a Citizens' Committee on Town Government in his community Greenwich, Connecticut and later serving on the financial advisory board of the City of Boca Raton, Florida. At the national level, he was chairman of the Council on Federal Financial Administration (1946-1949), a member of the U.S. Department of Labor's Advisory Council on Employee Welfare and Pension Benefit Plans (1964-65), and a member of the Advisory Committee to the Atomic Energy Commission on Nuclear Material Safeguards (1968-70). He was also a member of Beta Gamma Sigma, Alpha Kappa Psi and Phi Kappa Phi.

In 1959, Mr. Grady received the AICPA Gold Medal for Outstanding Service to the accounting profession and, in 1964, was elected to the Accounting Hall of Fame at The Ohio State University.

From 1961 to 1962, Mr. Grady held the position of Director of Research of the AICPA, during which time he wrote *Inventory of Generally Accepted Accounting Principles—Accounting Research Study No. 7* (1965). This study has been translated into several languages and is recognized as a landmark document in the development of accounting principles at the time.

In addition to ARS No. 7, Grady edited the *Memoirs of George O. May* (1962) and wrote *Audit Procedures—An Outline for Staff Training* (1940), along with more than 30 articles on accounting and auditing.

After retirement, Mr. Grady moved to Florida but remained active in professional pursuits. He served as a Member of the state Board of CPA's in Florida from 1968 to 1972 and was visiting professor at the University of Florida in 1965.

He received an honorary Doctor of Commercial Sciences degree from Pace College, New York City, in 1963, perhaps reflecting the realization of a lifetime interest in education, as evidenced by his continued support of his *alma mater*, the University of Illinois. The University of Illinois has recognized Mr. Grady's outstanding contribution to that institution by asking him to serve on the Professional Advisory Council of the Department of Accountancy, as well as honoring him by publication of his collected papers in the "Written Contributions of Selected Accounting Practitioners" series. Further, Mr. Grady has, over the years, supported education by providing scholarship aid to graduates of Marion (Ill.) High School and to nursing students at Marion (Ill.) Hospital. Since 1978, Mr. Grady has also served as a Member of the Professional Advisory Board of the School of Accounting at Florida Atlantic University.

Paul Grady is survived by his wife, Louese Trevor Grady of Boca Raton, Florida, two children, five grandchildren and five great grandchildren.

## THE ITALIAN SOCIETY OF THE HISTORY OF ACCOUNT- TANCY IS FORMED

At approximately 6:00 p.m. on August 27, 1984 the *Societa' Italiana di Storia della Ragioneria* formally came into being upon the adoption of a revised constitution. Dean Riccardo Varaldo of the Facolta de Economia e Commercio, University of Pisa, presided over a two hour meeting of approximately thirty people. The stated purpose of The Societa is to promote and support the study of accounting history through research, publications, collections of books and manuscripts, congresses and conventions, and other activities. In addition, The Societa is non-political and not-for-profit. Membership categories are honorary, regular and student. There will be a board of directors composed of at least nine regular members and each will serve for four years. Officers will be a president, a vice-president, a secretary and a treasurer.

While The Societa is still in its formative stage, anyone interested in information about or membership in the organization can write to:

Professor Riccardo Varaldo  
Ordinario Nell' University di Pisa  
Via Ridolfi, 10  
56100 Pisa  
Italy

# THE EFFECTS OF GERMAN INFLATION ON ACCOUNTING RECORDS

by  
*Walker Fesmire*  
*University of Michigan-Flint*

During the 1920's the German economy suffered through a terrible period of inflation. The rate of German inflation was so rapid that during the month of October 1923 only, the purchasing power of a paper mark fell from 1.0 on October 5th to 0.008 by October 31st. During the 1920's, Henry W. Sweeney was attempting to develop a model for the U.S. which would handle accounting for changing prices. In preparation for the development of his model, Sweeney reviewed the German inflationary experience to determine the weaknesses of the German system.

Sweeney found several weaknesses in the German system and he detailed several difficulties that arose for accountants during that period. He also noted the undesirable effects that the breakdown had upon the Germans and German society.

Sweeney listed the weaknesses that he found in the German system as follows:

1. The book figures became dissimilar with respect to the equivalent value of the unit in which they were expressed. A monetary amount of one month could not be properly compared with an amount in another month because the valuation unit in which the amounts were expressed (the mark) was generally worth much less in the later month.

This first effect, he decided was probably the basic cause of all the succeeding ones in a period of monetary inflation.

2. Calculations of profit and loss became incorrect. Costs and expenses in marks could not be deducted from income expressed in marks if true profits or losses were to be ascertained. Hence, false profits appeared.
3. The real economic capital of the business was not maintained. Computation of depreciation on the basis of original cost per books was one main cause. The result was that the amounts reserved represented mere minor fractions of

the purchasing powers of the amounts originally invested.

4. The accounting statements became inaccurate and misleading.
5. The net worth of each business entangled in the maelstrom of gyrating prices, false profits and feverish consumption of capital tended to show misleading increases.
6. Dividends tended to be paid from capital inasmuch as they were based, in most cases, on false book profits.
7. Income taxes likewise tended to be paid from capital.

A review of the list developed by Sweeney and a comparison of his list to recent comments heard about changing prices reveals that the problems and concerns of today are similar to those of yesterday.

SOURCE: Sweeney, Henry W., "effects of Inflation on German accounting," *The Journal of Accountancy*, February, 1928, pp. 180-91.

# METHODS AND MEANINGS OF HISTORICAL INTERPRETATION FOR ACCOUNTANCY

by  
*Gary John Previts*  
*Case Western Reserve University*

## A. Defining History

Von Mises suggests that history is an intellectual effort which resembles the audit of human activity. History deals with human action, that is, the actions performed by individuals and groups of individuals. It describes the conditions under which people lived and the way they reacted to these conditions. Its subjects are human judgments of value and the ends sought guided by these judgments, the means men resorted to in order to attain the ends sought, and the outcome of their actions. History deals with man's reaction to the state of his environment, both the natural environment and the social environment as determined by the actions of preceding generations as well as by those of contemporaries.<sup>1</sup>

History is not mere sentimental recollection or unpatterned curiosity about a few old things. It is not the study of the past for sake of studying the past. Rather, it is analytical, based upon the premise that we are our past and that an awareness of where we have been in relation to where we are will assist in determining where we ought to be. Often we find those who admonish that accounting educators should teach both the "is" and the "ought to be" of accounting. It seems important to add that teaching the "*was*" is also a significant part of a prescription for education.<sup>2</sup>

In an age characterized by "future shock," where yesterday's events merge with today and tomorrow more quickly than ever, knowledge about the transformation from what was, to what is, to what ought to be, seems necessary. The need to know more about the *was* has gained importance in order to validate contemporary accounting decisions. In our profession, which is so shaped by the weight of opinion, historical knowledge can provide a basis for

constructing a more informed position and reinforcing the importance of taking the "long view" in evaluating alternatives.<sup>3</sup>

## B. The Role of History

History as a discipline is concerned with the study of change, and the phenomenon related to that process. It manifests several modes to include:

1. Biography
2. Institutional Development
3. History of Thought
4. General Histories
5. Chronology and Data Base Research
6. Historiography (The History of History)

## C. Defining the History of Accountancy

The history of Accountancy may be classified as a social science. As in history, it attempts to provide justified interpretation, about the past, based upon evidence and rational individuals ideas, institutions, outcomes and events. It focuses on specific accounting matters such as the processes of valuation, measurement, communication and reporting of internal and external financial information for users making economic decisions. The interest in and awareness of historical research today, unfortunately seems to be limited. As Steve Zeff recently noted:

"In North America at least, one sees few young history researchers emerging from major doctoral programs . . . Historical research should be a staple in any scholarly literature."<sup>4</sup>  
How serious is this lack of interest?

What might explain this apathetic posture?

Does this lack of historical interest reduce the overall credibility and scholarly stature of our discipline?

These questions and others merit continuing consideration in our academic community.

## D. Historical Method

Concern over historical methodology is at

best an endless, although not a fruitless topic of discussion.<sup>5</sup>

In 1963 David Potter wrote in his essay *Explicit Data and Implicit Assumptions In Historical Study* a series of analytical statements reflecting six years of study by the Committee on Historical Analysis of the Social Science Research Council. As to the deficiencies in the training of historians, he observed:

Historians do not agree on whether their subject is a science, but they do virtually all agree that it has a discipline, and they are, on the whole, as proud of their discipline and as jealous of it as any other group of scholars.

Essentially, what all these people are engaged in doing is converting the raw data which pertain to history, to past human experience, into statements, which we also call "history," about this experience. In the process of formulating these statements historians constantly work with the relationships between separate items of data—relationships which pertain to the effect of one thing in leading to another (what we call "cause") or to the effect of a given condition or event in inducing a particular impulse or purpose (what we call "motivation") or to the degree of similarity or dissimilarity between given units of time in a chronological sequence or given individuals in an aggregate (what we call respectively, "periods" or "groups") or to many other kinds of relationships. In a certain sense this consideration of relationships is the chief part of their work. Yet the literature of their method and the procedures of their training give so little attention to the *systematic analysis of such relationships* that a majority of those trained in history have never confronted the general question of the nature of causation or of motivation or of group identity.

Is there a meaning to historical method? *The answer seems to be that the problem determines the method.*

What does this mean as far as accounting historical methodology is concerned? Consider the "types" of problems in the categories below.

#### E. Biography

Specifically, if one is doing biographical research what are some of the considerations? Obviously, one needs to identify a subject that would be suitable. If one is interested in a dissertation in the area of an important personality who has been a major influence and has not been adequately studied, Henry Hatfield is a perfect example. No definitive research has been completed on his contribu-

tions. He was at all appearances a major influence in the development of American accounting thought and thus in the history of American accounting.

Personal letters, published items, correspondence, reviews of the subject's published works, speeches, scrapbooks—all comprise the basic source material for biographical research. Interviews, if the individual is a contemporary figure, are also an important tool in gathering evidence. The most difficult aspect of biography, however, is to outline the goal of the biographical study in such a way as to establish flexible objectives for investigation. In Hatfield's case, for example, a study of his academic career, not his personal life would be assumed to be the object of the research. Yet how can such a division be made without losing essential insights into the character of the subject?

I have researched several biographical subjects; specifically John Wildman;<sup>6</sup> Eric Kohler;<sup>7</sup> Carman Blough;<sup>8</sup> and the Chief Accountants of the SEC.<sup>9</sup> Most have been critical, as opposed to impartial biographies. A critical biography is one wherein you guide the reader through and indicate a conclusion as to the significance of the subject and why so much is important about him. When you take the impartial view you relate the accomplishments and let the reader draw his own conclusion.

Remember Carlyle's observation? "History is the essence of innumerable biographies . . ." Biography is also rich in interdisciplinary promise. Professor Chatov's paper on the work and thought of Adolph Berle provides a good example. Berle was a lawyer and co-author of *The Modern Corporation and Private Property*.<sup>9A</sup> His influence upon Franklin Roosevelt in the formative years of the SEC is an important aspect of the evolution of modern corporate reporting.<sup>9B</sup> Berle is accorded a major share of "credit" for focusing on the reporting problems caused by the separation of owners and management of corporations. The emphasis on the changing organization and reporting made of corporations led to a proposal for broader reporting of corporate events largely through political action at the Federal level.

