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The Accounting Historians NOTEBOOK

Vol. 8, No. 1

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Spring, 1985

WILLARD J. GRAHAM: A RENEGADE ACCOUNTANT

by

Grover L. Porter, University of Mississippi

Harold Q. Langenderfer, University of North Carolina

While it may be somewhat unconventional to use the term "Renegade" in a positive sense, that is the way the authors are using the term to refer to the late Willard J. Graham who died in 1966. We are using the term to mean "one who rejects tradition" when to do so is in the best interests of the cause. In this case, the cause is to assure that "The information presented in accounting reports should be useful for making decisions" (10, p. 17). And, in fact, Graham used the term "Renegade" to refer to himself in a memorandum that he wrote to the members of the Committee on Accounting Concepts and Standards of the American Accounting Association while serving as Chairman of that organization wherein he referred to some "Random Reflections of a Renegade" on current costs (6). Again, he referred to himself as a "Renegade" in a paper presented before the American Society of Women Accountants (15). Those of us who knew him as graduate students and/or colleagues have fond recollections of this unique gentleman. The feelings for Graham by those

fortunate enough to have studied under him or worked with him are best expressed by this comment by a former student: "He was a great one!" (18).

Moreso, we think that his efforts to advance accounting are not as widely known or recognized as they should be. The primary purpose of this paper, therefore, is to communicate some selected "Reflections of a Renegade" to the membership of the accounting profession. In doing so, we think that the wisdom contained in his contributions will become more widely recognized and accepted by academic and practicing accountants alike.

Graham had diversified interests that extend beyond the boundaries of this paper. Those broad interests are best expressed by a handwritten note that he scribbled on the cover of the *Tax Revision Compendium* which reports the hearings in Washington on the tax law that he participated in during 1959 which stated: "World We Have—World We Want" (3). Since we do not have enough space to consider the breadth of his interests

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MESSAGE FROM THE PRESIDENT

During the last year a number of changes have been made in organizational matters of the Academy that we hope will allow for an even more efficient organization. Some of the changes that have been mentioned previously include the establishment of the office of president-elect, the initiation of an independent audit, the preparation of an annual financial plan by the treasurer, and the acquisition of a personal computer. The Accounting History Education Committee, the Membership Committee, and the Hourglass Award Committee were also established.

More recently established committees are the Accounting History Research Methodology Committee and the Nominations Committee. The Accounting History Research Methodology Committee will be chaired by Lee Parker; other members of this committee are Vahe Baladouni, Araya Debessay, Yoshiaki Jinnai, and Mike Mumford. The Nominations Committee will be chaired by Al Roberts; other members of the committee are Dick Brief, Tom Johnson, Gary Previts, and Hanns-Martin Schoenfeld. The organizational chart has been redesigned, which provides the basis for the operations of the Academy and reflects many of the changes above. It is presented elsewhere in this *Notebook*.

Reports from the chairpersons of the various committees of the Academy indicate that they are actively pursuing their objectives. As an example, Bob Kozub, chairperson of the Membership Committee, recently mailed all of us a letter asking us to help his committee to increase the membership of the Academy by recruiting at least two members. This appears to be a reasonable request and if we could do this the membership would triple.



As you are aware, the Academy is committed to serving its members; therefore, we welcome any suggestions you might have concerning its operations. Also, if you would like to get more involved in the activities of the Academy, please let me know.

I sincerely hope that many of you plan to attend the Academy's annual business meeting that will be held during the American Accounting Association meeting in Reno, Nevada on August 19-21, 1985. It will be nice to see you.

Edward N. Coffman

THE ACCOUNTING HISTORIANS NOTEBOOK

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GUESS WHO CONTEST NUMBER FIVE—AGAIN

Contest Number Five was apparently too difficult for you. There had been many entries for each of the preceding contests, but there were no legitimate entries for Number Five (A couple of Academy officers made guesses, but these were incorrect). Because of the lack of entries, the same picture appears again, but with additional clues.

As stated in the previous issue of THE NOTEBOOK, the individual pictured was a former president of the American Accounting Association (a fact that narrows the field to about 67 individuals). It was also stated that he was the author of many books and articles and has been cited as one of the greatest contributors to twentieth century accounting development. Since these clues were insufficient, I will add the following additional clues. The individual pictured was president of the American Accounting Association prior to 1950. That narrows the field to about 31 persons. The individual is now deceased. During his career as an educator he wrote at least 23 books (including what was to become the most widely adopted accounting textbook of all time). Despite this prolific outpouring from the pen of an accounting educator, he is probably best remembered as a practitioner.

The above clues are surely adequate to inform every reader who the individual is in the picture. If you are the first to send in the correct identification, you will receive a valuable prize. That prize is a copy of a book entitled THE NEW PRODUCT DECISION which was 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 prizes allows for the delay in the mail service of foreign members. All members of the Academy (except for officers and trustees) are eligible for the prizes.

Additional Mystery and Time Limit

Unlike previous contests, this one is going to have a time limit. Winning entries must be postmarked prior to November 15, 1985. The reason for this deadline is because something is going to happen in December that will tell everyone who the individual in the picture is. Now, this is a real mystery—what could happen in December that would enable each and every one of you to identify the person pictured?

Put on your thinking caps and send your entry to Dale Flesher at the editorial address.

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ADVANTAGE OF SKILLFUL BOOKKEEPING

If a merchant wishes to get pretty deeply in debt, and then get rid of his liabilities by bankruptcy - if, in fact, he proposes to himself to go systematically into the swindling business, and engage in wholesale pecuniary transactions without a shilling of his own, the first thing he should take care to learn would be the whole art of bookkeeping. From what may occasionally be seen of the reports of the proceedings in bankruptcy, it is found that *well-kept books* are regarded as quite a test of honesty, and though assets may have disappeared, or never have existed, though large liabilities may have been incurred without any prospect of payment, the bankrupt will be complimented on the straight look of his dealings, if he has shown himself a good bookkeeper. To common apprehension, it would seem that well-kept books would only help to show a reckless trader the ruinous result of his proceedings; and that while the man *without* books might flatter himself that all would come out right at

last, the man with exact accounts would only get into hot water with his eyes open. If a man may trade on the capital of others without any of his own, and get excused on the grounds that he has kept his books correctly, it is difficult to see why a thief who steals purses and pocket handkerchiefs - being none of his own - may not plead in mitigation of punishment, that he has carefully booked the whole of his transactions. It would be interesting to know the effect of producing a ledger on a trial for felony, as well as curious to observe whether a burglar would be leniently dealt with, on the ground that his housebreaking accounts gave proof of his experience in the science of "double entry". In *Cyclopaedia of Commercial and Business Anecdotes*, Vol. II, Frazar Kirkland (ed.), New York, D. Appleton and Company, 1864, pp. 695-6. From the private collection of Dr. Lee D. Parker, Academy Trustee, Monash University, Melbourne.

