Accounting historians notebook, 1990, Vol. 13, no. 1 (spring) [whole issue]
INSIGHTS INTO THE RECENT PROPOSALS TO CHANGE THE CPA EXAM

by

Wilbert Schwotzer
Georgia State University

Wilbert Schwotzer, Past President of the National Association of State Boards of Accountancy, Associate Professor at Georgia State University, spoke at the Fourth Charles Waldo Haskins Accounting History Seminar in Atlanta, Georgia on December 1, 1989. His presentation follows as edited by Kel-Ann Eyler, Georgia State University.

Proposed changes to the CPA exam and the resulting discussion and debate suggest the need to review the source and purposes of the exam. The State Board of Accountancy of each state has statutory responsibility for the preparation, administration, and grading of the CPA exam. All fifty-four Boards of Accountancy purchase the preparation and grading services of the American Institute of Certified Public Accountants, Board of Examiners. Thus, the Board of Examiners is the sole provider and designer of the CPA exam. The CPA exam, as a licensing exam, is intended to protect the public welfare by testing for minimal competency in standards that are job-related, deal with tasks found in accounting practice, and include matters that are important to the public’s welfare.

In March, 1987, the Board of Examiners issued an exposure draft that included three principal changes in the CPA exam: (1) combine the contents of the current Accounting Theory and Accounting Practice sections and reallocate the subject matter into two new sections, (2) make the exam all-objective which would include, continued on page 16
I want to thank the membership for offering me this opportunity to serve the Academy. As we enter the decade of the 1990s, I believe that the Academy has the opportunity to make important contributions to accounting education and research. I plan a proactive Presidency to try to capitalize on those opportunities and feel extremely fortunate to have the support of 125 members who volunteered to serve on committees this year. With this kind of support, the Academy should be able to achieve the objectives stated in our Bylaws of encouraging "research, teaching and personal interchanges in all phases of accounting history."

Since its organization, Academy membership has steadily increased and we have become increasingly international in scope. Today, we have members in 30 countries and one of my objectives will be to further broaden our base. As we enter the decade of the 1990s, internationalization of the world economy should foster more comparative research, and the Academy is in a unique position to provide leadership in this area.

Similarly, the extensive use of historical data in critical, international and positive research, has provided the opportunity for the Academy to increase its visibility. One of my objectives will be to try to increase interaction between Academy members and other groups interested in historical research. Three programs have been planned to achieve that objective. Cooperation with the International Center for Education and Research at the University of Illinois resulted in an excellent history session at the Center's annual international conference in March. There will be a CPE history session at the AAA meeting in Toronto on August 8, and the Academy will cosponsor an AOS conference at the University of North Texas in November. I have appointed four research committees and task forces to develop a new long-range strategy for programs that will increase our visibility and our interaction with researchers in other areas.

I look forward to serving you during the coming year and hope to meet many of you at the various conferences and programs we have planned during 1990.

Barbara Merino
EVIDENCE OF INCREASING INTERNATIONALIZATION OF ACCOUNTING EDUCATION AND PRACTICE

The Academy of Accounting Historians cosponsored a history session at the Center for International Education and Research at the University of Illinois on March 29-31, 1990. Three classifications of accounting history papers were presented:

FINANCIAL REPORTING PRACTICES


GERMAN ACCOUNTING: THEORY & PRACTICE

"Developments in German Cost Accounting," Hanns-Martin Schoenfeld (University of Illinois).


DEVELOPMENT OF ACCOUNTING: BRITISH & AMERICAN PERSPECTIVES

"Accounting and Contracting: The Role of Statement of Affairs in Nineteenth Century Canada," Cheryl S. McWatters (Queens University).

"The Internationalization of Professional Accounting: The Role of the Chartered Association of Certified Accountants," Moyra J. M. Kedslie (University of Hull) and Richard J. Briston (University of Hull).

"The Roots of Value for Money Auditing in English Speaking Countries," Dale L. Flesher (University of Mississippi).