In another instance (The Chief Accountants of the SEC) I found an important link between the institutional "history" of the SEC and biographical findings since the role of the Chief Accountant is to recommend policy to the Commission.

No single technique, however well employed, be it an interview, correspondence, or testimony, can capture the subject of a biography in full dimension. *Human beings are a curious mixture of reason, emotion and belief.* Thus the frustration of biography—and the challenge!

#### F. Institutional History

An Institution is an established law, custom, practice system or "organization." It is a special type of entity.

Institutional history requires special assistance from within the structure or organization. It can only be successful if undertaken with a great deal of what is called "political support." This is because internal records or memoranda are not as free-flowing as public documents. Research involves the patient review of voluminous records, noting changing council membership, assessing politics and strategy amidst the changing organizational structure. Interviews with key individuals who have or had administrative responsibility in these organizations over the years is essential.

The social and political environment of the institutional study is likely to be one of the important matters which accounting historians analyze. Hypothesis testing in an institutional-historical setting is not easily accomplished. Memos and news reports may be incomplete. Witnesses may no longer be available. To date institutional histories have tended to be recollective and not rigorous.

A recollective study recently published is Olsons' history of the AICPA (1969-1980),<sup>10</sup> Edwards' "*Study of Company Legislation in the U.K.*"<sup>11</sup> and Jones' *Accountancy and the British Economy (1840-1980)* are examples of a more rigorous inquiry.<sup>12</sup> Shorter works such as Kohler's study of accounting principles and accounting societies<sup>13</sup> point out linkages between the history of thought and accounting institutions.

#### G. A History of Accountancy Thought via Schools of Thought

The history of accountancy thought considers the roots of a current notion to find out what caused it to become developed the way it is today. Why did it change? When did it change? How did it become an issue? What aspects of the environment, and what persons, dominated the arguments over treatment in the years past?<sup>13A</sup> Have those arguments changed? Interest as a cost, is an example of a topic that is of interest again now, and which has theoretical roots in value theory tracing to 19th century literature.

The designation of a school of thought is a more involved proposition. In 1977 the AAA issued a document called *A Statement on Theory and Theory Acceptance*,<sup>14</sup> which attempted (quite unsuccessfully in the author's view) to categorize major American Schools of Accounting thought. It was an heroic attempt—with little explicit method and several major omissions. My own attempts to develop a "schools" theory is contained in *Early Twentieth Century Developments in American Accounting Thought: A Pre Classical School*.<sup>15</sup>

Also worthy of note is the 1976 article by Murray Wells, in the *Accounting Review*.<sup>16</sup> Wells concludes, as I do, that the notion of "paradigm" as proposed by Kuhn<sup>17</sup> is useful in discriminating accounting theory origins. He, however, makes the same error which I did in my doctoral research—since he appears to overlook the qualifications and amendments in the "Appendix" to Kuhn's work. Kuhn initially specified that a paradigm is a type of dominant explanation. This dominance view, however, was later explicated to mean not merely a notion but more a "disciplinary matrix." In brief the dominance notion is replaced by Kuhn when he sets forth his 1969 appendix to the 1962 text. Kuhn focuses his view of history on the *disciplinary matrix*,—not a single notion. He abandons the term paradigm by noting that it has "taken on a life of its own."

All of this suggests how easily one can become embroiled in controversy over the process of structuring a theory—or a school of thought.<sup>18</sup> It also suggests that even the most prominent of scientific historians find it necessary to amend their thesis once their propositions are weighed by the community of scholars.



Overall, however, even though some find Kuhn's thesis controversial because, they allege, it slips into an uncritical relativistic mold, much remains to favor the original notion of a "paradigm" as a tool useful for historical categorization. In part it is not tainted by our prior meanings and lends itself to "schools of thought" structures. "Schools" in the history of thought are not new. It is a well established vehicle in economic history, but has been less critically employed in the history of accounting thought. Much work can and should be done to supplement and amend the existing efforts to identify schools of accounting thought and their historical origins.

As a point of conclusion a definition of a "School of Thought" is offered: A School of Thought is an *observed pattern of evolution* (1) which arose as the result of *criticism* (2) advanced to *previous patterns* (3) of thought regarding their . . . *adequacy* (4) in the face of changing conditions.

At least five reference points are discernible in this expression.

1. Reference to result, as in "observed pattern of evolution."
2. Reference to ideation, as in "criticism."
3. Reference to antecedents as in "previous patterns."
4. Reference to inquiry and judgment, as in "adequacy."
5. Reference to environment, as in "changing conditions."

#### H. General Histories

A review of the "problems" involved in undertaking a general history would require a small monograph or two.<sup>19-20</sup> Such projects require—as a down payment, the scholarly attributes of patience and energy—tempered with curiosity. A *general* hypothesis (presented or implied) is not easily constructed. In 1975, on the eve of the 1976 Bi-Centennial Celebration, I was approached to undertake such a general work as a commemorative. Barbara Merino of New York University agreed to work as my co-author. In July 1979 the work was published.<sup>21</sup>

Our implicit thesis was that American Accountancy is a unique discipline (as differentiated from British Accountancy) which evolved from a complex fabric of influences.

To this end the *Accounting Establishment* identified in the late 1970's was a manifestation of this thesis.

We further "conditioned" our research by "assigning" as our target audience—the practicing—*not the academic*, audience. This required that we avoid academic window dressing in our explications, and that we provide a "readability" not common in lengthier academic works. The "uniqueness" thesis and the "audience" specification were in fact the major decisions of our project. Once these were agreed upon, the process of searching, collecting and *interpreting* evidence was undertaken.

When our work was completed we had produced a history to deal with 5 centuries in less than 400 pages—hardly comprehensive in detail, yet judging from all but one review—we accomplished our objectives. In this sense our "method" was judged satisfactory. Of course more well known examples of general history by American authors included these four:

- A. C. Littleton, *Evolution of Accounting to 1900*
- J. D. Edwards, *History of Public Accounting in the United States*
- S. P. Garner, *History of Cost Accounting to 1925*
- Edward Peragallo *Evolution of Double Entry Bookkeeping*

To this list one must consider adding O. ten Have's *The History of Accountancy* (1972) translated into English in 1976 by A. Van Severen.<sup>22</sup>

#### I. Data Base Projects

##### Chronology, and Bibliography

These categories of historical inquiry are specialized forms of activity. They provide the "building blocks" of factual information which support the interpretive outcomes of historical work. Some examples include:

- H. C. Bentley and R. S. Leonard, *Bibliography of Works on Accounting by American Authors*. Volume I 1796-1900; Volume II 1901-1934; Reprinted by Augustus Kelley, New York 1969; Original Printing by H. D. Bentley, Boston, 1934-5.
- K. F. Skousen, "Chronicle of Events Surrounding the Segment Reporting Issue" *Journal of Accounting Research* (1970).
- S. A. Zeff "Chronology of Significant Developments in the Establishment of

- Accounting Principles in the United States" *Journal of Accounting Research* (1972).
- R. H. Parker, "Select Bibliography of Works on the History of Accounting" (Chapter 5 of *Management Accounting: An Historical Perspective*) London: Macmillan, 1969.
  - C. L. Knight, G. J. Previts and T. A. Ratcliffe, *A Reference Chronology of Events Significant to the Development of Accountancy in the United States*, Monograph 1 (1976) *The Academy of Accounting Historians*.
  - R. H. Parker, "Research Needs in Accounting History" (details over 200 books and articles on accounting history published internationally from 1969- 1977) *The Accounting Historians Journal*, Fall 1977.
  7. Evolution of the teaching of bookkeeping and accounting in colleges and universities in the Nineteenth and Twentieth centuries.
  8. Influence of the AICPA on the evolution of the U.S. accounting thought, practices and institutions.
  9. Evolution of the role and responsibility of the auditor in laissez-faire and mixed economies.

The Committee also noted that "research in accounting history with the collaboration of business and economic historians" should be encouraged.

The Committee, then the only formed entity directing historical research in accountancy, was succeeded by a permanent independent scholarly association—The Academy of Accounting Historians. Chartered in 1973, The Academy is constituted by a membership of over 500. Members represent over 20 countries. It has sponsored three World Congresses (1976, 1980, 1984). The Academy's newsletter, journal, monograph series, working papers and other activities have helped to add both breadth and depth to historical research in accounting.

Other writings related to the state of accounting history include Parker's *Bibliographies for Accounting Historians*, which contains historical lists of works from Holland, Germany, Spain as well as from English speaking countries and "*David Murray: Accounting Historian 1842-1928*" by Ernst Stevelinck.<sup>24</sup>

#### K. Sociohistorical Studies

Over time the need for accounting theorists to consider the origins of theory will likely also lead to "policy" or "standard setting" areas. As early as 1971 Steve Zeff, in his Edinburgh Lectures, developed and published a study entitled *Forging Accounting Principles in Five Countries*.<sup>25</sup> This study attempted to ascertain how the quality of financial reporting compared between different approaches in different countries. It is a method similar to the "comparative economic systems" approaches used by our brethren in the "dismal" science.

More recently—and even more to the point—in the inaugural issue of the *Journal of Accounting and Public Policy*, Merino and Neimark, develop historical evidence to challenge the Stigler-Benston thesis of

#### J. Historiography

Perhaps because of the limited term and depth of study in accounting history little work has been done on "the history of accounting history." A valuable assessment of the "state of the art" occurs in the report of the American Accounting Association's Committee on Accounting History (1970). The Committee was comprised as follows:

- S. A. Zeff, Chairman
- R. P. Brief, New York University
- Michael Chatfield, California State University, Hayward
- David Green, Jr., University of Chicago
- David F. Hawkins, Harvard University
- Richard Homberger, Wichita State University
- Maurice Moonitz, University of California, Berkeley
- Edward Peragallo, College of the Holy Cross

The Committee listed nine areas for research:

1. The evolution of last-in, first-out inventory accounting as an acceptable method of computing taxable income for Federal Income Tax purposes and its subsequent evolution as a "generally accepted accounting principle."
2. Evolution of relations among the New York Stock Exchange, and public accounting profession, and the Securities and Exchange Commission in regard to the process by which "generally accepted accounting principles" are authoritatively determined.
3. Evolution of the accounting provisions of the British Companies Acts in the context of changing economic and political conditions.
4. Effects of the "scientific management" movement of the evolution of standard cost accounting.
5. Reciprocal effects between the nature and pace of the post-World War II merger movement in the United States and the evolution of "pooling-of-interests" accounting.
6. Role of the accounting profession in the development of accounting practices for non-profit institutions.

regulatory inefficiency.<sup>26</sup> This paper provides an example of primary factual-testimonial evidence of a non-qualified type, being used to systematically address an issue.

#### L. Cliometrics

In the late 1960's "Clio," the Muse of history, was introduced to the concept of quantitative measurement (metrics); this "meeting" was opportune since charges by critics focused on the "relativism" of history due in large part to a failure to address quantifiable evidence with rigorous methods. The Annual Conference for the Application of Economic Theory and Quantitative Methods to Problems in Economic History is providing new techniques useful in addressing the concerns about historian's apparent failure to employ appropriate "quantitative" measures.