MODERN MESOPOTAMIAN ACCOUNTING

by

Douglas Garbutt

Guildford, Surrey, United Kingdom

All accounting historians know that the Ancient Mesopotamians were the first bookkeepers, but little attention has been paid to more recent history. In 1915-1917, the colorful character of Harry St. John Bridger Philby played a significant part in the importation of British approaches to accounting in the southern part of Mesopotamia, which at that time began to adopt the Arab name for the Country, Allraq.

Philby is best known as an explorer of Arabia, a friend of Ibn Saud and, perhaps less happily today, the father of Kim Philby, the Soviet spy who headed British Intelligence. In 1915, the elder Philby was a talented member of the Indian Civil Service. He went to Mesopotamia as a political officer and skilled linguist, having a good command of French, German, Hindustani, Urdu and Persian, but on arrival he was assigned by Sir Percy Cox to study the finances of the territory occupied by the British Mesopotamian Expeditionary Force around Basra, and by 1917, up to Baghdad. Although the previous occupiers, the Turks, were criticized for their poor administration, they had retreated in good enough order to take with them all their files, land registers and accounts, all of which were essential records to any governmental tax system.

According to Elizabeth Monroe, Philby's biographer, Philby was delighted with the assignment because he thought this to be his "best line" and he settled down with the immense energy for which he is renowned to devise a system of accounts. He was scornful of the previous efforts which drew heavily on the Indian Civil Service Accounts code, and in fact

devised a system which would cover both civilian and military expenditures and which, after the first seventeen months of work had resulted in a gain to the military of more than eighteen lakhs of rupees (about £120,000). It is said that Philby worked day and night to finalize his system in time for its introduction in January 1916, a few months after his arrival, and that when he grew weary from overwork, he practiced his Arabic by reading the New Testament (in Arabic) to his servant.

Philby's system enabled the occupying administration to tax the merchants who were profiting from the occupation. He also used a local bank to act as Treasury for the Administration and saved the constant shipping of bullion to and from India by introducing a system of promissory notes. Later in 1916, after he was appointed Revenue Commissioner at the relatively junior age of 31, he used a plane to fly him on revenue inspections, and to decentralize his administration. Despite, or perhaps because of, his talents, Philby was an overbearing character and by 1917 Cox was glad to be able to get rid of him for a time by sending him on a mission to Ibn Saud. This gave Philby the opportunity to make his first journey from East to West across Arabia which won him great fame. It also started his lifelong support of and attachment to Ibn Saud which dominated his life thereafter, even though Philby was often very critical of the King's lack of interest in financial administration! But that, like Philby's contribution to the discovery of pre-Islamic inscriptions in Arabia, is another story . . . or, in this case, several stories . . .

A REQUEST FOR NOMINEES FOR CONTRIBUTORS TO ACCOUNTING THOUGHT

by
Richard Vangermeersch
University of Rhode Island

I would like to share with you an idea expressed to me by Professor Paul A.M. Van Philips of the University of Amsterdam. Professor Van Philips said that an outstanding weakness of accounting is that we do not have a book equivalent to Joseph Schumpeter's *History of Economic Analysis*. We have no one place to send students and practitioners of accounting for the rich heritage of accounting writers.

There are some signs of a movement to begin to develop this heritage. Two excellent beginnings are Leinicke and D. Fleisher's "The Leading Contributors to Accountancy" and Barton's "What Constitutes a Classic in Accounting Literature," both published in *The Accounting Historians Notebook*. Professor Chris Lefebvre of the University of Leuven presented me with a copy in French of Vlaeminck's *Histoire et Doctrines de la Comptabilité*, which also was a start at something like Schumpeter's work. However, the work is in French and I, like too many others, am too oriented to my own language.

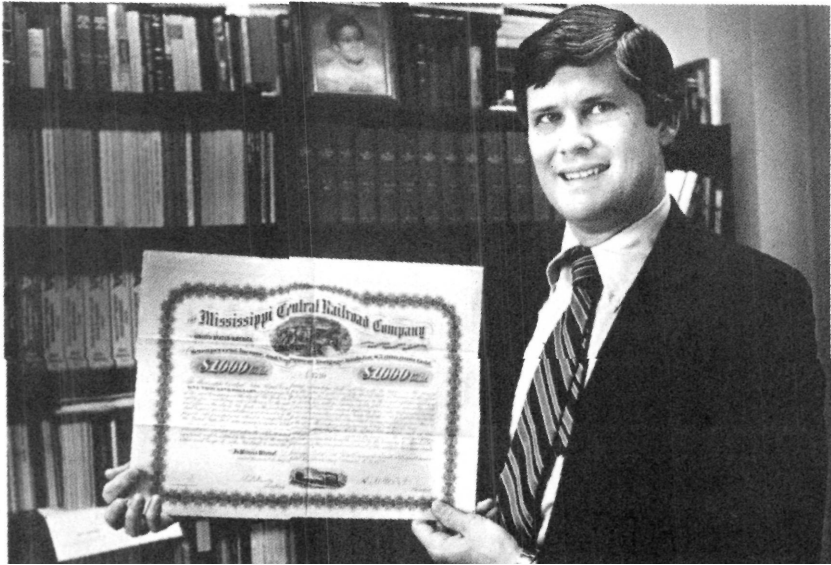
I would like to use this letter as a starting point for the collection of nominees from our members throughout the world on contributors to accounting thought. This collection ideally should show no language bias, even though our membership does not include accounting historians in China and the USSR for instance. I hope our members would submit to me a list of nominees with a

brief notation as to why the individual was such an important contributor to accounting thought. I would like to present this list at either our 1985 or 1986 Annual Meeting and then explore the possibilities of choosing the most significant and then asking the person who made the nomination to prepare a paper on the nominee's contributions to accounting thought.

The first step is to start the nomination process. I think the process could be a very rewarding one. Send your nominations to Dr. Richard Vangermeersch at the Department of Accounting, University of Rhode Island, Kingston, Rhode Island 02881.

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. Fleisher, School of Accountancy, University of Mississippi, University, MS 38677.



Dale Fleisher displays a rare certificate.

ACCOUNTING HISTORY HOBBIES — SCRIPOPHILY

by

DALE L. FLESHER

University of Mississippi

(EDITOR'S NOTE: This is the fourth in a series of articles on accounting history hobbies. The editor welcomes manuscripts pertaining to other hobbies of interest to accounting historians.)

Scripophily is the hobby of studying and collecting old stocks and bonds. It is the hobby not only of this author, but one shared with such notables as Dr. Lee D. Parker of Monash University (who is a trustee of the Academy of Accounting Historians) and Boris Bittker, the famed Yale University tax professor and author.

I began my collection about fifteen years ago when I saw an advertisement in the *Wall Street Journal* offering ten antique cancelled stock certificates for only two dollars. Since I was a university accounting professor (and still am), I was

aware of how much difficulty my students were having with the accounting problems of common stock. Not only had my students never seen a stock certificate, they could not tell the difference between common stock and livestock (like on a farm). Therefore, I decided to invest two dollars and obtain ten certificates to use as examples in my accounting classes.