"Quality and Extent of Financial Information Disclosure In Jordan: Test With International Accounting Standards No. 1 and No. 5," Cigdem Solas (Yarmouk University).

Requests for papers should be sent directly to the authors.

Maureen Berry, Patti Mills, Barbara Merino, and Ross Tondkar served as discussants. The conference brought out the common interests shared by accounting historians and international accounting researchers and the useful interaction between the two groups. Thanks are due to Vern Zimmerman, Hanns-Martin Schoenfeld, and Maureen Berry for their help in making this joint effort come to fruition.

The Accounting Historians Notebook, Spring, 1990
REPORT OF THE EDITOR OF WORKING PAPER SERIES

DENTON, TEXAS
MARCH 3-4, 1990

Total papers received 6
Papers rejected 3
Papers under consideration by Review Board 1
Papers requiring administrative clarification 1
Paper accepted 1

The accepted paper is: "The Boston Bookkeeping Schools: Comer's Commercial College 1840-1924," by Williard Stone. This paper was originally submitted during Ross Tondkar’s editorship and has been revised and resubmitted.

I would like to request that all members encourage their colleagues to submit papers to the Series. I also want to express my thanks to the members of the Editorial Board who have been uniformly prompt and thorough with their reviews.

Horace R. Givens, Editor
Working Paper Series

PUBLICATION OF COMPANY HISTORIES

St. James Press is currently working on a multi-volume International Directory of Company Histories. This new reference book on business history will contain signed historical essays on approximately 1,250 corporations selected as the largest and most important in their respective industries. Volume I was published in 1988 and was cited as the “reference book of the year” by the Reference Book Committee of the American Library Association. Volume II will soon be published, and work is in progress for Volume III.

Dr. Adele Hast, Executive Editor, has indicated that contributors are being sought to do the research and writing of the essays for Volume III. The essays will be 2,000-3,000 words long, and each will cover the history of a specific corporation. Volume III will include the following industries: health and personal care, health care services, hotels, information technology, insurance, manufacturing, and materials. If you are interested in contributing, please call Dr. Hast at St. James Press, (800) 345-0392 or (312) 787-5800. Dr. Hast has indicated that deadlines are rather tight.

Joanne and Pete McMickle hosted The Academy of Accounting Historians’ information booth at the annual American Accounting Association’s meeting in Honolulu, Hawaii in August 1989.

https://egrove.olemiss.edu/aah_notebook/vol13/iss1/31
SPECIAL EVENTS FOR YOUR 1990 CALENDAR

RECEPTION FOR PAUL GARNER
The Academy will host a reception to celebrate Dr. Paul Garner's 80th birthday on Wednesday, August 8, 1990, in Toronto. The reception will be held immediately after the American Accounting Association's Early Bird Reception. Further announcements about the reception will be sent to you in late June.

ANNUAL BUSINESS MEETING OF THE ACADEMY
The annual business meeting of The Academy of Accounting Historians will be held this year on Thursday, August 9, 1990, at the Holiday Inn Downtown in Toronto, Ontario, Canada, from 8:30 to 10:30 a.m. Notification of the assigned meeting room and meeting agenda will be mailed to you prior to the meeting. The Holiday Inn is located about a block from the Sheraton which is the headquarters hotel for the annual AAA meeting. Please mark the date of the meeting on your calendar, and make it a point to attend. This is your Academy, and your input is important.

If you have any questions about The Academy or its activities, please contact Ashton C. Bishop at (703) 568-6844 or any of the trustees or officers.

IS ACCOUNTING HISTORY CRITICAL?
A CPE session will be held on Wednesday morning, August 8, 1990, in Toronto. The session will be designed to enable participants to discuss and evaluate historical methodology and use of historical data in contemporary accounting research. Academy members should look for the particulars about the CPE session in the next American Accounting Association Newsletter. A letter will be sent to all Academy members, outlining the program and the reading list, during May.