Accounting historians have been quick to seize on the technology of Cliometrics. In 1977 a dissertation by Gadis Dillon at the University of Michigan suggested that "cliometrical" applications are indeed appropriate. Dillon investigated the validity of the historical "opinion" that accounting practices in the 1920's were a significant factor in the stock market crash of 1929.<sup>27</sup> A sample of 160 firms listed on the New York Stock Exchange was selected and their accounting practices were profiled for purposes of evaluating their disclosure deficiencies and other questionable practices.

The Mann-Whitney U test of association, conducted for some 19 accounting attributes showed only one significant association at the .05 level relative to market model parameters (stock price changes) such that no substantial evidence was obtained to support the contention that deficient accounting reports were a "cause" of the stock market crash of 1929.

#### M. Methodological Criticism and Concerns

A useful critique of historical method is found in David Hackett Fischer's *Historians' Fallacies: Toward a Logic of Historical Thought*.<sup>28</sup> Fischer, a professional logician, calls for an "analytical philosophy of history." He traces the historians contempt for "logic" to Guizot's epigram that "nothing falsifies history more than logic." Fischer explains how recent authors such as Morto, White have "repaired"

the use of logic in history.<sup>28A</sup> Overall, however, Fischer will likely be unsuccessful in convincing the historical community that "logic alone" is *the method* of historical interpretation.

Methods theory in history is as controversial as valuation theory is in accountancy. The controversy is not limited to American writers either. In 1967 the Spanish historian Julian Marias proposed that history without attention to the "concept of generations" was suspect. Systematic study of generational influence and interdependency, he asserted, is only a comparatively recent concern. He points out that "We cannot *understand* the meaning of what a man said unless we know *when* he said it and *when* he lived." "Updated" reality is vague and invalid. Marios goes on to explore why we are now more in need of an "historical sense" than before—principally because cultures, lifetimes and precedents are now heavily overlapped.

So much of modern academic understanding depends upon the portrait we learn of the past. As David Potter pointed out in the essay noted above—historians justly deserve criticism for their deficiencies. But *criticism*, not *exorcism* is the point. We cannot condemn history to extinction—we *are* our past—it's influence is not separable from our current or future state. We can be better qualified to understand our current problems if we understand the *origins* of them. In short, *Beware of Henry Ford* (History Is The Bunk!)

#### Conclusion

At the Third World Congress of Accounting Historians in London (1980) W. T. Baxter's banquet address was titled "Accounting History as a Worthwhile Study." His point, as I view it, is that there is a necessary link between what *was*, *what is* and what *will be*. Consider this:

Your presence here proves that you look on history as a worthwhile study. But perhaps we should spare a moment to remind ourselves of why it is worthwhile. There are, after all, plenty of intelligent and successful men who dismiss history as a bore, and historical research as time wasted.

So why, then, are you and I such devotees of history? One answer that perhaps springs glibly to the lips is that history is useful. This, as I shall try to show is a notion that must be treated with profound caution.

Nevertheless, I believe that some aspects of accounting history are indeed useful. Thus the

beginner at bookkeeping must surely get a clearer grasp of the rules if he learns something about the origins of double-entry—origins perhaps in triangular credit transfers in an age of barter. He learns a more important lesson if he is taught that accounting was devised to keep track of personal accounts and simple physical objects such as cash, and that the income statement and balance sheet came later as mere by-products. Armed with this knowledge, he will respect his craft for what it can accomplish (a very considerable achievement), and will be cautious about extending its range. He will not be surprised if accounting seems to falter when called on to perform new and different tasks—such as predicting future income, and aiding investors to make decisions. If we have such ambitions for accounting, may we not be like a farmer who demands that his faithful old cart-horse learn the violin?

### Footnotes

<sup>1</sup>Ludwig Von Mises, *Theory and History: An Interpretation of Social and Economic Evolution*, New Haven: Yale University Press, 1957, p. 159.

<sup>2</sup>Robert Sterling, "Accounting Research, Education and Practice," *Journal of Accountancy* (September, 1973) pp. 44-52.

<sup>3</sup>Alvin Toffler, *Future Shock* (Random House, 1970). In discussing the evolution of American Education, Toffler notes the struggle waged to introduce progressive measures into the system. The advances made were attributed to John Dewey who declared, "The way out of scholastic systems that make the past an end in itself is to make acquaintance with the past a means of understanding the present." p. 401.

<sup>4</sup>Stephen A. Zeff, "A Retrospective" (Editorial) *Accounting Review*, January, 1983 p. 134.

<sup>5</sup>David Potter, "Explicit Data and Implicit Assumptions in Historical Study," in *Essays of David Potter* Don E. Fehrenbacher (Ed.), 1973, Oxford University Press p. 8.

<sup>6</sup>Gary John Previts and Richard F. Taylor—John Raymond Wildman 1878-1938 Monograph #2, The Academy of Accounting Historians, 1978.

<sup>7</sup>Robert K. Mautz and Gary John Previts, "Eric Kohler: An Accounting Original" *The Accounting Review*, April, 1977 pp. 301-307.

<sup>8</sup>Gary John Previts, "Carman Blough: architect of financial disclosure," *Journal of Accountancy*, August, 1978, pp. 83-91.

<sup>9A</sup>Adolph Berle, and Gardner Means, *The Modern Corporation and Private Property*, 1932 MacMillan, New York.

<sup>9B</sup>Robert Chatov, "Adolf A. Berle Jr. Reformer or Reactionary?" unpublished paper read at the AAA Annual Meeting, 1982.

<sup>10</sup>Wallace Olson, *Years of Trial, A History of the AICPA*, 1969-1980, New York, 1982.

<sup>11</sup>J. R. Edwards, *Company Legislation and Changing Patterns of Disclosure in British Company*

*Accounts 1900-1940*, The Institute of Chartered Accountants in England and Wales, 1931.

<sup>12</sup>Edgar Jones, *Accountancy and the British Economy 1840-1980; The Evolution of Ernst & Whinney*, Batsford, London, 1982.

<sup>13</sup>Eric Kohler, "The Development of Accounting Principles and Accounting Societies." *Handbook of Modern accounting*, New York. Prentice Hall, 1955. M. Backer, (Ed.).

<sup>13A</sup>Michael Chatfield, *A History of Accounting Thought*, Krieger, Huntington, N.Y., 1977, (Revised) p.p. 316.

<sup>14</sup>American Accounting Association, *Statement on Theory and Theory Acceptance*, Sarasota, 1977.

<sup>15</sup>Gary J. Previts, *Early 20th Century Developments in American Accounting Thought: A Pre-Classical School*, New York, Arno Press, 1978.

<sup>16</sup>Murray C. wells, "A Revolution in Accounting Thought," *Accounting Review*, July, 1976, p.p. 471-482.

<sup>17</sup>T. S. Kuhn, *The Structure of Scientific Revolutions*, Chicago: The University of Chicago Press, 1962. (1969 Appendix version).

<sup>18</sup>S. C. Yu, *The Structure of Accounting Theory*, Gainesville, University of Florida Press, 1976, p.p. 319. (See especially Chapter 4 "The Nature, Meaning, and Epistemological Foundation of Accounting Propositions).

<sup>19</sup>R. J. Schafer, (Ed.) *A Guide to Historical Method*, Homewood, Ill., Dorsey, 1969, p.p. 235.

<sup>20</sup>C. G. Gustavson, *A Preface to History*, New York, McGraw-Hill, 1955, p.p. 222.

<sup>21</sup>G. J. Previts and B. D. Merino, *A History of Accounting in America*, New York, John Wiley, 1979, p.p. 378.

<sup>22</sup>O ten Have *The History of Accountancy*, San Francisco, Bay Books, 1976, p.p. 113.

<sup>23</sup>Supplement to Volume XLV (1970) *Accounting Review*, p.p. 53-64.

<sup>24</sup>Ernst Stevelinck, "David Murray: Accounting Historian 1842-1928" *The Accountants Magazine* (U.K.) August 1972, p.p. 393-8.

<sup>25</sup>Stephen A. Zeff, *Forging Accounting Principles in Five Countries*, Champaign, IL Stipes, 1971, p.p. 332.

<sup>26</sup>B. D. Merino and M. D. Neimark, "Disclosure Regulation and Public Policy: A Sociohistoric Reappraisal," *Journal of Accounting and Public Policy*, p.p. 33-58, Fall, 1982.

<sup>27</sup>G. J. Dillon, *The Role of Accounting in the Stock Market Crash of 1929*, University of Michigan, 1977, p.p. 367.

<sup>28</sup>David H. Fischer, *Historians' Fallacies*, New York: Harper & Row, 1970.

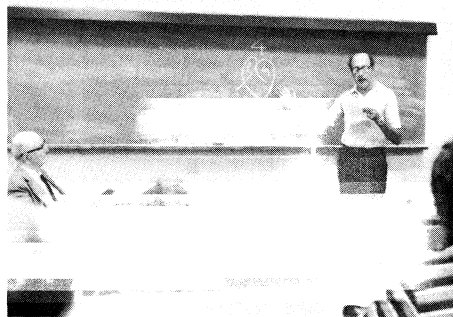
<sup>28A</sup>Morton White, *The Foundations of Historical Knowledge*, New York: Harper & Row, 1967, p.p. 299.

<sup>29</sup>Julian Marias, *Generations: A Historical Method*, 1970, University of Alabama Press, p.p. 217 (Translated by Harold Raley).

<sup>30</sup>W. T. Baxter "Accounting History as a Worthwhile Study" *The Accounting Historians Notebook*, Spring, 1981, p. 5.



Dr. Paul Garner (Alabama) prepares to introduce David Forrester (Strathclyde) during one of the concurrent sessions.



Harvey Mann (Concordia) appears to be discussing a poorly drawn valentine heart.

## PAPERS PRESENTED AT PISA

Listed below are the authors and titles of the papers presented at the Fourth International Congress of Accounting Historians in Pisa, Italy. The papers are available from the authors. In most cases, the authors' addresses are listed in the Membership Roster of the Academy of Accounting Historians. Although most of the papers are written in English, a few are available only in Italian.

Antoni, Tito (Università degli Studi di Pisa, Italy), "Leonardo Fibonacci, matematico e ragioniere."

Bloom, Robert (University of Wisconsin, Whitewater, USA) and Debessay, Araya (University of Delaware, USA), "The Evolution of FASB Statement No. 33: Financial Reporting and Changing Prices."

Castagnoli, Alberto (Consiglio Nazionale dei Ragionieri, Roma, Italy), "La Ragioneria nel mondo romano."

Catturi, Giuseppe (Università degli Studi di Siena, Italy), "L'affermazione in Inghilterra del metodo italiano di contabilità: 1700-1720."

Chow, Shin-Hao (Taichung, Republic of China), "The Development of Public Utilities Price-Rates Formulating in Taiwan, The Republic of China, During The Recent Thirty Years."