As the old saying goes, "the rest is history." I became so enamored with the beauty and history of the documents that I became an avid collector. I discovered that old certificates were really a form of limited edition, numbered art prints since they were engraved in intricate detail in order to prevent counterfeiting. They were numbered for purposes of corporate record keeping. Other advantages of old

certificates that make them interesting collectibles include the fact that they often bear revenue stamps (both U.S. and foreign), and they are an excellent source of business history. In fact, the fine print on the documents often provides much data about the circumstances surrounding a particular security issue. Also, some certificates bear the autograph of famous corporate officers or investors. Some certificates presently on the market include the autographs of Thomas Edison, John D. Rockefeller, John C. Fremont, and General Santa Anna of Mexico. My collection includes autographs of W.T. Grant (the dime store magnate) and Sylvia F. Porter (the financial columnist and author).

My collection has grown over the years to the point where it now numbers several thousand pieces. The number of people who collect stocks and bonds has also grown. A 1964 article in *Forbes* magazine stated that there were about 100 collectors of old stocks and bonds in the United States. Today, there are thousands of collectors throughout the world, and many dealers. The increase in the number of dealers has been most noticeable. When I began collecting in 1971, there were only a couple of dealers (and these were part-time) in the country. Today, there are probably at least a hundred. As recently as 1977 at the International Paper Money Show in Memphis, there were no dealers present with stocks and bonds. At the 1978 show, there were three dealers who had certificates for sale. By 1979, that number had increased to a dozen. At the 1984 show, there were over three dozen dealers with stocks and bonds for sale. The value of some of those dealers' inventories reached well into the hundreds of thousands of dollars.

It has been fun getting in on the ground floor of a growing hobby. There have been some surprises. For example, I recently read an article that stated that scripophily had its beginnings in Germany in 1972. It makes me feel pretty good to know that I had been collecting for at least a year before most people think the hobby had even started.

As with anything that grows, the biggest surprise has been the change in prices. As the demand for certificates has increased, the prices have risen accordingly. I am only sorry that I did not buy more pieces when prices were low. A couple of examples will illustrate how prices have changed. In 1976, I bought an 1834 stock certificate from the Lawrenceburg and Indianapolis Railroad Company. At the time, I thought the \$7.50 price was exorbitant, but it was a key piece for my collection of Indiana railroad securities. By 1979, the same dealer offered to buy the certificate back for \$75. It is probably worth nearly double that amount today.

Also, in 1976, I had the opportunity to buy a certificate from the American Express Company which had been signed by Wells and Fargo. I felt the \$60 price tag was too high. Today, that same certificate sells for over \$600.

Scripophily has changed over the past decade. Although prices are much higher, there is a greater amount of material on the market. Thus, whether a person's interest is art, business history, stamps, or autographs, the collecting of stocks and bonds represents an ideal hobby. One last point—I still use old certificates as examples in my accounting classes. My students think they are holding a worthless piece of paper. Little do they realize that the old certificate is a valuable artifact of financial history.

THE FINANCES OF ALL SAINTS CHURCH IN ROME

by
Robert W. Gibson
Deakin University

Waiting a week in Rome for a flight home from the Fourth World Congress of Accounting Historians provided time to discover an extraordinary piece of ecclesiastical history. In this history finance and accounting have been singularly important.

A short distance from the Spanish steps, in Baboon Street (via del Babuino), stands the only English gothic church in Rome. Even Pope John XXIII told the chaplain how he enjoyed picking out with his field glasses the sparkling white travertine spire. All Saints church was built in 1887.

The history of All Saints tells us that minute books and registers have survived from the first church. The register of services kept weekly and even daily since 1881 in the vestry of the two successive churches provides much information. The registers of baptisms, marriages and burials date from December 1825. The story of how these records survived two world wars is a romantic story of the courage and initiative of a trio of English matrons who had long resided in Rome with their Italian husbands.

When the present church was built the birth pangs were long and drawn out. The expensive requirements of the architect's specifications for special materials did not help. When money ran out in 1883 the chaplain "stepped in with the first of his personal, unsecured loans, which were to total, it seems, no less than 5,000 pounds Sterling between then and 1886 - a considerable fortune to lend at a moderate 5%. Much of the debt to him was outstanding when he died, and All Saints'

only surfaced from its long period "in the red" in 1920.

By July 1885, the chancel end was finished and roofed, the tower was up to one third of its height, and the vestry, library above, and organ chamber adjacent had been completed. But nearly a year later there was still no roof on the nave and aisles, and Canon Wasse saw no option but to lend the remaining sum required, or the church would never open, he feared, for worship. Canon Henry Wasse is deservedly commemorated by an imposing memorial brass in the vestry.

If he did not live to receive back all of that massive loan which he had poured out to see the building completed, at least we are told that "private information" enabled him in his final illness to extract from a Roman bank the current assets of All Saints', to be placed elsewhere. A mere week or two later, the bank failed. The financing of foreign chaplaincies never was quite like running a parish at home . . .

Mrs. Wasse made brave efforts (and offers) to have the unfinished tower completed, but there was so much prevarication that the spire was added only in time for the jubilee in 1937. How much the more costly for the long delay, and how munificent of the anonymous donor who was finally responsible for our unique landmark in brilliant white travertine!

The functioning and finances of All Saints has been enhanced by the Church House which includes the chaplain's flat. The copperplate accounts of the builder from 1908 show the final cost at 100,000 lire. Again finance was critical.

The leading advocate of building the house (and finally its fairy godfather) was Mr. Alfred Chenevix Trench, whose long term of office as Churchwarden ended only in 1938. Despite all the minuted agreements about finance, he seems eventually to have been left "holding the baby" and, like Canon Wasse before him, he showed great public spirit in shouldering the debt. Eventually he made an outright gift of 3,000 pounds Sterling.

It must be noted that, contrary to popular opinion, All Saints has never received financial support from Her Majesty's government. Appointment of the chaplain as chaplain to the ambassador is likewise an honorary post.

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Donation 3,000 lire plus postage.

BIBLIOGRAPHY OF AUSTRALIAN WRITINGS ON COST ACCOUNTING

Professor R. H. Anderson of the Footscray Institute of Technology has compiled "A Bibliography of Australian Writings on Cost Accounting, 1910-1935," which references articles, lectures, books and addresses on cost accounting in Australia. The bibliography provides a summary of these works.

The price of the bibliography is \$10 Australian to cover printing and postage costs. Send your request to: Department of Accountancy and Law, P.O. Box 64, Footscray, 3011, Victoria Australia.

CALL FOR PAPERS

The 1986 American Accounting Association Mid-Atlantic Regional meeting will be held at Rutgers University in New Brunswick, New Jersey, on May 1-3, 1986. At least one history session is being planned and papers are being solicited. Individuals interested in submitting papers for consideration should send them to: Yaw M. Mansah, Department of Accountancy, Rutgers University, New Brunswick, NJ 08903. The deadline is December 1, 1985. Three copies should be submitted. Discussants are also needed. Anyone interested in being a discussant for a history paper should send their name and area of interest to the above address.

AHRC DEDICATION SEMINAR

An accounting history seminar will be the vehicle used to dedicate the Accounting History Research Center. It will be sponsored jointly by The Academy of Accounting Historians and The School of Accountancy at Georgia State University during November 10 and 11, 1985. The Sunday meeting will be held at a hotel in downtown Atlanta. The Monday meetings will be held on the campus of Georgia State.