HISTORY OF THE ACCOUNTING PRESENT
An Accounting, Organizations and Society Conference, cosponsored by the Academy of Accounting Historians and the University of North Texas, will be held at the Sheraton Center in Denton, Texas on November 15-17, 1990. The conference will be designed to maximize participation of those in attendance. One objective of the conference will be to encourage debate and interaction among people with divergent approaches to historical research. Notice of the conference and a list of papers will be sent to all Academy members in June.
HISTORY PAPERS TO BE PRESENTED AT THE ANNUAL AAA MEETING

Gary Previts reports that several accounting history research papers are scheduled for presentation at the annual meeting of the American Accounting Association in Toronto on August 8-11, 1990. These papers are listed below for the purposes of informing you of the many and varied works in accounting history and to encourage you to attend the sessions and to support the continuing research efforts in accounting history.

"An Historical Record of the Financial Accounting Treatment of Research and Development Costs," Paul Nix (Montana State University) and David Nix (Boise State University).

"The Development of the 'Big Eight' Accounting Firms in the United States, 1900 to 1990," Charles Wootton (Eastern Illinois University) and Carel Wolk (University of Missouri).


"Management By the Numbers," Richard Macve (The University College of Wales), Mahmoud Ezzamel (The University College of Wales), and Keith Hoskin (Warwick Business School).


SUGGESTIONS FOR THE ACCOUNTING CLASSROOM

The charter of the 1990 Education Committee is to get history into the accounting classroom. To do that, we need YOUR help!

Our thoughts run as follows. Few professors have the luxury of spending a semester, or even an entire session, teaching history. On the other hand, most of us would not be averse to lightening our classrooms and enlightening our students with historical anecdotes. The problem is that many of us lack the anecdotes themselves—and the teaching materials on which to hang these stories.

We suggest, therefore, that the Academy undertake this year to create a series of "one-pagers" for use in regular classrooms. We have begun negotiations with one of our publishers to put these into book form. The book will be in an 8½ by 11 format and be on tear out sheets. Our hope is that these will be distributed...
to accounting faculty generally. If this is the success that we think it could be, the final result would be an ongoing project for the Academy and a means of getting historical materials into the hands of faculty across the world.

Needless to say, before publication, all materials will have to pass the scrutiny of the President of the Academy and her designates.

An example might help explain the concept which grew out of a series of wonderful ideas generated by the committee. Consider the strange and obscure rules that govern the computation of earnings per share in the United States. One might tell the story of Jim Ling's wondrous money machine. Members of the Academy will recall that by poolings and convertibles he was able to make his company's EPS grow (almost) endlessly. Then, through the magic of the PE ratio, he appeared to draw market value like a rabbit from a hat. None of this should have happened, in theory, but the joy of history is that it did. When this story is told with a few numbers to illustrate the point, the terms dilutive and anti-dilutive, primary and fully diluted are, we believe, permanently embedded in students' memories.

Our plan is that we should write up stories like this on a page in enough detail for other faculty to share in class. In this illustration, it could include a small worked example of the tricks being played that would form the basis for an overhead transparency. The example and the background material could be printed back to back to facilitate tearing out of the book. The anecdote might bear the submitter's name; the transparency might carry the publisher's name — in small print!

Another example might be the origin of words. In teaching pensions, for instance, one can have a glorious time introducing students to its connections to pendants. And why it was that peace was bought by handing over salt — and so why it is that we "pay" people "salaries" on "engagements" and "pensions" on retirement.

Recently the American TV series Nova had a program called "The Glory That Was China." It told the story of the Sung dynasty and how the clocks, compasses, gunpowder, and printing techniques developed at that time made their way to Europe. It was these inventions that spurred the Renaissance that led to the origin of modern accounting, making this series wonderfully relevant to accounting.

If one is to discuss this video, one badly needs a map of China and of the silk route that could be put on an overhead transparency. How nice it would be at that point to read an extract from Coleridge's Kublai Khan or, even better, a small extract from Marco Polo's diary. Could someone provide these for use in class? Perhaps, a note could be provided on the ironic connection between Coleridge's drug induced fantasies and the dreadful opium wars that the West visited upon China. Has anyone pondered on how Japan today is almost as independent of the West as China was then? How swiftly a discussion of drugs today can move to drugs yesterday and so to the very origins of accounting!