Edwards, John R. (University College, Cardiff, Great Britain), "The Origins and Evolution of the Double Account System: an Example of Accounting Innovation."

Filios, Vassilios P. (Atene, Greece), "The Transition of Systematic Accounting from Ancient to Byzantine Greece."

Flesher, Dale L. (University of Mississippi, Mississippi, USA) and Flesher, Tonya K. (University of Mississippi, Mississippi, USA), "Swedish Fraud Contributes to USA Financial Reporting."

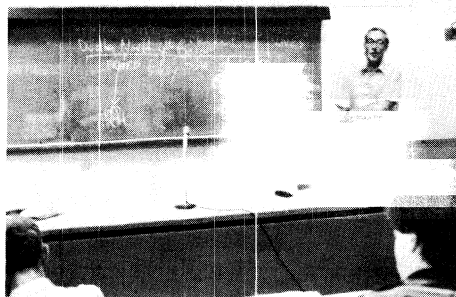
Forrester, David (University of Strathclyde, Scotland), "The Medium, Not the Message."

Gibson, Robert W. (Deakin University, Victoria, Australia), "The Role of Australian Universities in Developing and Spreading Accounting Ideas."

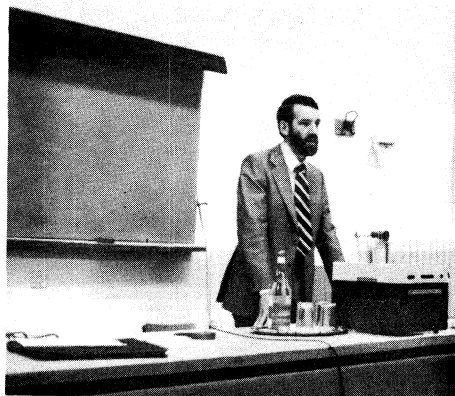
Grandell, Axel (Finland) "Was it the Viking who Introduced the Split Tally to Both East and West?"

Harrison, Brian G. (The University of Aston, Birmingham, Great Britain), "William Shakespeare's Small Accounting and Less Auditing: an Example of the Use of Imaginative Literature as a Historical Source."

Hernandez Esteve, Esteban (Banco de España), "Contabilizacion de una compra de cereales



Robert Parker (Exeter) spoke on the contributions of Roger North.



Lee Parker (Monash University) gave a brilliant oratory despite being interrupted by an overhead projector serviceman.

efectuada por un Ayuntamiento de Castilla la Vieja."

Jennings, Robert M. (Indiana University Southeast, New Albany, USA), "Financial Leverage and the Geneva Speculation."

Jouanique, Pierre (Paris, France), "La comptabilité dans les décisions de la Rote de Gênes (1528-1582)."

Kishi, Etsuzo (Hiroshima Shudo University, Japan), "Prototype of Double Entry Method by V. Mennher."

Lopes de Sa, A. (Universidade de Belo Horiyonte, Brazil), "O ciclo do ouro na Provincia das Minas Gerais no seculo XVIII."

Macve, Richard (University College of Wales, Aberystwyth, Great Britain), "Some Glosses on Greek and Roman Accounting."

Mann, Harvey (Concordia University, Montreal, Canada), "Samuel Jacobs and the Liquor Trade (1760-1765)."

Marches, Esteban (Universidad Nacional de Tucuman, Argentina), "Desarrolla y evolucion de la Contabilidad en la Republica Argentina."

Martinelli, Alvaro (Appalachian State University, Boone, North Carolina, USA), "Two Accounts from the Ledger of Paschalis de Furneto, Genoese Banker, 1340 and 1345."

Mattessich, Richard V. (University of British Columbia, Vancouver, Canada), "Fritz Schmidt (1882-1950) and his Pioneering Work of Current Value Accounting in Comparison to Edwards and Bell's Theory."

McAllister, John P. (St. Bonaventure University, New York, USA) and Mills, Geoffrey T. (University of Northern Iowa, Cedar Falls, USA), "The Economic, Social and Business Origins of Double Entry: an Investigation of the Relationship between Economic Growth Printing and Society in Early Modern Europe."

Merino, Barbara D. (North Texas State University, Denton, USA), "A Historical Analysis of the Implementation of Securities Legislation in the United States."

Moros G., Fernando (Universidad Central de Venezuela, Caracas, Venezuela), "Los tecnologias contables en el devenir histórico de las aplicaciones de la contabilidad."

Mumford, Michael J. (University of Lancaster, Great Britain), "The Origins of Consolidated Accounts."

Otar, Ismail (Istanbul, Turchia), "Risale—I Felekiye: Kitâb-us-Siyagnat."

Parker, Lee D. (Monash University, Melbourne Australia), "The Classical Model of Control in the Accounting Literature, 1900-1979."

Parker, Robert H. and B. R. Pearson (University of Exeter, Great Britain), "Roger North: Gentleman, Accountant—and Economist."

Peragallo, Edward (College of the Holy Cross, Worcester, USA), "Transference of Funds and Settlement of Obligations as portrayed in the 15th Century Ledger of Jachomo Badoer, A Venetian Merchant."



Kathy Merino, Barbara Merino (North Texas State), Fran and Gary Previts (Case Western) relax after a hard day of attending the concurrent sessions (or shopping).

Pezzoli, Sandro (Università degli Studi di Firenze, Italy), "Dalla teoria del conto alla teoria dei sistemi di scrittura."

Roy Kuldip K. (Calcutta, India), "Accountancy in Indian Antiquity."

Schneider, Dieter (Ruhr-Universität, Bochum, West Germany), "Origins of the Theory of Management Accounting."

Serra, Luigi (Cassino, Italy), "Angelo Pietra, benedettino, ragioniere."

Seventer, A Van (Palo Alto, California, USA), "Searching for an Author."

Tanaka, Akiyoshi (Tokyo Kezai University, Japan) and Jinnai, Yoshiaki (Fukuoka University Tokyo, Japan), "The Japanese Contribution to the Theory of the Development of Accounting."

Tessier, André (Comité International des Historiens de la Comptabilité, Bruxelles, Belgium), "L'organisation financière et comptable de la Papauté Avignonnaise (1305-1376)."

Tomasin, Giancarlo (Venezia, Italy), "La nascita della professione contabile nel XVI secolo, a Venezia."

Villalobos de Nucete, Mireya (Universidad Central de Venezuela, Caracas, Venezuela), "Evolución histórica de la contabilidad en Venezuela."

Yamey, Basil S. (London School of Economics and Political Science, Great Britain), "The Scuola Palermitana: some notes on Flori, Pugliesi and Varnei."

Those delegates attending the conference were provided with one-page abstracts of each paper. Gary Previts (Case Western Reserve University) has announced that for a fee of \$5 to cover postage and copying, he will provide copies of the abstract package to interested Academy members. As mentioned in the opening paragraph, copies of the complete papers are generally available only from the authors.

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John Coker

Tennessee State University

There has recently been a renewal of interest in advertising by certified public accounting firms. For many years (1922 until 1977), most forms of advertising were prohibited by the AICPA or its predecessor, the AIA. In 1977, however, the United States Supreme Court eliminated a rule banning advertising by attorneys on the grounds that such a rule violated First Amendment rights. This led to a relaxing of the rules concerning advertising by CPA's. Presently, CPA firms advertise in magazines, newspapers, and even on radio. This increase in public visibility and the forms which today's advertisements have taken tend to arouse one's curiosity about the advertising which took place prior to its prohibition in 1922.

This paper will seek to examine the types of advertising relating to accountants and accounting services in the first few months of 1914. This particular year was selected since it was the first year in which federal income tax returns were required to be filed. It was felt this development would lead to increased advertising by the profession and its competition during this period, although it could not be determined that this was actually true. Further, the year 1914 came in the midst of the decade leading up to 1922, the year in which advertising was prohibited by the AIA. This was a time of debate concerning advertising by the profession and the literature of 1914 reveals this.

Since all newspapers, magazines, etc., could not be examined, a choice had to be made. *The Wall Street Journal* was chosen to represent a business publication and *The New York Times* was chosen since it was a publication with a good reputation in a major city. *The Memphis Commercial Appeal*, Jackson's *Clarion-Ledger*, *The Tupelo Daily News*, and *The Oxford Eagle* were all selected since they were the papers representing the surrounding area. Not surprisingly, *The New York Times* yielded more

examples of advertisements than did any of the other papers. In fact, the Tupelo and Oxford papers carried no advertisements for accountants all during this period. The remaining papers carried very few. From this one can surmise that most of the advertising done by accountants of the period was done in the large city newspapers.

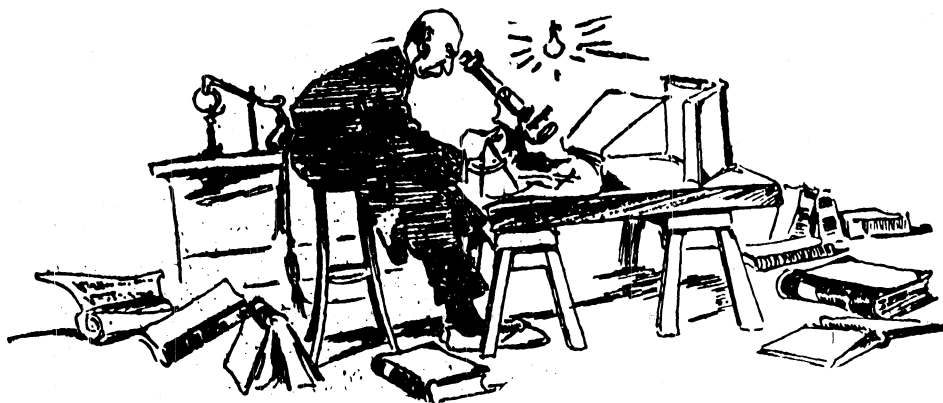
## The Advertising

The year was 1914, and for the first time Americans were required to file the dreaded Form 1040. The form was required to be filed by March 1, 1914, reporting income, etc., for the period from March 1 through December 31, 1913. Thus, as noted by the political cartoon in *The New York Times*, the citizens' thoughts turned towards income taxes during the first two months of 1914 (see Exhibit 1). Some accountants sought to take advantage of this new demand by mentioning their tax services in their advertisements. Note the advertisements in Exhibit 2, which appeared in the classified section of *The New York Times* in January. Both income taxes and the fact that accountants were certified are mentioned. The first advertisement (M. Miller) must be awarded high marks for originality and imagination.

In discussing advertising by accountants, it is useful to examine some advertisements placed in newspapers by non-accountants promoting their services. Many banks, trust companies, trust departments of banks and investment companies also advertised their ability to fill out the returns or to assist in filling out the returns (see Exhibits 3 and 4). Note the advertisement for A. B. Leach & Co. in which they offer to furnish "Form 1041." Aside from tax services, "audit companies" advertised their "wares" by offering audit services, appraisals, cost systems, and other services (see Exhibit 5). Such companies were not at all popular with the certified accountants of the day and were cited as one reason certified



For the long winter evenings: that new indoor  
game—figuring out the income tax.



Source: *The New York Times*, 1 February 1914, p. 16.