We hope that as many people as possible will attend the dedication seminar. So please mark your calendar if you plan to attend. While The Academy and The School of Accountancy will subsidize the program on a limited basis, it will be necessary to charge each attendee a nominal registration fee of \$20.00. This fee will be due by August 1, 1985. A formal announcement of the program will

be sent in June 1985 along with more details as to the participants.

The tentative program is:

Sunday, November 10

5:30 p.m. Cocktail party and dinner

7:00 p.m. Roundtable discussion.

Monday, November 11

10:00 a.m. Tour of AHRC and dedication

11:00 a.m. Address on research methodology

12:00 p.m. Luncheon honoring Academy past presidents

1:30 p.m. Presentation of accounting history research in various areas.

5:00 p.m. Adjournment.

We intend to publish the papers and proceedings of the seminar and make them available to the membership of The Academy.

ASK A FRIEND TO JOIN THE ACADEMY.

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SOME ASPECTS OF THE RULE OF ST. BENEDICT

by

Christopher J. Cowton

University of Wales Institute of Science and Technology

One method of gaining insights into the development of concepts of interest to the accountant is to examine literature offering advice to the reader on how to administer his affairs. Sources used have included works ranging over a wide range of topics. For example, Pacioli's celebrated treatise contains more than just bookkeeping; Choudhury has drawn attention to aspects of accounting and financial control contained in a Sanskrit work; Hagerman has used his accounting background when examining several passages in the Bible; and Keister has discussed the code of Hammurabi, an exercise which he describes as 'one of the fascinating little side-trips the accounting historian can enjoy as he browses through the general history of man'.¹

The purpose of this article is to outline and discuss some themes of particular interest in a classic of western Christian organization, the Rule of St. Benedict². While the focus of the Rule is on the worship of the Community - the "opus Dei" - there are a number of interesting observations regarding internal control of material possessions and the management of trading relationships.

The Nature and Significance of the Rule

The rule was composed by St. Benedict of Nursia in Italy during the sixth century. It consists of a Prologue followed by seventy-three chapters, most of which are contained in three main sections and an appendix. The chapters vary greatly in length, some consisting of only a few paragraphs.

Benedict drew heavily on other sources when composing his Rule, yet he is justly called the 'Father of Western Monasticism' because of the Rule's profound effect on religious life in Europe and throughout³. Its significance is indicated by its having survived in medieval manuscripts in numbers second only to the Bible⁴.

Although 'later generations of monks often found it impossible to maintain in every syllable and it had to be reinterpreted to suit conditions other than those of the sixth century and harsher climates than that of Italy'⁵, it can still be said to be followed by many thousands of monks and nuns today.

Discussion

In his Rule, St. Benedict expects the monastic community to live a simple life, displaying a high degree of self sufficiency (Chapter LXVI), but he does make a number of provisions regarding the care of material resources and the possibility of trade with the outside world. As pointed out in Flesher and Flesher's work on the Harmony Society, accounting and financial control can become complex in a communistic society when material goods have a significant role and where there are important trading relations with the environment.⁶

It is basic to the Rule that all property is to be held in common by the community. While monks considered to be in greater need can be granted extra items by the Abbot, the general list of goods allowed to an individual monk is limited to a cowl, a tunic, stockings, shoes,

a belt, a knife, a pen, a needle, a handkerchief and writing tablets (Chapter IV). For a monk to call anything his own or to treat it as such is regarded as a wicked vice (Chapter XXXIII) and the Abbot is empowered to inspect the beds as a precaution against the acquisition of private possessions (Chapter IV).

Although the Abbot should pay attention to the salvation of the souls entrusted to him rather than to transient, earthly things, St. Benedict makes a number of points regarding the care of the everyday items which the community will need. For example, the cellarer is to 'regard the chattels of the monastery and its whole property as if they were the sacred vessels of the altar (Chapter XXXI). The responsibility of the brothers in charge of particular types of the community's possessions is reiterated in the next chapter, entitled 'The Tools and Goods of the Monastery'.

In order to assist control of the monastery's possessions, a kind of charge and discharge system is envisaged; the Abbot is instructed to 'keep a list of them so that when the brethren succeed one another in the tasks assigned to them he may know what is being handed over or received back' (Chapter XXXII). In the kitchen, the cellarer is to check on the stewardship of crockery by the brother in charge of the week's duties; 'The outgoing server must restore the crockery he has made use of, washed and intact to the cellarer, and the cellarer must hand them over to the incomer, for so he may know what he is giving out and what he is getting back' (Chapter XXXV). Any brother who, when about his business in the kitchen or elsewhere, breaks some article or destroys it, he should come straightaway before the Abbot and the community, declare his transgression and make satisfaction (Chapter XLVI).

St. Benedict sees considerable potential dangers in the monks' relations with the outside world. Although he is in favor of self-sufficiency, he recognizes that this is not always possible. For example, he states that the monks should not argue about the color or coarseness of their clothes, but accept what is available in the region where they live or can be bought cheaply (Chapter IV).

Since the monastery would contain people from many backgrounds, some would very likely be craftsmen. St. Benedict acknowledges that some produce might be sold, but notes that there are possible dangers; those responsible for the transaction must take care not to do anything fraudulent (Chapter LVII). The fraud referred to here is not precisely that of cheating the buyer but of retaining some part of the proceeds (Parry, 1980, p. 151). The significance of the individual's development compared to the material benefit to the community is indicated by the stipulation that 'if any of them becomes conceited because of the knowledge of his craft, which is apparently bringing profit to the monastery, he is to be taken away from his craft; nor is he to come back to it, unless, after he has shown humility, the Abbot gives him a new permission' (Chapter LVII).

Producing goods for external sale brings the attendant problems of determining the price to charge. St. Benedict is clear that 'the sin of avarice must not creep in; but whatever is sold should be a little cheaper than is possible for lay-persons, "so that God may be glorified in all things" (Chapter LVII). This, of course might cause some resentment amongst local producers, though at least the buyer will not think that the monks have driven as hard a deal as ordinary traders.

Conclusion

St. Benedict expects his monks to be

virtually self-sufficient in providing for their simple material needs. In his Rule, however, he indicates that the spiritual development of the monks and their witness to the world require careful internal control of the monastic community's possessions and an awareness of possible hazards in dealing with people outside the monastery.

FOOTNOTES

¹Keister, p. 18

²Quotations are taken from Parry's translation.

³Hume, p. 11.

⁴Dean and Legge, p. ix.

⁵Brooke, p. 33.

⁶Flesher and Flesher, p. 297.

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ACADEMY PUBLISHES MONOGRAPH

The Academy has recently published its fourth monograph which is entitled *Selected Papers From The Charles Waldo Haskins Accounting History Seminars*. The monograph was edited by James F. Gaertner of the University of Texas at San Antonio. Nine articles are included in the monograph, all of which were presented at Haskins Seminars held in New York and Atlanta. The titles and authors of the nine articles are:

"The Relevance of the Study of Accounting History," by Basil Yamey.