We need your help to build our book. The possibilities are endless as the three illustrations reveal. They can relate to any area of accounting including auditing, systems, advanced, cost, financial, or theory.

There is no need to stick to a page, but we do think we need to stick to what someone can reasonably add to a single session. There is no need to prepare a transparency mockup, but our guess is that that will make it more likely to be used. If you do prepare a mockup, it need not be camera ready because we can use continued on page 16
Eugene H. Flegm, Assistant Controller of General Motors Corporation, 1989 President of The Academy of Accounting Historians, spoke at the Fourth Charles Waldo Haskins Seminar in Atlanta, Georgia on December 1, 1989. His presentation follows as edited by Pamela J. Duke, Georgia State University.

Expressing a growing concern about the proliferation of accounting pronouncements issued by the Financial Accounting Standards Board (FASB) and the trend these pronouncements appear to be taking toward a more theoretical viewpoint, Gene Flegm was particularly critical of FAS Statements 94, 95, and 96. These deal with consolidation of majority-owned subsidiaries, statement of cash flows, and accounting for income taxes. While intended to correct accounting abuses, in his opinion these statements not only fail in their intent, but actually create opportunities for abuse by complicating an already complex reporting system and do nothing to increase the reliability of accounting information.

It was suggested that the accounting profession is merely attempting to validate its discipline academically by developing a stronger basis in economic theory. Expressing a viewpoint representative of the short-run, technical, income orientation favored by the corporate community, Mr. Flegm declared that the economic view of earnings and values loses sight of accounting’s primary purpose of historical recordkeeping and control.

Criticisms of recent FASB actions were defended on the basis of management’s concern that the FASB’s conceptual approach and subsequent pronouncements might lead middle managers to attempt to “fool” upper management by “handling” cash and other assets. He emphasized the accounting function is control and not wealth measurement. Wealth measurement and property valuation are the proper realms of appraisers and other specialists.

In Mr. Flegm’s opinion, the FASB and the profession are trying to make the accounting process serve too many uses. Accounting is limited because it is transaction-driven and control-oriented. It has no use in stock valuation because the price of a company’s stock is a function of who is running the firm and how well they are doing it. Accounting has no use in determining the valuation of the firm because the going concern decision and liquidation value are determined by management’s intent. Financial analysts are not well served by accounting because they only use accounting data to confirm their own expectations. Thus, in Mr. continued on page 15
ACCOUNTING HISTORY AT REGIONAL AAA MEETINGS

Several papers in accounting history were presented at the Ohio, Southeast, and Southwest Regional Meetings of the American Accounting Association in 1990. The titles of these papers are presented for your information.

OHIO
“Quaker Accounting Records at West Falmouth, Mass.: 1796-1860,” Jayne Fuglister (Cleveland State University), Robert Bloom (John Carroll University), and Marilyn Collins (John Carroll University).
“The CMA: Past, Present and Future,” Don Pabst (Wright State University) and John Talbott (Wright State University).

SOUTHEAST
“John B. Canning’s Theory of Income Measurement: A Basis for Understanding the FASB’s Comprehensive Income,” Adrianne E. Slaymaker (Wayne State University), Myrtle W. Clark (University of Kentucky), and Robert M. Kozub (University of Wisconsin - Milwaukee).
“Tracing the Concept of Stewardship to English Antecedents,” James E. Williamson (San Diego State University).
“A History of the American Accounting Association Southeastern Region,” Dale L. Flesher (University of Mississippi), Terry K. Sheldahl (Savannah State College), and J. Richard Williams (University of Mississippi).