Exhibit 2

**Classified Advertisements**

- (1) A.-A.-A.-ACCOUNTANTS  
C E R T I F I E D. (N.Y.)  
C onscientious, efficient Service. Books  
O pened, balanced, closed, written  
U p and audited. Special examinations.  
N ew, up-to-date office and cost systems  
T hat minimize work and create the  
A ccurate, dependable, worth-while records  
N ecessary to obtain maximum profits.  
T ax reports, profit & loss statement, balance  
S heets. M. Miller, 149 B'way. Cortlandt. 7887.
- (2) A.-A.-A.-ACCOUNTANT. CERTIFIED—  
Simplified systems installed, books opened,  
closed, audited, written up; special examinations  
and investigations conducted; financial  
statements and income tax returns rendered;  
personal service, work confidential; rates  
moderate. Louis Gross. 132 Nassau St., N.Y.  
Phone Beekman 2780.
- (3) INCOME TAX RETURNS  
Prepared by experienced certified accountant.  
Reasonable. Douglas, 831 Singer Building.

Source: *The New York Times*, 16 January 1914, p. 17.

Exhibit 3

**FIDUCIARIES**

**Guardians, Trustees, Executors**

Form 1041, just issued by the Treasury Department,  
must be used in reporting the annual net income, in  
accordance with

**Federal Income Tax Law**

This return, covering the period from March 1st to  
Dec. 31st, 1913, must be filed with the Internal Revenue  
Collector on or before **March 1st, 1914**.

We are prepared to furnish Form 1041.

*Write or call if interested*

**L A. B. Leach & Co.**  
Investment Securities  
149 Broadway, New York

Chicago	Philadelphia	Buffalo
Boston	London, Eng.	Baltimore

Source: *The New York Times*, 16 January 1914, p. 12.

Exhibit 4

**Your Income Tax Report**

The Treasury Department has issued Form 1040, which all individuals subject to the income tax must fill out and file by March 1st, 1914.

Our Income Tax Department will be glad to assist you in preparing your own personal report, and will welcome the opportunity to answer any questions which may perplex you.

**Guaranty Trust Company of New York**

140 Broadway

Fifth Avenue Branch,  
5th Ave. & 43rd St.

London Office  
33 Lombard St., E.C.

\*\*\*\*\*  
\*\* INCOME TAX DEPARTMENT \*\*  
\*\* W e are prepared to assist our depositors and \*\*  
\*\* others in filling out the certificates required \*\*  
\*\* by the Treasury Department regulations in \*\*  
\*\* connection with the collection of coupons and \*\*  
\*\* registered interest, and in preparing their annual \*\*  
\*\* returns of income, which must be filed with the \*\*  
\*\* Collector of Internal Revenue on or before March 1st. \*\*  
\*\* We should be glad to talk with you in regard to this \*\*  
\*\* matter. \*\*  
\*\* **Franklin Trust Company** \*\*  
\*\* Borough of Brooklyn, City of New York \*\*  
\*\* Main Office 165 Montague Street \*\*  
\*\* Fulton Street Office, 560 Fulton Street \*\*  
\*\*\*\*\*

Source: *The New York Times*, 16 January 1914, p. 13.

Exhibit 5

**THE BALANCE SHEET**  
Audits and examinations of Accounts. Appraisals of values of Land, Buildings and Machinery. Reports and recommendations on economies in Factory Operations. Financial and Cost Systems of Account.

**THE AUDIT COMPANY OF NEW YORK**

Auditing, Appraising, Efficiency, Systems.  
165 Broadway, New York. 39 So. La Salle St., Chicago.

Source: *The New York Times*, 4 February 1914, p. 14.

accountants should advertise. That is, the profession desired to educate the public as to the differences in qualifications of certified accountants and audit companies.

One of the more interesting types of advertisements were those by certain individuals (non-accountants) and stationery houses concerning protesting payment of income taxes (see Exhibits 6 and 7). This is noteworthy for two reasons: (1) protests and non-payment of taxes due to claims the laws are unconstitutional have become more common in recent years, and (2) this was the first year income taxes would have to be paid. Apparently, quite a number of people were not going to give up without a fight.

Finally, the most common type of advertisement for certified accountants was the "tombstone" advertisement (see Exhibit 8). While lacking flair and imagination, this advertising format was the one considered acceptable and proper by most of the certified accountants of the day.

Exhibit 6

**PRECISELY HOW?**

THE BLANK "FORMS" WHICH ARE FURNISHED BY INCOME TAX COLLECTORS, TO BE USED BY PERSONS AND CORPORATIONS IN MAKING OUT INCOME TAX RETURNS, ARE ALL DEFECTIVE, IN RESPECT OF WHAT IS PRINTED ON THEIR FACES AND THEIR BACKS, AND ALSO IN RESPECT OF THE BLANK AFFIDAVITS, TO WHICH THE PARTIES MAKING THE RETURNS ARE SUPPOSED TO SWEAR. UNLESS THOSE DEFECTS ARE CORRECTED WITH A PEN, IN EACH CASE, ANY PARTY USING ANY OF THOSE "FORMS" WILL BE LAYING A FOUNDATION FOR OVER-TAXATION, OR WILL BE SWEARING ERRONEOUSLY, OR BOTH.

TO ENABLE ANY PERSON OR CORPORATION TO MAKE THE NECESSARY CORRECTIONS, I HAVE PERFORMED MANY DAYS OF HARD LABOR, IN ANALYZING EACH OF THOSE "FORMS," AND IN WRITING A DETAILED DIRECTION EXACTLY HOW TO CORRECT AND MAKE OUT A RETURN, ON EACH OF THE EIGHT "FORMS," WHICH ARE FURNISHED FOR EIGHT CLASSES OF PERSONS AND CORPORATIONS, RESPECTIVELY.

I HAVE PUBLISHED THAT WRITING AS PART II, OF MY SECOND INCOME TAX PAMPHLET, WHICH IS ENTITLED "THE UNCONSTITUTIONAL CHARACTER AND THE ILLEGAL ADMINISTRATION OF THE INCOME TAX LAW." PART I, PROVES THOSE FAULTS, BEYOND ALL REASONABLE DOUBT; AND PART III, PRESCRIBES FIVE REMEDIES THEREFOR.

A COPY OF THAT PAMPHLET CAN BE PURCHASED ONLY AT MY OFFICE, EITHER BY MESSENGER OR BY MAIL, AND ONLY FOR ONE DOLLAR. MY ADDRESS IS: ALBERT H. WALKER, Park Row Building, New York.

Source: *The New York Times*, 22 February 1914, p. 6.

Exhibit 7

**Income Tax  
 Protests  
 Account Books  
 Certificates  
 Returns**  
**H. K. Brewer & Co.**  
 New York's  
 Leading Stationers  
 58 Liberty Street

Exhibit 8

**William A. Smith & Co.**  
**Certified Public Accountants**  


---

 510-11 BANK OF COMMERCE AND TRUST COMPANY  
 LONG DISTANCE TELEPHONE 3487  
 MEMPHIS, TENNESSEE  


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**Bank Examinations**  
**Commercial, Manufacturing and**  
**Municipal Accounting**

Source: *The Commercial Appeal*, 2 January 1914, p. 17.

**Your  
 Income Tax Return  
 Due March First**  
 must include interest from bonds and, under certain conditions, dividends from stocks. Our Statistical department will be glad to assist you in the preparation of your return, or furnish information upon specific points.  
**Hornblower & Weeks**  
 42 Broadway, New York  
 Boston Chicago Detroit  
 Providence Newport Hartford

*Protect your clients by  
 providing them with an*  
**INCOME TAX PROTEST**  
 For use by individuals with form 1040. Also A PROTEST FOR CORPORATIONS prepared by Counsel for N.Y. Trust Cos.  
 ALL FORMS AND BOOKS carried in stock.  
**The Corporation Stationer, Inc.,**  
 Telephone Rector 1976  
 409 Broadway New York

Source: *The New York Times*, 22 February 1914, p. 6.

When looking at the previously mentioned advertisements as a whole, it is difficult to discern why some accountants were so upset by them, unless they objected to any advertising whatsoever. The answer, probably, is that advertising and solicitations were viewed as one and the same by accountants of this era. Unfor-

tunately, examples of solicitations are hard to find since the most objectionable form was a letter sent directly to a prospective client or a direct call upon his place of business.

**The Arguments**

The year 1914 seems even more appropriate for analysis since in August of that year *The Journal of Accountancy* carried an "editorial" consisting of three letters from CPA's concerning advertising. Their letters are made more pertinent when one considers that they consist of many of the arguments used today in discussing advertising by accountants.

One writer, John Alexander Cooper, CPA, compared advertising required by businesses with the advertising required (or not required) by professions. according to Cooper, professionals generally did not advertise since their reputations are based on the goodwill of one's colleagues. Cooper concluded by pointing out that accounting was a "young" profession and was still striving for recognition by the public as a true profession. Anything done by the accounting profession that "cheapens the standing of your colleagues" would inhibit the development of accounting as a profession.<sup>1</sup>

Edward E. Gore, CPA, favored advertising by accountants. The business versus profession argument was noted, but Gore felt accounting was more like a business than a profession and that the public could not equate an accounting firm with a medical or law firm. He stressed that no one could blame a small firm or an individual CPA for advertising to become well-known. Acknowledging that most CPA's would prefer not to advertise, he notes, "this feeling

of propriety is an excellent tonic for the conscience, but it does not make ribs less visible when one bathes."<sup>2</sup> In other words, even the small practitioner had to eat. Gore's point was that what was good for the practitioner is not necessarily good for the profession, and that advertising was the only way individual practitioners could combat "monopolization of the best business by the large organizations." He closed his letter with the following paragraph.

In the preparation of this paper the writer has endeavored to put himself in the place of the accountant who advertises because he *needs* to advertise. Viewing things from that position one must concede that advertising has nothing about it of which to be ashamed. As it is practiced by the majority, accountancy is more a business than a profession, and should be regulated by business rather than by professional ethics. When accountancy is established as a learned profession and is recognized as such by the public it will be time enough to be horrified by advertising indulged in by its practitioners.<sup>3</sup>

The last respondent, E. G. Shorrock, CPA, advocated the need to educate the public about the benefits to be derived from the use of a CPA. He also felt that prohibiting advertising by CPA's would give an undue advantage to accountants who are not CPA's. He states:

There are few things that would give greater pleasure and satisfaction to the "outside" accountant than the spectacle of the "insiders" voluntarily hanging around their necks a millstone in the shape of a policy concerning advertising the effect of which, if it were strictly followed, would be to restrict their liberty of action in the selection of methods of business development.<sup>4</sup>

Shorrock thought accountants had an ethical responsibility to advertise, pointing out that as long as there were people to whom accountants' services would be valuable and who had not yet availed themselves of these services, accountants would be lacking in their duty to those people if the profession did not make an effort to inform them that accountants could be of use to them. He uses the following analogy:

If a doctor, passing the scene of an accident in which someone had been injured, should fail, in the absence of other skilled assistance, to offer his services, he would surely be guilty of a breach not only of humanitarian principles but also of the ethical principles of his profession. And if the accountant, by reason

of his conception or misconception of the proprieties, neglects to make himself known to those who need such assistance as he can render but who are ignorant of his ability to give that assistance, he is surely neglecting the interests of the public, of the profession and, incidentally, of himself.<sup>5</sup>

To achieve this public education, Shorrock advocated advertising by the "American Association" (AIA) in the form of leaflets or booklets addressed to various classes of clients. Thus, in summary, Shorrock favored informative advertising administered on a large scale by the national association of certified public accountants.