"Valuation, Matching, and Earnings: The Continuing Debate," by Richard Brief.

"Social Accounting Versus the Tin Lizzie," by Robert E. Jensen.

"An Overview of External Forces Affecting the Evolution of Accounting Theory," by Lee J. Seidler.

"Income Taxation and Its Impact on Financial Reporting," by D. Larry Crumbly.

"The Impact of Government Regulation on Financial Accounting: The Australian Experience," by Malcolm C. Miller.

"Comparative Accounting Education: A Neglected Area for Research by Accounting Historians," by Paul Garner.

"Accounting Roots and Their Lingering Influence," by W. T. Baxter.

"Major Influences Which Shape Accounting Systems: An Attempt of an International-Historical Analysis," by Hans Martin W. Schoenfeld.

Copies of the monograph are available for \$15. Academy members receive a 15 percent discount. Academy members should be sure to ask their librarians to order a copy for the library. Orders should be sent to The Academy of Accounting Historians, P.O. Box 658, University Plaza, Atlanta, Georgia, 30303, USA.

Accounting Historians Notebook, Vol. 8 [1985], No. 1, Art. 13
ADVERTISING BY ACCOUNTANTS

by
James W. Jones, CPA
Baltimore, Maryland

While Mr. Coker had a valid premise for writing his article on CPA Advertising in 1914 (Historians' Notebook, Fall, 1984), the use of advertising by certified and non-certified public accountants extends far back. The subject and use of advertising is part of the history of the profession and its antecedents. The present author has done some research into the history of accounting and accountants in Baltimore. In the course of those studies several instances of advertising by accountants were noted and commented on in papers (1)(2)(3) presented before regional meetings of the American Accounting Association. There were no legal requirements or restrictions surrounding accountants in the United States prior to 1896 (1900 in Maryland), so it was each to his own thinking. Therefore, there were a number of accountants who used the city directories and newspapers to address the public.

Although newspapers were available, accountants in early days extolled their capabilities in their books. Mr. Charles Snell, sometimes noted for his auditing of the Sawbridge books in the South Sea scandal advertised his professional capabilities in this fashion:

"Such persons as may desire their children taught by the author a most noble and generous way of writing all hands, and how to command their pen.

"The practical manner (of Arithmetic) used by merchants in calculating and examining their Accompts.

"Foreign Exchange, their calculations, Negotiations, and Arbitrations.

"The true manner of keeping Merchants' Accompts (the Waste Book having been real business) stated in the Italian method of Book-keeping by Double Entry.

"He also fits persons for Public Offices, and boards at this house such as desire it." (Beresford Worthington, (1895) Chap. III, p. 25, par.2)

Obviously, penmanship and accounting are closely related but many examples seen by this author indicate a marked deficiency in both areas.

"Richard Dafforne, accountant and teacher of the same, after an exquisite method, in the English and Dutch languages."

"This pedantic writer says, in an epistle dedicatory --- 'I emboldened myself to prepare this antidote, being by nature obliged to offer up part of the widow's mite of my knowledge unto the land of my breath's first drawing.' (1660) Merchants Mirror. Worthington, p. 26

The Baltimore American regularly contained display advertisements called "tombstones." In 1891 two of these "tombstones" were engraved by Wm. F. Rogers (Maryland No.5) and Frank Blacklock, (Maryland No. 3) consulting accountant, 14 E. Lexington Street, both members in 1907 of the American Association of Public Accountants. Consistent daily advertisers were John P. Ayers, (1886) Phillip R. Reese, consulting accountant, 15 South Street, (11-4-1890). Another ran this extensive card:

John W. Arnold, Expert Accountant,
Office, Room No. 5,

Nat. Bank of Baltimore Building,
Books Opened and Closed.

Partnerships Formed and Partnerships
Dissolved.

Special Counsel to Firms in Trouble.
Liquidation or Assignment.

LEGAL PAPERS PREPARED.

Opinions Upon Expert Work.

Highest References and Bond Furnished.

(Arnold was one of four accountants who consistently advertised in 1890. - Ayers,

Rogers, Blacklock and Arnold. Rogers rarely advertised on Sunday.)

Webster, in his "First Twenty Years of the AAPA" had a chapter (#28) on "Advertising in Periodicals" and noted only one for Baltimore. He wrote specifically of the "ingenious arrangement of Wm. F. Rogers, 323 N. Charles St.", extracted from 'The Accountant', 9-5-1891, V. 17, p. 629.

There were at that time several advertisers in the Baltimore papers, but, it may be that Webster was thinking in terms of magazines. He referred specifically to the advertisement of Wm. F. Rogers and stated that he was the "first Treasurer of the Maryland Ass'n of Public Accountants" which was incorrect as may be verified by references to publications of the Maryland Association.

While seeking to confirm Webster's reference to Rogers (MD CPA #5) as reported, I confirmed Rogers' address at 323 N. Charles St., Loudon Park Building, for three-years - 1889, 1890, 1891. For the last six months of 1890 he had display cards in The Baltimore American under the caption - "Business Chances". The same search was made for the first quarter of 1891 with no success. Webster's use of 'periodicals' may have excluded daily newspapers.

This author, in his paper on post-civil war accountants, reported some of the various advertisements by accountants, some of which will be displayed here.

(From a directory of 1875, p. 761)

Ayers & Riddell,

Accountants,

No. 18 Rialto Building.

Irregular Accounts adjusted.

Partnerships and Dissolutions arranged.
Special attention given to Bankruptcy
Proceedings, and compositions effected with
Creditors.

---o---

(From a directory of 1877, p. 821)

Ayers & Riddell,

Accountants,

No. 57 Saratoga Street,

Special attention given to Bankruptcy
Proceedings.

Compromises between Creditors and Debtors
effected in the United States Courts or by
private arrangement.

Ayers was also in business for himself in 1880 and with a partner named Foot, 1887-8. In 1887 he proffered "first class references as to *capacity* in all branches of our profession" and in 1888 - "as to *expertness* in all branches."

Another item from Jones's Post-Civil War Accountants, found in 1887:

A. (Andrew) J. Carnes, EXPERT
ACCOUNTANT and
PROFESSIONAL EXAMINER OF
DISPUTED HANDWRITING

Twenty years' Experience in every known class
of Accounting.

Forgery and Alterations of Written
Documents, etc., etc., Demonstrated.

Office, 126 E. Fayette Street, opp. Barnum's
Hotel.

As early as 1829, as reflected in Jones's Accountants - Prior to the Civil War(1) (p. 32), one J.H. NORFOLK advised the public in the City directory:

COLLECTOR & GENERAL AGENT

"Respectfully informs the public generally that he would willingly *undertake the posting of books*, adjustment of, and collecting accounts, & c. Having been engaged in the mercantile business for some time, and *possessing a pretty extensive knowledge of bookkeeping*, he feels assured that he should be able to render entire satisfaction to those disposed to encourage him in his *profession*." (underscoring by the author of this paper.)