SOUTHWEST
“An Historical Analysis of the Expanding Scope of Accounting Services: Implications for Education,” Gary John Previts (Case Western Reserve University).
“An Evolutionary Examination of Stock Dividend Reporting,” LuAnn G. Bean (Wichita State University), David J. Good (Central Missouri State University), and James B. DeConinck (Central Missouri State University).
“Cost Accounting Circa 1916: Have We Come Full Circle?” Carole Cheatham (Northeast Louisiana University).
“The Development of EPS GAAP: An Historical Perspective,” Suzanne P. Ward (University of Southwestern Louisiana) and Dan R. Ward (University of Southwestern Louisiana).

“Perry Empey Mason on Cash Flow Depreciation and the ‘Funds Statement,’” R. Eugene Bryson (The University of Alabama in Huntsville).

ENCOURAGE DOCTORAL STUDENTS TO JOIN THE ACADEMY AT THE SPECIAL STUDENT RATE OF $7.50 PER YEAR
President Flegm opened the meeting at 8:15 and welcomed those present.

The Calendar of Responsibilities and Events prepared by Secretary Bishop was discussed. Several changes were noted. A revised version will be prepared and distributed to the officers, editors, directors, and chairpersons in January.

Secretary Bishop indicated that the Membership Directory, which contains new and continuing members in good standing as of September 30, 1989, will be mailed in early December. The 1990 Membership Directory was discussed. It was decided that 1) the directory should be enlarged (include such things as a listing of committees and their members, past presidents, and bylaws), 2) the directory should be distributed during May 1990, which would contain new and continuing members in good standing as of April 1, 1990, and 3) the cost should not exceed $2,000.

Elliott Slocum and Al Roberts, Directors of the Accounting History Research Center, reported that preliminary indications are that insurance policies presently in force at Georgia State University would not cover the contents of the Accounting History Research Center. Tonya Flesher, Director of the Tax History Research Center, reported that the contents of the Tax History Research Center are not covered by insurance as the University of Mississippi is self-insured. The Directors of both centers are to investigate the feasibility and cost of microfilming irreplaceable items and report their findings at our March meeting.

Ross Tondkar, Treasurer, distributed a new budget for 1990 which reflected full cost (funding). During the discussion of this budget, it was noted that Lee Parker (President-Elect in 1990) had requested travel funds. With the understanding that this be considered an exception due to the international nature of his position, a motion was made to cover up to $2,500 of his travel cost during 1990. The motion was seconded and passed unanimously.

Finley Graves (reporting for Lee Parker, Chairperson of Accounting History Research Committee) presented information regarding a proposed Accounting History Research Methodology Conference at the University of Mississippi on December 6-7, 1991. A motion was made to approve the conference in concept. After some discussion, the motion was seconded and passed. It was requested that the committee provide some details about the program planned for the conference at our March meeting.

Barbara Merino reported on efforts directed at putting together history programs for regional AAA meetings. She noted the only critical region where we failed to get on the program was the Southeast.

Gary Previts, outgoing Editor (with Mary Stone) of the Accounting Historians Journal, indicated that the Fall issue should be mailed very soon. Dale Flesher, incoming Editor (with Bill Samson), reported that he has received 20 manuscripts thus far. One has been accepted.

Elliott Slocum, incoming Editor of the Notebook, noted that he plans to continue the format with the same type of
content as developed by Dale Flesher (outgoing Editor). The Spring 1990, issue is in the early stages of consideration.

Ross Tondkar reported that sales of Volume 4 of the Working Paper Series are going well. He is preparing to mail additional promotional materials in an effort to generate more sales. Ashton Bishop, reporting for Horace Givens, the current Editor of the Working Paper Series, reported that several working papers have been received but none have been accepted at this point.

Finley Graves presented his status report on the Monograph Series. He is going to seek funding from NAA for the Garner monograph. After some discussion, it was decided to hold our Toronto meeting in honor of Paul Garner.


Directors of the Accounting History Research Center (Al Roberts and Elliott Slocum) and the Tax History Research Center (Tonya Flesher) reported that they are continuing to receive contributions of books and documents.