### Conclusion

The advertisements utilized by the CPA's, for the most part, were unimaginative although quite "respectable," making no claims of special expertise. It further seems these CPA's did not recognize what a boon to the profession the new income tax law was to become since very few of the accountants mentioned anything about the tax in their advertisements. The investment companies and bankers (perhaps a more experienced advertising group), on the other hand, jumped into the fray with both feet. And, of course, there were any number of individuals and organizations willing to tell the public how to protest payment of any income taxes at all. These were only the visible signs of promotion. It was impossible to glean from the materials examined the impact of circulars, letters, or direct calls on individuals and businessmen concerning their needs for an accountant's services.

The arguments for and against advertising by accountants are basically the same ones put forth today. Even though the surroundings have changed, the old reasoning has merit, i.e., the public still needs to be made aware of the services accountants can offer and educated as to what different audit opinions mean.

### FOOTNOTES

<sup>1</sup>"Should Accountants Advertise?" editorial, *The Journal of Accountancy*, Vol. 18, No. 2 (August 1914), p. 93.

<sup>2</sup>*Ibid.*, p. 95.

<sup>3</sup>*Ibid.*, p. 100.

<sup>4</sup>*Ibid.*, p. 102.

<sup>5</sup>*Ibid.*, p. 103.

**BUSINESS ARCHIVES WITH POTENTIAL**

Several years ago, the Academy's Archives Committee compiled the following list of business archives which seem to have potential for accounting history research. Since this list has not been made generally available, it is being printed here for the benefit of those members who are looking for an accounting history data base.

The list is incomplete in that it includes only those corporate archives discovered by the committee. Most of these are in the North-eastern United States because the majority of committee members were from that area. Therefore, the list needs to be updated. Readers who are familiar with other corporate archives are encouraged to make the information known to the editor of *The Accounting Historians Notebook*.

- Abbot Laboratories*, North Chicago, Illinois, 60064. 312-688-2513. W. A. Southern, Manager, Information Services. Established 1971; material from 1888.
- Allied Chemical Corporation*, P.O. Box 1057-R, Morristown, New Jersey, 07960. 201-455-2000. E. J. Malkiewich, Manager-Records & Document Security. Material from 1880.
- Allis-Chalmers Corporation*, 1205 South 70th Street, P.O. Box 512, Milwaukee, Wisconsin, 53201. 414-475-2000. Harold Hopkinson, Supervisor—Catalogs & Special Requests, Promotion Services, Corporate Communications. Established 1930's; materials from 1850.
- Aluminum Company of America*, 425-6th Avenue, 1501 Alcoa Bldg., Pittsburgh, Pennsylvania, 15219. 412-553-4545. Mrs. Anna G. Lydon, Supervisor, Records Service. Established 1949; materials from 1886.
- American Motors Corporation*, 14250 Plymouth Road, Detroit, Michigan, 48232. Established 1946; materials from 1902.
- AMSTAR Corporation*, 1251 Avenue of the Americas, New York, New York, 10020. 212-489-9000. Gail Hurwitz, Corporate Librarian. Material from 1850's.
- Anheuser-Busch, Inc.*, 721 Pestalozzi Street, St. Louis, Missouri, 63118. 314-577-2179. Douglas A. Bakken, Archivist. established in 1971; materials from 1854.
- Armstrong Cork Company*, Liberty & Charlotte Streets, Lancaster, Pennsylvania, 17604. 717-397-0611, ext. 2258. Miss Marianne K. Ditzler, Coordinator, Managerial Reference Service. Established 1947; materials from 1860.
- Avon Products Inc.*, 9 West 57th Street, New York, New York, 10019. 212-593-5375. Christine Karpevyck, Supervisor of Library and Archives. Established 1972; materials from 1886.

- Bank of America NT & SA*, B of A Archives #3218, P.O. Box 37000, San Francisco, California, 94137. 415-622-4997. O. G. Wilson, Archivist. Established in 1958; materials from 1904.
- Bausch & Lomb, Inc.*, Lincoln First Tower, Rochester, New York, 14602. 716-338-6000. Margaret B. Blass, Chief Librarian. Materials from 1853.
- Canadian National Railways*, P.O. Box 8100, Montreal, H3C 3N4, Quebec, Canada, 514-877-4242. J. Heckman, Manager, Administrative Systems Planning. Established 1963; materials from 1830.
- Carnation Company*, 5045 Wilshire Blvd., Los Angeles, California, 90036. 213-931-1911 ext. 384. Glenn S. Thompson, Archivist. Established 1964; material from 1899.
- Cleveland Electric Illuminating Company*, P.O. Box 5000, Cleveland, Ohio, 44101. J. H. Santone, Supervisor, General File Unit. Established 1949; materials from 1900.
- The Coca-Cola Company*, P.O. Drawer 1734, Atlanta, Georgia, 30301. 404-897-3491 or 3492. Wilbur G. Kurtz, Jr., Archivist. Established 1941; material from 1886.
- Corning Glass Works*, Corning, New York, 14830. 974-9000. Miss Judith A. Lavin, Archives Custodian. Established 1973; materials from 1868.
- E. I. DuPont de Nemours & Co. Inc.*, Wilmington, Delaware, 19898. 302-774-2421. Established 1950; materials from 1801.
- Eastman Kodak Co.*, 343 State Street, Rochester, New York, 14650. 716-724-4726. Miss Gail A. Freckleton, Historical Information Specialist. Established 1949; materials from 1876.
- Field Enterprises, Incorporated*, (publishing), 401 N. Wabash Avenue, Chicago, Illinois, 60611. Janice B. Lewis, Librarian. Established 1964; materials from 1876.
- Firestone Tire & Rubber Company*, 2930 West Market Street, Akron, Ohio, 44313. 216-867-8220. Mr. R. E. Wilkins, Director, Corporate Research and Planning Division. Established 1943; materials from 1900.
- The Ford Archives*, (Ford Motor Company & Henry Ford Family), The Edison Institute, Henry Ford Museum, Dearborn, Michigan, 48121. 313-271-1620. Henry E. Edmunds, Director of Ford Archives. Established 1953; material from 1832.
- Goodyear Tire and Rubber Company*, 1144 E. Market Street, Akron, Ohio, 44316. 216-794-7649. Mrs. Cecil R. Norman, Archivist. Established in 1905; material from 1900.
- Gulf Oil Corporation*, 439 Seventh Avenue, Pittsburgh, Pennsylvania, 15230. 412-391-2400. Edward Cox, Supervisor. Established 1965; materials from 1915.
- H. J. Heinz Company*, P.O. Box 57, Pittsburgh, Pennsylvania, 15230. 412-237-5757. Material from 1869.

- Illinois Central Gulf Railroad*, 233 N. Michigan Avenue, Chicago, Illinois, 60601. 312-565-1600. T. L. Atkins, Manager, Records Management. Established 1943; materials from 1851.
- International Harvester Company*, 401 North Michigan Avenue, Chicago, Illinois, 60611. 312-670-2108. James D. Henn, Corporate Archivist. Established 1971; materials from 1831.
- Johnson & Johnson*, 501 George Street, New Brunswick, New Jersey, 08903. 201-524-0499. T. J. Murphy, Director of Museum. Established 1929; materials from 1886.
- Lever Brothers Company*, 390 Park Avenue, New York, New York, 10022. 212-688-6000. Mrs. Francis Hagen, Archivist. Established 1949; materials from 1899.
- Eli Lilly and Company*, 307 East McCarty Street, P.O. Box 618, Indianapolis, Indiana, 46206. 317-216-2173. Mrs. Helen L. Davidson, Archivist. Established 1956; materials from 1876.
- McGraw-Hill, Inc.*, Library-18, 1221 Avenue of the Americas, New York, New York, 10020. 212-997-4000. Jean A. Guasco, Chief Librarian. Established 1958; materials from 1860's.
- Marathan Oil Company*, 539 South Main Street, Findlay, Ohio, 45840. 419-422-2121. Dwight J. Snyder, Supervisor, Records Management. Established 1938; materials from 1879.
- May Department Stores Company*, 611 Olive Street, St. Louis, Missouri, 63101. 314-436-3300. Julia O'Neil, Manager, Information Center. Established 1969; materials from 1890.
- The Maytag Company*, 403 West 4th street N., Newton, Iowa, 50208. 515-792-7000. Mrs. L. P. Duncan, Records. Established 1959; materials from 1893.
- Merck and Company*, Rahway, New Jersey, 07965. 201-381-5000. Mary Lou Nelson, Forms and Records Manager. Established 1948; materials from 1887.
- Minnesota Mutual Life Insurance Company*, 345 Cedar Street, St. Paul, Minnesota, 55101. Secretary of the Company. Materials from 1880.
- Molson Breweries of Canada Limited*, 1555 Notre Dame Street East, Postal Address Box 1600, Place d'Armes, Montreal, Quebec, Canada. Mabel Tinkiss Good, Archivist. Established 1955; materials from 1535.
- Morton-Norwich Products, Inc.*, 110 North Wacker Drive, Chicago, Illinois, 60606. 312-621-5244. Mrs. Evelyn S. Kanarek, Librarian. Established 1946; materials from 1848.
- Mutual of New York*, 1740 Broadway, New York, New York, 10019. 212-586-4000. Mrs. Janet Stoller, Librarian. Material from 1834.
- New York Life Insurance Company*, 51 Madison Avenue, New York, New York, 10010. 212-576-6027. V. de Krane, Public Relations Associate. Established 1955; materials from 1845.
- Peoples Gas Light and Coke Company*, 122 South Michigan Avenue, Chicago, Illinois, 60603. 312-431-4000. James M. Canty, Superintendent of Archives. established 1939; materials from 1850.
- Procter & Gamble Co.*, P.O. Box 599, Cincinnati, Ohio, 45201. Mr. R. C. Eagen, Archivist, Public and Community Relations Department. Established 1957; materials from 1837.
- Rockefeller Family Archives*, 5600 30 Rockefeller Plaza, New York, New York, 10020. 212-247-3700. Joseph W. Ernst, Archivist. Established 1954; materials from 1856.
- Rohm and Hass Company*, Independence Mall West, Philadelphia, Pennsylvania, 19105. 215-592-3000. Anna T. Kong, Records Services Supervisor. Established 1974; materials from 1809.
- The Royal Bank of Canada*, P.O. Box 6001, Montreal, Quebec, H3C 3A9, Canada. 874-6647. Mrs. Sue Daken. Materials from 1864.
- Sears, Roebuck and Company*, Dept. 703, Sears Tower, Chicago, Illinois, 60684. 312-875-8321. Mrs. Lenore Swolskin, Director of Archives. Established 1955; materials from 1888.
- E. R. Squibb & Sons, Inc.*, P.O. Box 4000, Princeton, New Jersey, 08540. 609-921-4740. Mr. Julian Aurelius, Part-time "Curator." Established 1950; material from 1860.
- Standard Oil Company (Kentucky)*, P.O. Box 1446, Louisville, Kentucky, 40201. Central Records. Established 1965; materials from 1900.
- Sun Oil Company*, 240 Radnor-Chester Road, St. Davids, Pennsylvania, 19087. 215-985-1600. Woodruff E. Benson, Manager, Records Management. Established 1972; materials from 1884.
- Texaco, Inc.*, 135 East 42nd Street, New York, New York, 10017. 212-953-6917. Kenneth E. McCullam, Historian. Established 1950; materials from 1867.
- Union League Club*, 38 East 37th Street, New York, New York, 10016. 212-685-3800. Guy St. Clair, Librarian and Curator. established 1863; materials from 1863.
- Union Mutual Life Insurance Company*, P.O. Box 548, Portland, Maine, 04112. 207-775-4111, ext. 347. Patricia H. Collins, Librarian. Established 1965; materials from 1848.
- Universal Oil Products Company*, 10 UOP Plaza, Des Plaines, Illinois, 60016. 312-391-2392. James F. Hannum, Manager, Central Record Center. established 1957; materials from early 1800's.
- Washington Gas Light Company*, 110 H. Street, N.W., Washington, D.C., 20005. 202-624-6386. Marc L. Davis, Librarian. Materials from 1848.
- Washington Mutual Savings Bank*, 1101 Second Avenue, P.O. Box 834 (mailing), Seattle, Washington, 98111. 206-464-4501. Materials from 1895.
- Western Electric Company*, Room 1642, 195 Braodway, New York, New York, 10007. 212-571-5115. Mrs. Young Hi Quick, Reference Librarian. Established 1942; materials from 1869.