The following is also extracted from: Accountants Prior To The Civil War (1)

Several instances were found where accountants and book-keepers advertised their services. The following is copied from the 1819 Baltimore City Directory.

Baltimore, 28th May, 1819

"Meet the disorder at its outset. The medicine may be too late, when the disease has gained ground through delay.

"The subscriber continues to examine and adjust Publick, Company and Individual Books and Accounts, no matter how complicated or erroneous; and to organise books from original entries and miscellaneous papers, in a concise and intelligible form: Also to examine vouchers and prepare accounts of Executors, Administrators, Guardians, Surviving Partners, Trustees, & for the Orphans' Chancery and other courts; and for private settlements: Likewise, occasionally, to investigate titles, and draw deeds in Fee, Leases and Re-Leases, Under-Leases, Assignments, Mortgages, Bonds, Bills of Sale, Powers of Attorney, Co-Partnerships; Articles of Agreement, & c. - Applications in the City, and from a distance, will be attended to with thanks, and the usual despatch and correctness.

Very Respectfully,
William G. Hands.

(To which is added this -)

"Postscript.

"The friends and patrons of my proposed Elementary and Practical Book-keeping, Etc. (see the following prospectus;) are respectfully informed, that flattering prospects exist of the required number of subscribers being had at an earlier period than could be reasonably expected, considering the unusual pressure of the times. Persons who may not meet with the solicitor, and feel disposed to add their names to the list, have an opportunity afforded them through the politeness of Mr. Joseph Escaville, keeper of the Merchants' Coffee House, and Mr. F.M. Wills, (Old Post Office, St. Paul's Lane) where subscription books are left by desire; and also at my office.

"Parents, Guardians and others having the care and tuition of youth intended for business of any kind, would probably do well to stimulate them to subscribe, by advice and example. The Manuscript may be seen at my office by any person so inclined."

W.G.H.

Bentley made note of Hands' book in Part IV of his Bibliography.

Mr. Coker had deviated from the title of his article. The inference in the title that all CPA's advertised as illustrated by a few

examples is unwise especially when other examples shown lack credible evidence and some cited examples are not accountants. Exhibits 1,3, and 4 are not identified with CPA's. Exhibit 5 may be acceptable on the basis of "audit company" but those words were contended to be misleading. In Exhibit 6 Walker does not claim to be a CPA. The ads under Exhibit 7 do not relate to CPA's or PA's; they are touting stationery.

Ten years after the New York CPA law, in the A.A.P.A. year book for 1907, (p. 139) under PUBLICITY, there were two constraints. "1. No professional accountant should advertise or display his talents as a merchant does his wares. "2. Professional cards should show in plain inconspicuous type the name, occupation, and office address. No strained effect is consistent or dignified." These are AAPA *Guidelines*. (Was this intended to apply only to calling cards?) However, on page 238 of the same 1907 Year Book, the following is extracted from the Rules. "5. No member shall in his business advertisements use any initials as an affix to his name that is not either authorized by statutory enactment of this country or by the well-known associations established for a similar purpose in the British Empire, nor shall he affiliate or substantially recognize any society that is designated or in any way sets itself out to be a so-called Certified Public Accountant Society, without the State in which such Society is organized having the requisite statutory enactment in full force and effect." Obviously, this was authorization to advertise, or it was condoned.

Coker gave some illustrations of classified advertisements in Exhibit 2. The advertiser, M. Miller, was not a member of, nor associate of, the New York State Society of Certified Public Accountants in the A.I.A. yearbook, 1917, nor for five years thereafter. The AAPA roster for 1914 does not include his name.

Louis Gross, also Exhibit 2, was an associate at 280 Broadway in the 1912 year book of the AAPA. He was not a member of the New York Society of C.P.A.'s in 1914 and not in the A.I.A. roster for 1917.

Although Mr. Coker has placed some emphasis on the probable influence of the passage of income tax legislation in 1913, it is appropriate to consider the probable effect of the bankruptcy act of the late 19th century. According to *The Modern Encyclopedia* (p.104) a uniform system of bankruptcy was established in the U.S.A. by the law of July 1, 1898. According to the 1922 *Manual of Commercial Law* (p.127) this act "suspended the operation of the state statutes as to insolvency and bankruptcy at least to the extent that they conflict with it." (U.S. Constitution. Article I. Sec. 8 powers. p.4). The state statutes were based on the English law of 1570. Thus, it is understandable that accountants advertised their services in settling these problems as shown by examples herein.

In summary, CPA's rarely advertised, even in the era around 1914. If the advertisements utilized by a few CPA's were unimaginative, that might be attributed to constraints preferred by the A.A.P.A. Prior to that era, as demonstrated herein, accountants unhesitatingly proclaimed their virtues and capabilities. Academy members in other cities may find interesting material or additional opportunities used by accountants to acquaint the public with their services.

Notes:

- (1) Accountants in the Commerce of Baltimore Prior to the Civil War.
- (2) Post-Civil War Accountants in Baltimore.
- (3) More about Post-Civil War Accountants in Baltimore.

AAANZ

The Accounting Association of Australia and New Zealand (AAANZ) is the Australia counterpart of the American Accounting Association (AAA). Of course it is a much smaller Association which nonetheless has been in existence for about a quarter of a century. Emeritus Professor Louis Goldberg has been commissioned to write a history of the body and is actively researching this subject during 1985.

NOTE FROM KEN MOST

The Manuscripts Editor of *The Accounting Historians Journal* reports that he is beginning to catch up with the backlog of articles submitted to his predecessor. The second volume for 1985 (Vol. 12, No. 2) will contain a number of articles submitted in 1984. There has been a printing delay with Vol. 11, No. 2 and apologies are due all subscribers. Vol. 12, No. 1 is at the printer, and authors whose work is included in that issue will be receiving galley's shortly. Please keep the manuscripts rolling in.

**WILLARD J. GRAHAM:
A RENEGADE ACCOUNTANT**

(Continued from Page 1)



Willard Graham

herein, this paper will be limited primarily to his contributions in the following areas: (1) Education, (2) Management Accounting, and (3) Price-Level Accounting. Before we discuss these professional contributions, however, we will first summarize some of his personal characteristics.

PERSONAL CHARACTERISTICS

While it is difficult, if not impossible, to capture the essence of his life on paper, it is much easier to report the statistics about him from *Who Was Who In America* (19). The quantitative characteristics are stated below and the authors will attempt to communicate many of his qualitative attributes.

Willard J. Graham was born at College Corner, Ohio, on October 16, 1897. He was the son of John W. and Sina McCandless (Paxton) Graham. He married Margaret Ablett Brennen on April 18, 1925. She preceded him in death in 1962. This handwritten note on the flyleaf of his doctoral dissertation on *Public Utility Valuation* lends some insight into the quality of their marriage:

To Margaret.

In appreciation of encouragement, inspiration and assistance without which this would be a "contemplated" instead of an "actual" publication, with *all* my love.

Willard (14)

His academic studies included Sterling College, 1915-16; Tarkio College, A.B., 1921, LL.D., 1953; University of Chicago, A.M., 1924, Ph.D., 1934. He received the C.P.A. in Illinois, 1925; and North Carolina, 1954.