President-Elect Barbara Merino talked about her plans for the Academy during 1990. She reported that 93 members have indicated an interest in serving on Academy committees. She proposed incentives (similar to the AAA) be offered to persons who work on the Membership Committee. The incentive concept was discussed and approved (details to be worked out later). Briefly, Merino noted that the Academy will sponsor a history session in cooperation with the Center for International Education and Research at the International Conference (University of Illinois) in March and in cooperation with AOS at their conference in November. Also, a CPE session designed to bring about interaction between positive and critical researchers is being planned for prior to the AAA August meeting in Toronto. Additional details on these activities will be forthcoming.
President Flegm made closing comments about his year as President. He noted that, being the Academy's first non-academic president, he approached his term with some trepidation. He attempted to bring forth a different perspective. Under Flegm's leadership the Academy 1) did initiate and take part in regional and national seminars on the relevance of accounting history, 2) was successful in launching the Corporate Accounting Policy Seminars as an AAA sanctioned seminar, and 3) did accomplish some major restructuring as recommended by the Board of Trustees. He is looking forward to working with Barbara Merino and the Academy in future endeavors.

The meeting was adjourned at 12:15 p.m. as there was no further business.

Respectfully submitted,
Ashton C. Bishop
Secretary, AAH

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**THOUGHTS FROM THE PAST!**

“Sincerity is to speak as we think; believe as we perform, act as we profess; perform as we promise, and really be what we would seem and appear to be.”

Archbishop Tillotson
Church of England

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### THE ACADEMY OF ACCOUNTING HISTORIANS

#### MEMBERSHIP AT DECEMBER 31, 1989

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TRUSTEES MEETING AND MEETING OF TRUSTEES, OFFICERS, AND KEY MEMBERS

Trustees of The Academy, which according to the by-laws includes officers, will meet on Wednesday, August 8, 1990, at the Holiday Inn Downtown in Toronto, Ontario, Canada. The meeting is scheduled from 12:00 to 3:00 p.m. The Holiday Inn is located about a block from the Sheraton which is the headquarters hotel for the annual AAA meeting. Goals and objectives of the Academy will be discussed. Dick Vangermeersch, Chairman of the Trustees, reports that he is hopeful that the goals of the Academy and its budget for 1991 will be voted on at the meeting.

Meeting of the Trustees, Officers, and Key Members is scheduled to follow the Trustees' meeting. This meeting is scheduled from 3:00 to 6:00 p.m.

Information about the meeting room and an agenda for both meetings will be mailed to you prior to the meeting in Toronto. Please place these important meetings on your calendar, and make every possible effort to attend. Your guidance and support is needed.

Respectfully,
Ashton C. Bishop
Secretary

THE WORKING PAPER SERIES NEEDS MANUSCRIPTS

Manuscripts are solicited for The Academy of Accounting Historians' Working Paper Series. Submitted manuscripts need not be in the finished form required by academic journals. However, the manuscripts should meet reasonable requirements of documentation, etc. If you need information on requirements for the Working Paper Series, please contact Horace R. Givens, Editor, at (207) 581-1992. Send manuscripts to:

Professor Horace R. Givens
Editor, Working Paper Series
28A South Stevens
University of Maine
Orono, Maine 04469

SIXTH INTERNATIONAL CONGRESS OF ACCOUNTING HISTORIANS

The Sixth International Congress will be held in Kyoto, Japan on August 20-22, 1992, at the Miyako Hotel.

CALL FOR PAPERS:
Please send proposed papers to the Preparatory Committee by January 1991, as follows:

The Preparatory Committee of the Sixth International Congress of Accounting Historians
C/O Kinki University
School of Business and Economics
Professor Okitsu
3-4-1 Kowakae, Higashiosaka,
Osaka,
577, JAPAN
The following publications involve accounting history and have appeared in non-Academy publications during the past few months. Such publications help us to be aware of the extensive research being conducted in accounting history and of other outlets for publication. Readers of The Notebook are urged to keep the editor alerted to publications which should be listed in this column. Send your suggestions to Elliott Slocum at the editorial address. Readers in Asia and Australia may send their suggestions to Dr. Robert Gibson, School of Management, Deakin University, Victoria 3217 AUSTRALIA.