# MINUTES OF ANNUAL BUSINESS MEETING

Business Meeting—August 16, 1984, St. George Room (East), Holiday Inn—Downtown, Toronto, Canada, 9:10 a.m.

President Coffman welcomed the members and summarized the discussion at the Trustee's meeting (see Report of Trustees' meeting).

Treasurer Vangermeersch distributed copies of the financial statements to the members present and answered questions regarding them. He noted that this was the first time the accounts had been audited and that the books are kept on a cash basis. He then presented the financial plan for 1985 which, after the discussion, was approved by the members.

Secretary Roberts presented some membership statistics. As of June 30, 1984, the membership was:

	Individual	Institutional	Total	%
Domestic	259	137	396	70
Non-domestic	104	62	168	30
Totals	<u>363</u>	<u>201</u>	<u>564</u>	
%	64	36		100

Members reside in 26 countries in addition to the United States, and 45 states plus the District of Columbia and Puerto Rico are represented. Membership at this time in 1983 was 540 and 591 by December. The membership seems to be moving toward 600. The split between domestic and non-domestic remains almost constant but there is a continuing shift from individual to institutional.

No proposals were made to change the dues structure for 1985. Therefore, the 1985 dues will remain at \$20.00.

A motion was made and seconded to approve the amendments to the by-laws (See Report of Trustees' meeting). Kenneth Most proposed the original motion be amended to include a change requiring that the financial records of the Academy be kept on the accrual basis. This was seconded and, after discussion, was defeated. The original motion carried.

The following nominees were presented to the membership:

#### OFFICERS (one-year term)

President: Edward N. Coffman (Virginia Commonwealth)

President Elect: Mervyn W. Wingfield (James Madison)

Vice-President: Dale L. Flesher (Mississippi)

Vice-President: Eugene H. Flegm (General Motors)

Treasurer: Kenneth O. Elvik (Iowa State)

Secretary: Alfred R. Roberts (Georgia State)

#### TRUSTEE (three-year term)

Richard P. Brief (NYU)

Doris M. Cook (Arkansas)

Lee D. Parker (Monash)

Leonard Spacek (Arthur Andersen & Co., Ret.)

(See Note 1).

It was moved, seconded and the slate was approved.

The 1984 Hourglass Award went to Esteban Hernandez Esteve, Banco de Espana—Madrid, for his book *Contribution Al Estudio De La Historiografia Contable En Espana*. This is the first non-English publication to receive the award. Since Mr. Hernandez was not present at the meeting, Gary Previts was asked to present it to him at an appropriate time during the Fourth International Congress of Accounting Historians held in Pisa, Italy, August 23rd through 27th. (See Note 2).

Paul Garner described the arrangement for the Fourth Congress and noted the items on the program. President Coffman had prepared a letter to Professor Tito Antoni, Secretary of the Congress, sending best wishes for a successful Congress in the name of the Academy.

Kenneth S. Most, Editor of *The Accounting Historians Journal*, commented on the transfer of the editorship to himself from Ed Coffman. (See the report attached). He thanked all who are involved in the publication of *The Journal* and commented on proposed changes in the format.

President Coffman reported for Don-Rice Richards, Editor of The Working Paper Series, who could not attend. He noted that Volume 3 of the working papers is out and will be available soon. It contains Working Papers 41 through 60. Working Papers 61 through 64 are or will soon be available. He noted that the editorial board of the series has helped to insure that the papers published will continue to improve in quality.

Dale Flesher, Jim Gaertner and Dale Buckmaster reported on their publication areas. (See Report of Trustees' meeting). Committee





## MINUTES OF TRUSTEES' MEETING

Trustees' Meeting—August 16, 1984, St. George Room (West), Holiday Inn—Downtown, Toronto, Canada, 7:30 a.m.

Present—Maureen H. Berry, Richard P. Brief, Dale Buckmaster, Edward N. Coffman, Norman X. Dressel, Kenneth O. Elvik, Eugene H. Flegm, Dale L. Flesher, Horace R. Givens, Paul Frishkoff, James F. Gaertner, H. Thomas Johnson, Robert M. Kozub, Barbara D. Merino, Kenneth S. Most, Gary John Pervits, Alfred R. Roberts, Hanns-Martin W. Schoenfeld, Ross M. Skinner, Richard Vangermeersch

President Coffman opened the meeting at 7:30 a.m. and welcomed the group.

Treasurer Vangermeersch presented a comparative financial report for the calendar years 1980 through 1983 and report of financial activities from January 1 through June 30, 1984. The reports encompassed the General Fund, Endowment Fund, Working Papers Fund and Monograph Fund. All of the funds except the Working Papers Fund are controlled by the Treasurer. The Working Papers Fund is controlled by the editor of the Working Papers Series. A suggestion was made that the Working Papers Fund should also be controlled by the Treasurer. The suggestion will be considered by the President.

Audited financial statements for the calendar years 1980, 1981, 1982 and 1983 were presented. The audit was performed by Ernst & Whinney and an amount has been budgeted for an annual independent audit. A budget for calendar year 1985 was presented and approved.

Upon examination of the financial statements, questions were raised about the investing and publishing activities of The Academy and several suggestions were put forth. Treasurer Vangermeersch suggested that an investment committee be appointed to guide any long term investments. President Coffman is to address this issue before the next annual meeting. Concern was expressed that more needs to be done to increase the circulation of the Working Papers Series Volumes and the items in the Monograph series. Also, more effort should be directed toward increasing

Academy membership and the readership of *The Accounting Historians Journal*.

During the year President Coffman appointed committees to address the problems of membership and accounting history education. The Membership Committee includes:

Robert M. Kozub (Chm.), University of Wisconsin—Milwaukee  
James L. Boockholdt, University of Houston  
Robert P. Crum, Pennsylvania State University  
Dahli Gray, Oregon State University  
Rasoul H. Tondkar, Virginia Commonwealth University.

The charge to the committee is to increase the quantity of membership of The Academy. Chairman Kozub said he would endeavour to increase membership in all areas but especially among practitioners, institutions and students.

The Accounting History Education Committee members are:

Horace R. Givens (Chm.), University of Maine at Orono  
Abdel M. Agami, Old Dominion University  
Edward A. Becker, University of North Carolina—Wilmington  
Robert Bloom, Concordia University  
Gadis J. Dillon, University of Kentucky  
Hans V. Johnson, University of Tulsa  
Robert H. Raymond, University of Nebraska

The charge to the committee is to determine ways that historical accounting materials can be integrated into collegiate accounting courses at the graduate and undergraduate levels. Chairman Givens indicated that he had several projects already planned and they would be developed during the year.

The following proposed amendments to the by-laws of The Academy were presented:

1. Provision for a President-Elect:  
Article III.1. add after ... a President, *a President Elect*,  
Article III.3. add after ... of President, *President-Elect*,  
Article IV.1. add after ... shall be discharged by the *President-Elect or*  
Article IV.2. add after ... 2. *The President-Elect and*
2. Provision for price-level adjustment of the \$1,000 disbursement limit to formalize

the resolution of the Trustees at the August 6, 1981 meeting. "The \$1,000 limit on expenditures (Art. IV.4.) shall be interpreted to mean \$1,000 in 1974 dollars price-level adjusted to current dollars using as the index the Consumer Price Index-Urban (CPI-U). The CPI-U for August 1974 was 149.9":

Article IV.4. add after ... \$1,000 (*price-level adjusted from August 1974, using the CPI-U index*).

3. Provision for an annual financial plan:  
Article IV.5. add after ... appropriate fashion. *The Treasurer shall prepare an annual financial plan for presentation to the membership at the annual business meeting.*

The proposal was accepted (moved by Paul Friskoff and seconded by Norman Dressel).

Secretary Roberts stated that the membership continues to make small growth each year and it did not appear, from the renewal in membership and the new members acquired, that an increase in dues would be necessary for the next year. He requested that the non-officer position of Assistant Secretary be approved by the Trustees. It was moved, seconded and approved. His colleague at Georgia State University, Professor Elliott L. Slocum, has agreed to act in this capacity.

Kenneth S. Most, Editor of *The Accounting Historians Journal* discussed some of his plans for raising the quality and circulation of *The Journal*. Dale L. Flesher, editor of *The Accounting Historians Notebook* requested that he be kept posted on member activity and he is always looking for articles and news items. Professor Flesher was complimented on the appearance and quality of *The Notebook*. James J. Gaertner, Editor of the Monograph Series, stated that *Monograph No. 4* "Selected Papers From The Charles Waldo Haskins Accounting History Seminars" is now available and has had good reception. Dale Buckmaster, editor of The Classic Reprint Series, assumed the position recently from Gary Previts and will have a progress report at the next meeting.

Norman X. Dressel, Director of The Accounting History Research Center, stated that the dedication of the center will be delayed. It was scheduled for November 1984 but it will now take place in November 1985. It is expected that the AHRC will be in new, larger quarters by then. He stressed the need for guidance from the membership as to how the center should function. During 1984 a newsletter, *Scripturis*, was initiated and will be published twice a year at irregular intervals. Several collections were received during the year and due to space limitation in the Center a storage locker is to be secured.

The Fourth International Congress of Accounting Historians, is to be held in Pisa, Italy from August 23rd to the 27th. It is anticipated that bids will be made there to hold future congresses. A Fifth Congress is scheduled to be held in Sydney, Australia in 1988. This was agreed upon at the Third Congress in London in 1980. A representative from Japan has indicated that a Sixth Congress, to be held in 1992 in Japan, will be proposed. The Trustees gave Secretary Roberts authority to support the Japanese bid for 1992.