Graham was engaged in the practice of public accounting from 1927-42. He also served as a Business Consultant and as Editor on the series in accounting for the Richard D. Irwin, Inc. publishing company for a number of years. In his honor, the series was renamed "The Willard J. Graham Series in Accounting" in 1967.

His academic career included positions at Tarkio College, 1921-23; Monmouth College, 1924-26; University of Chicago, 1927-52; and the University of North Carolina, 1952-66. The following comment from a presentation before the American Society of Women Accountants reveals the wit this great teacher often displayed when speaking to a group of students or professional accountants;

The boy was taking a girl home and he says, "I just love to take experienced girls home," and she says, "But I'm not experienced," and he says, "My dear, you aren't home yet." So, we're not home yet; we've made a lot of progress (in accounting), but I think some of these things I've mentioned are still to be resolved (15).

A noted scholar, Graham was a contributor to the leading accounting and business journals. A survey of issues of *The Accounting Review* published during the late 1920's and early 1930's, for example, revealed articles by such renowned authors as W.J. Graham, A.C. Littleton, and W.A. Paton sharing the limelight in this prestigious journal. Graham is known to have presented and/or published more

than 70 papers during his distinguished career. In addition, he edited more than 50 books on accounting during his lifetime. Some comments selected from his many manuscripts are woven into the fabric of this paper.

Graham was a member of the major honorary associations including Alpha Kappa Psi, Beta Alpha Psi, Beta Gamma Sigma, Phi Kappa Sigma and Sigma Iota Epsilon. He was also a member of a number of professional organizations including the American Accounting Association (President, 1955), American Economic Association, American Institute of Certified Public Accountants, Financial Executives Institute, National Association of Accountants and North Carolina Association of Certified Public Accountants.

At the commencement exercises for the Thirteenth Group of graduates of the North Carolina Executive Program on April 11, 1966, a spokesman for the many grateful graduates of this program announced the funding of a chair in his honor at the University of North Carolina. It was well that the high regard in which he was held by all who knew him was expressed during this climatic moment in Chape Hill because Graham died a few months later on November 5, 1966. Thus, the spotlight will continue to be focused on Willard J. Graham through the achievements of the holder of "The Willard J. Graham Professor of Business Administration" chair. This is fitting recognition for this talented gentleman who had "the ability to reach beyond the campus, shaping men and ideas that they might better shape the world" (20).

EDUCATION

While *Who Was Who In America* listed Graham as an "Accountant" (19), he always thought of himself primarily as an accounting educator rather than an

accounting practitioner. In fact, Graham stated in a paper on "Developments in Accounting" presented at the University of Georgia in 1955: "I am primarily an educator and not a practitioner" (8). And, as revealed in the previous section, while he wore many different hats during the course of his distinguished career including those of a CPA and a Business Consultant, he was always an educator at heart.

It is interesting to observe that as early as the 1930's Graham recognized the need for accountants to be broadly trained. For example, in an article published in *The Accounting Review* in 1939 he recommended "a five-year program leading to a Master's degree" (2). In many ways the thoughts expressed in this early article were entirely consistent with the Common Body of Knowledge study and the Beamer Committee report, both of which occurred in the 1960's.

His thoughts on the importance of emphasizing "fundamental principles and theory" and the "managerial uses of accounting information" in the accounting portion of the degree program were stated in several speeches. These views were published later in *The Accounting Review* (2). Later, an article incorporating his views regarding the need for a five-year program with two years devoted to "cultural" subjects and three years devoted to "professional" subjects was published in the *Journal of Accountancy* (11). Similarly, it should be mentioned that Graham always believed that "the most detailed of the technical training should be secured *after* graduation in the office of the employer" (2).

A pioneer in the field of executive education, Graham was the driving force behind the development of executive programs at the University of Chicago in 1943 and the University of North Carolina

in 1953 (9). Later, the Egyptian government invited Graham to Egypt in 1959 to help organize an executive development program in Cairo (20). In fact, in "A Tribute to Willard J. Graham" presented at the University of North Carolina in Chapel Hill, Graham was identified "as the one man who had most changed the entire concept of executive development" (20).

His genuine interest in accounting education may be further documented by numerous comments excerpted from other sources as well—his many lectures, speeches, and manuscripts. While space prohibits including all of the relevant comments he made about accounting education in this paper, the authors direct interested readers to Graham's many articles which contain material related to education. Some important sources are:

"Accounting Education, Ethics and Training," *The Accounting Review* (2).

"How Can The Colleges Serve The Profession," *Journal of Accountancy* (11).

"Education for Management," *The Federal Accountant* (9).

MANAGEMENT ACCOUNTING

In modern business, Graham stated, accounting serves *three* important and distinct purposes:

1. The preparation of the periodic financial statements: The Income Statement, The Reconciliation of Retained Earnings (Earned Surplus), and The Balance Sheet.
2. The determination of taxable income.
3. The constant and continuous supply of information to management for its use in planning, operation, and control—the making of business decisions (5).

His concern with all three of these important functions of accounting reflected his philosophy that accountants should be broadly educated in the arts, in oral and written expression, and in business affairs generally in order to develop an understanding of the world in

which we live. He thought accountants should be able to communicate on equal terms with men of similar educational backgrounds, and thought that a broad educational background would help accountants learn to analyze complex problems to arrive at logical conclusions. This philosophy is epitomized in his approach to management accounting. He believed that accounting is primarily a service activity especially designed to supply information to management for the operation and control of productive activities. He felt that many accounting reports to management were sterile because the accountant lacked an appreciation of the real nature of business, its problems, and the management process, and therefore could not supply useful information to help management solve its problems.

To help accountants better serve management, he made several important suggestions in his writings on management accounting—starting with a basic assumption that accountants need a broad education. One suggestion was that accountants should not supply cost information to management until the intended use of the information was known. In the same vein, reflecting his strong interest in executive management education, he felt that management should not ask for cost information from their accountants without spelling out the purpose for which the information is to be used. Thus, accountants need to learn more about management and management needs to learn more about the proper use of accounting information.

To help educate management (and accountants as well!) about the proper uses of accounting information, he wrote an article for *Nation's Business* (4) in 1958 entitled "Choose Cost Figures for Better Decisions." An interesting aspect of this

article is that the editor of *Nation's Business* made a specific request of Graham to write an article that would help businessmen to understand how to use cost information in making decisions. The editor wanted the article to be written with a straightforward discussion of the problem. In the article Graham expounded on his favorite principles for using information in making decisions:

1. Costs must be tailored to the decision to be made.
2. Only estimated future costs are pertinent to decisions.
3. Costs common to the alternatives being considered can be ignored.
4. Nonrecorded costs, such as imputed costs and other opportunity costs, may be relevant to the decision.
5. The longer the period involved in the decision, the more likely that a given cost will be affected by the decision (4).

After enumerating these principles, he applied them to five types of business decisions: adding or dropping a department, making vs. buying a part, identifying the most profitable product line, replacing equipment, and setting pricing policies in different situations. He received a number of letters complimenting him on his clear explanation of the cost concepts presented in the article.