Luigi Serra, “I Conti delle Fabbriche de Monte Cassino nel 1700,” Rivista Italiana di Ragioneria e di Economia Aziendale, Anno LXXXIX, (Novembre e Dicembre 1989), pp. 566-574. [This article, included in the section, “History of Accounting,” is published in Italian.]

Luigi Serra, La Storia Della Ragioneria in Italia (The History of Accounting in Italy), (Cassino: Istituto Tecnico Commerciale, 1989), 36 pages. [This short monograph discusses how accounting evolved; defines the golden period as coinciding with the school of Fabio Besta; discusses the influence of the Fourth International Congress of the History of Accounting in 1984; describes the current situation of accounting history and makes proposals for future study.]


Flegm’s view, accounting functions only as a method of recordkeeping, a guardian of assets and a control over employees. In closing, Mr. Flegm said that he had no quarrel with standard and rule setting as long as the resulting rules and standards make sense and the objective is the elimination of accounting abuses. However, he cautioned against letting the stewardship function of accounting interfere with “real world” managerial decision making, a condition analogous to “letting the tail wag the dog.”
but is not limited to, the use of multiple-choice questions, and (3) shorten the exam to two days, rather than the current two and a half days. These proposed changes were intended to achieve more extensive and consistent content and grading which would increase the reliability and validity of the exam.

Protests to the proposed changes were mostly centered on the elimination of the essay questions. Some critics noted that the Board of Examiners’ practice analysis study, which was concluded in 1983, identified writing, oral, and interpersonal skills as the three most important skills in the practice of accounting. However, the Board of Examiners decided that these three skills, along with research skills, were not to be included in the scope of the CPA Examination’s content.

Writing skills were not included in the scope of the exam because “they are general skills not unique to the practice of public accountancy…. Generally, educational training is relied on to ensure minimum competency for these skills.” (Exposure Draft, p. 4). Critics of this position have pointed out that colleges and universities are not providing acceptable educational training in writing skills. Furthermore, discontinuing the use of essay questions would send the wrong message to CPA candidates. After much debate and discussion with the State Boards of Accountancy, the Board of Examiners agreed to retain essay questions and to grade the essays for writing skills.

A committee has been established by the American Institute of Certified Public Accountants to study issues related to the testing of communication skills of CPA candidates. The Board of Examiners has also begun another practice analysis study, with an expected completion date of July, 1990, to consider the cognitive skills level at which the CPA exam should be set based on actual accounting practice. In addition, a “white paper,” entitled “Perspectives on Education: Capabilities for Success in the Accounting Profession,” issued in April, 1989, by the chief executive officers of the then eight largest public accounting firms, has led to the formation of the Accounting Education Change Commission.

The efforts to improve the quality of accounting education and the testing of CPA candidates will hopefully encourage academics to break the shackles of “teaching to the test” and to encourage the Board of Examiners and the State Boards of Accountancy to be more innovative in efforts to improve the CPA exam. Regardless, efforts will probably continue to improve the quality and proficiency of accounting graduates.

Suggestions: continued from page 7

the publisher’s staff to do that for us. We do believe that we need to ensure from the start that it is professional, meaning *inter alia* that our anecdotes should be properly referenced.

Your thoughts, for and against, one-page ideas, maps, poems, pictures, and illustrations should be sent to one of the committee members, any one of the officers of the Academy, or to the Chairman of the Educational Committee: Michael F. van Breda, School of Business, Southern Methodist University, Dallas, TX 75275-0333.
CALL FOR PAPERS

The Third Interdisciplinary Perspectives on Accounting Conference has issued a call for papers for the July 8-10, 1991 conference. Papers are welcome in all germane areas from social scientists and practitioners. Contributions within the following themes are particularly sought:

Accounting Expertise and Knowledge—the examination of accounting's claim to expertise and knowledge in the context of: socialization, education and training; accounting as an academic discipline; the delineation of accounting's boundaries; the power and practice of the profession; auditing; consulting and ethics.