With regard to future Trustee and Officer meetings, it was suggested: that the meeting be allocated more time; that more meetings be scheduled; that due to the size and functions of The Academy strategic discussions will be needed; that officers meet more frequently; and that phone surveys of the Trustees be conducted during the year on major matters.

The Trustees and Officers expressed their great appreciation to Richard Vangermeersch for the outstanding way in which he performed the functions as Treasurer. Kenneth O. Elvick has agreed to assume this position as of August 16, 1984.

President Coffman thanked all those who had devoted their time and effort during the past year. The meeting was adjourned at 9:00 a.m.

Respectfully submitted,  
Alfred R. Roberts  
Secretary

# HISTORY IN PRINT

- Baldouni, Vahe, "Charles Lamb: A Man of Letters and A Clerk in the Accountant's Department of the East India Company," *Collected Papers of the SE/AAA* (1984), pp. 194-198.
- Collins, Michael, "The Business of Banking: English Bank Balance Sheets, 1940-80," *Business History* (March 1984), pp. 43-58.
- Creighton, Philip, *A Sum of Yesterdays: Being A History of the First One Hundred Years of the Institute of Chartered Accountants of Ontario* (Institute of Chartered Accountants of Ontario, 69 Bloor Street, East Toronto, Ontario, M4W 1B3), 400 pages.
- Dittenhofer, Mortimer A., "Internal Auditing: Past, Present, and Future," *The Internal Auditor* (June 1984), pp. 66-74.
- Esteve, Esteban Hernandez, *Tras las buellas de Bartolome Salvador de Solorzano, autor del primer tratado espanol de contabilidad por partida doble (Madrid 1590)* (*Revista de Derecho Mercantil*, number 167-168, Madrid, 1983), pp. 125-166.
- Filios, Vassilios P., "A Concise History of Auditing 3000 B.C.-A.D. 1700," *The Internal Auditor* (June 1984), pp. 48-49.
- Gray, O. Ronald and Richard V. Calvasina, "A Review of Accounting Records and Memoranda for an Early Defense Contract Dispute: The Samuel Kee Navy Contract 1826," *Collected Papers of the SE/AAA* (1984), pp. 204-207.
- Kaplan, Robert S., "The Evolution of Management Accounting," *The Accounting Review* (July 1984), pp. 390-418.
- Kessler, Stuart, "The Will of George Washington," *The CPA Journal* (January 1984), pp. 22-31.
- Lee, Thomas E., Editor, *Professors of Accounting at the University of Edinburgh—A Selection of Writings 1919-1983* (Edinburgh, Scotland: Department of Accounting and Business Method, University of Edinburgh, 1983), 118 pages.
- McGee, Robert W., "The History of the Income Tax in the United States," *Occasional Paper No. 69*, Deakin University, Victoria, Australia.
- McMickle, Peter, "Young Man's Companion of 1737: America's First Book on Accounting?," *Abacus* (June, 1984).
- Mints, Frederic E., "From the Editor's Desk," *The Internal Auditor* (June 1984), pp. 24-28.
- Moran, Mark and Gary John Previts, "The SEC and the Profession, 1934-84, the Realities of Self Regulation," *Journal of Accountancy* (July 1984), pp. 68-80.
- "The National Budget," J of A Revisited, *Journal of Accountancy* (February 1984), pp. 106-108.
- Reich, Gary, *Financier: The Biography of Andre Meyer* (New York: William Morrow and Company, Inc., 1983), 396 pages. \$15.95.
- "Ringing in the New—Recollection of New Years Past," J of A Revisited, *Journal of Accountancy* (January 1984), pp. 108-109.
- Seligman, Joel, *The Transformation of Wall Street: A History of Securities and Exchange Commission and Modern Corporate Finance* (Boston: Houghton Mifflin Company, 1982), 701 pages.
- Slocum, Elliott L. and Kathryn C. Buckner, "Women and the Accounting Profession— to 1950," *Collected Papers of the SE/AAA* (1984), pp. 199-203.
- "Theory and Practice," J of A Revisited, *Journal of Accountancy* (February 1984), pp. 137-138.
- Tinius, David E., "Dinner at Mrs. Murphy's Cafe," *BETA ALPHA PSI Newsletter* (Spring 1984), pp. 1-2.
- Tinsley, James A., *Texas Society of Certified Public Accountants: A History, 1915-1981*, Revised Edition (College Station: Texas A&M University Press, 1983), 221 pages.
- Turner, Mark A., "Robert H. Montgomery," *Collected papers of the SE/AAA* (1984), pp. 189-193.
- "What Manner of Man is the Average Accountant?," J of A Revisited, *Journal of Accountancy* (April 1984), pp. 114-116.
- Zeff, Stephen A., "Some Junctures in the Evolution of the Process of Establishing Accounting Principles in the U.S.A.: 1917-1972," *The Accounting Review* (July 1984), pp. 447-468.

## LETTERS SELL AT AUCTION

Dr. Robert W. Gibson of Deakin University (Victoria, Australia) submitted the following news item which he clipped from the September 5, 1984, issue of the *London Daily Telegraph*. Dr. Gibson notes that this is a good example of the difficulties of keeping such archival collections together and available for study. Fortunately, copies are available in a British library.

### LETTERS SELL FOR £53,000

The Corsini correspondence, a unique 17th century archive of international trading, the dispersal of which has been criticised by economic historians, was sold by Christie's in London yesterday for £53,816.

The 1,000 or more letters addressed to the Corsini brothers, Florentine merchants in Gracious or Gracechurch Street in the City of London between 1569 and 1601, were auctioned without reserve but in many cases bidding exceeded expectations.

The letters had been sent to the Corsinis by 340 different correspondents in England and across Europe. They were sold on behalf of an anonymous European nobleman and the best fetched several hundred pounds apiece.

Among them, a letter dispatched from Exeter by Giacomo Mannucci, an agent of Walsingham, dated 1581, referred to a pirate who had captured and then wrecked a ship carrying Corsini goods. It was estimated at £200 and went for £350.

### Great fire

One of the most expensive lots, which more than trebled expectations when it made £700, was a letter from Plymouth 12 years later concerning a deal over a parcel of 253 elephants' teeth.

Other highlights included a letter about Newfoundland fish in short supply and "dearer than ever" which was knocked down for \$500, the same price as a note inviting one of the Corsinis to Sudeley Castle where Queen Elizabeth I was staying.

Mr. Robson Lowe, the auctioneer, said he understood the archive to be the only commercial one known to have survived the Great Fire in 1666 and it had been copied for future study by the manuscript department at the Guildhall Library.

The auction had brought the correspondence to life again, he said, and its dispersal to collectors and historians plus the record made of it was preferable to "its burial in its entirety in the cellars of a museum."

## PAPERS PRESENTED AT AAA MEETING

Listed below are several accounting history papers which were presented at the American Accounting Association annual meeting in Toronto. Abstracts of the papers were published in the convention *Proceedings*.

Cunningham, Billie M. and Rasoul H. Tondkar, "An Historical Analysis of Selected Aspects of Antitrust Legislation as it Pertains to the Accounting Profession."

Flesher, Dale L. and Tonya K. Flesher, "Ivar Kreuger's Contribution to U.S. Financial Reporting."

Fleischman, Richard K. and R. Penny Marquette, "The Role of Accountancy in Municipal Reform: A History of Leadership in the Progressive Movement."

Jacobsen, Lyle, "Early Accounting Data Bases of the Pacific: Knotted Cords in the Ryukyu Islands."

Merino, Barbara D., "An Historical Analysis of the Implementation of Securities Legislation to Determine Regulatory Intent."

Moran, Mark J., "The Evolution of Government Regulation of Accounting Standard Setting."

Parker, Lee D., "An Historical Analysis of Ethical Pronouncements and Debate in the Australian Accounting Profession."

Taylor, Charles W. and James W. Davis, "The Historical Development of the Concept of A Relevant Range in Cost-Volume-Profit Analysis."

## ODE TO AN EXPIRING LEDGER

So, my Ledger, you are filled! No rule, nor  
pen,  
Shall disturb your mouldering folios again.  
Never more shall human beings in great  
rages  
Chase elusive Trial balances through your  
pages;  
And the undiscovered errors—not  
corrected—  
Will, I'm satisfied, now never be detected.  
From *The Book-Keeper*, October, 1900.

## ACCOUNTING HISTORY EDUCATION COMMITTEE

### Report

August 31, 1984

The Accounting History Education Committee was formed in June, 1984 with the following members:

Abdel Agami, Old Dominion University  
Edward Becker, University of North Carolina at  
Wilmington  
Robert Bloom, Concordia University  
Gadis Dillon, University of Kentucky  
Hans Johnson, University of Tulsa  
Robert Raymond, University of Nebraska-  
Lincoln  
Horace Givens, Chairman, University of Maine  
at Orono

The Committee is charged with:

1. Determining the status of course offerings in accounting history in the United States and abroad.
2. Determining ways in which accounting history materials can be integrated into course offerings.
3. Developing means for the dissemination of the findings of the committee and suggestions for the integration of accounting history topics in traditional courses.

Members of the Committee present met in Toronto and made plans to survey two groups in regard to the present state of history courses and the teaching of history topics. Members of the Academy will be receiving a questionnaire in the next few months and are requested to return these as soon as possible. In addition, the Committee will be surveying heads of departments to obtain additional information.

The Committee has just begun its activities and would be most appreciative of any suggestions, comments or other input from Academy members. Many faculty are injecting history topics in different ways. The Committee would be very interested in hearing what you are doing.

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### MANUSCRIPTS AND SHAGGY DOG STORIES

Anyone wishing to submit article manuscripts, short notes, cartoons, shaggy dog stories, letters to the editor, or other filler to THE ACCOUNTING HISTORIANS NOTEBOOK should send the material to the editor, Dale L. Flesher, School of Accountancy, University of Mississippi, University, MS 38677.

## SYDNEY, AUSTRALIA—1988

The Fifth International Congress of Accounting Historians is scheduled to be held in Sydney, Australia, from August 21 to 24, 1988. The accounting faculty at the University of Sydney is in charge of the arrangements.

The Fifth congress will be held concurrently with Australia's Bicentennial Celebration. Consequently, accounting historians will want to begin planning now for what is destined to be an outstanding accounting conference (this means start saving your pennies).

Individuals who wish to make suggestions for the Australia Congress should send their comments to the Congress coordinator:

Professor Murray Wells  
Department of Accounting  
University of Sydney  
Sydney, N.S.W. 2006  
Australia

In addition, Historians who are members of the American Accounting Association may want to contact Paul Gerhardt at Association headquarters in Sarasota and officers of the Association to encourage them to schedule the 1988 AAA meeting in Hawaii or on the West Coast. A Western location would facilitate travel to Australia and cut down on travel expenses.

BE SURE TO SEE THE  
SPECIAL ACCOUNTING  
HISTORY  
METHODOLOGY  
ARTICLE WHICH BEGINS  
ON PAGE 13.