Graham's strong interest in managerial accounting was also reflected in his concern for management accounting education. In a speech made before the Accounting Employers Conference at the University of Michigan in 1948, for example, he asked the following question: "If the accounting curricula is too much directed at business accounting (i.e., financial reporting) and not enough toward industrial accounting, how can educators be sold on that idea?" (16). In answering his own question, Graham stated, "There must be statistics to prove the need, that accounting should include more of the uses management has for

it" (16). In these authors' opinion, Graham quoted sufficient statistics in his graduate level course in "Managerial Uses of Accounting Information" to prove the need.

His special interest in managerial accounting may be further documented by his numerous comments excerpted from other sources. While space prohibits including all of the relevant comments he made about management accounting in this paper, the authors direct interested readers to Graham's many articles which contain material related to management accounting. Some important sources are:

"Choose Cost Figures for Better Decisions," *Nation's Business* (4).

"The Opportunities for Public Accountants in Management Advisory Services," *National Public Accountant* (12).

"What Top Management Needs from the Financial Executive," *The Federal Accountant* (17).

PRICE-LEVEL ACCOUNTING

While Graham was deeply interested in accounting education and managerial uses of accounting information, his first and lasting professional "love" was price-level accounting. We are unsure whether his interest in price-level accounting preceded or followed the research he performed for his doctoral dissertation on *Public Utility Valuation* (14) which was completed in 1934. We do know, however, that Graham was perhaps "the strongest advocate (of price-level accounting) in the United States" (1) from that date until his death in 1966.

Graham's advocacy of price-level accounting was contained in numerous lectures, speeches and manuscripts. In addition, his testimony regarding the topic was incorporated into many governmental documents including the 1959 *Tax Revision Compendium* (3).

His strong interest in price-level accounting may be further documented by numerous comments excerpted from other sources as well. While space prohibits including all of the relevant comments he made about price-level accounting in this paper, the authors direct interested readers to Graham's many articles which contain material related to price-level accounting. Some important sources are:

"The Effect of Changing Price Levels Upon the Determination, Reporting, and Interpretation of Income," *The Accounting Review* (10).

"Price Level Changes and Financial Statements," *The Accounting Review* (13).

"Depreciation and Capital Replacement in an Inflationary Economy," *The Accounting Review* (7).

SUMMARY

There are innumerable "good things" that we could say about the late Willard J. Graham. We could quote from the many personal and professional tributes that have been bestowed upon him for his tremendous contributions to the accounting profession. Likewise, we could repeat comments made by the many former students and colleagues upon whom he left his indelible mark of excellence.

We think, however, that the most fitting comments about this "Renegade Accountant" are his own words regarding his attitude toward life. In the following quotation, one can see that Graham believed that each person could help convert the "World We Have" into the "World We Want":

Above all I should like to suggest that this is a wonderful era in which to live and work. Of course there are tensions, problems, uncertainties, crises, dangers. But what an exciting opportunity there is to make one's own contribution—however small—to the solution of really critical, vital problems. It is in coping with these problems that one

finds happiness, not in the peaceful and complacent enjoyment of the fruits of the labor of earlier generations. The greatest happiness, the most complete sense of satisfaction and well-being, comes from one's own achievements—from meeting difficulties and dangers head-on and overcoming them (9).

If only there were more accounting educators like Willard J. Graham!

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The Academy's 1985 Hourglass Award Selection Committee is seeking nominations for consideration. The award is in recognition of significant contributions to the literature of accounting history. Past awards have recognized major books and monographs as well as consistent contributions to the literature over time through published articles or other works.

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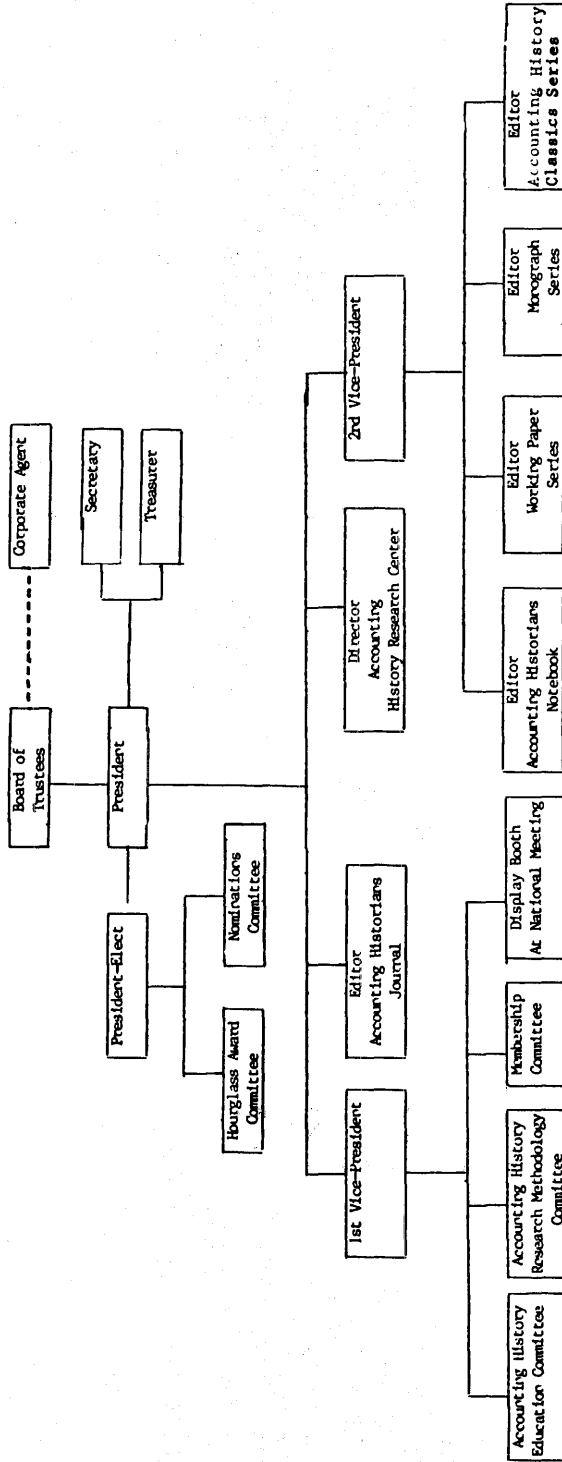
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ACADEMY ANNUAL MEETING

The annual meeting of the Academy of Accounting Historians will be held at 9:45 a.m. on Monday, August 19, 1985, at the Peppermill Inn and Casino in Reno, Nevada. The meeting will be held in the Redwood-Sequoia Room. The Peppermill Inn is located about ten minutes from downtown Reno. There will be free transportation available from the MGM Grand Hotel, which is the headquarters for the American Accounting Association meeting.

Individuals wishing to make reservations to stay at the Peppermill Inn may do so by calling 1-800-648-6992 (this is a toll-free number). Room rates start at \$42 per night (for both single and double occupancy). Academy members who will be in Reno for the AAA meeting are encouraged to attend the annual business meeting.