The Growth and Influence of Accounting—the history of accounting and its impact upon: the creation, globalization and fragmentation of markets; public sector policy; the state and politics; economic and legal regulation; cultures; gender relationships.

Reconstructing Accounting—the exploration of accounting as a central feature of: employee reporting; social auditing; ecology; consumer sovereignty; industrial democracy.

Prospective contributors are asked to send papers for review and selection by January 31, 1991. Earlier inquiries or information on work-in-progress are welcome. Revised papers must be available by April 15 to permit prior distribution of proceedings. Several leading academic journals have expressed a strong interest in publishing papers from the conference.

FOR SUBMISSION OF PAPERS:
Peter Miller or Michael Power
Department of Accounting & Finance
London School of Economics
Houghton Street
LONDON WC2A 2AE
Telephone: 01 405 7686

GENERAL INQUIRIES AND REGISTRATION:
Trevor Hopper or Linda Kirkham
Department of Accounting & Finance
University of Manchester
MANCHESTER M13 9PL
Telephone: 061 275 4014/4025

RESEARCH METHODOLOGY CONFERENCE SCHEDULED FOR 1991

The Academy of Accounting Historians has scheduled the Accounting History Research Methodology Conference at The University of Mississippi on December 6-7, 1991. The conference will provide a forum for the exchange of ideas on research methodologies, defined as critical analytical approaches to historical research, which incorporation into accounting history will result in substance and relevance. The focus on analytical research methodologies will help the discipline of accounting history to achieve the goals of realizing its full potential as a discipline and to obtain the respect of the accounting community.

Information concerning the program details, registration, lodging, and travel arrangements will be distributed prior to the conference.
NEW TITLES IN THE CLASSICS SERIES

Two new titles join the list of four previously republished accounting history classics in *The Academy of Accounting Historians Classics Series* published by Garland Press. Series Editor, Gary John Previts, announced that William T. Baxter's 1950 anthology entitled, *Studies in Accounting*, has been released by Garland Press.

The other new title is Leonard Spacek's autobiographical work, *The Growth of Arthur Andersen & Co., 1928-1973, An Oral History*. Spacek's work was previously available only in a limited paper bound version. It was selected as the 1976 Hourglass Award winner by then President Merv Wingfield.

The four previously reprinted Classics published by Garland are:

- S. Paul Garner's *History of Cost Accounting to 1925* ($43.00; 430 pages)
- J.D. Edwards' *A History of Public Accounting in the United States* ($35.00; 370 pages)
- J.D. Edwards' and R.F. Salmonson's *Contributions of Four Accounting Pioneers: Kohler, Littleton, May, Paton* ($24.00; 234 pages)

Orders for Classics Series volumes may be placed directly with:
Garland Publishing Co.
136 Madison Avenue
New York, New York 10016

Suggestions for future additions to the Classics Series should be forwarded to:
Gary John Previts
Weatherhead School of Management
Case Western Reserve University
Cleveland, Ohio 44106

RAILROAD HISTORY

EBHA Press, a Division of Economic and Business History, will publish, in the near future, Volume I of *Railroad History: Essays on Management Ability and Performance* by C.J. Kennedy and others. Volume I will include 23 essays by 14 authors presented at various seminars of the Economic and Business History Associates. The hardbound edition is scheduled for distribution by late May. Volumes II and III are expected to be available in 1991.

All three volumes present Professor Kennedy's technique of measuring both the performance and ability of the management of 48 railroads in New England from 1830 to 1983. Comments and related essays by 13 other authors of railroad history are included. Information about the publication can be obtained from EBHA Press, 5919 Cullen Drive, Lincoln, Nebraska, 68506 or phone at (402) 488-0684.
REPORT OF THE INTERNATIONAL RESEARCH TASK FORCE

The International Research Task Force has been charged with developing a strategy that would foster comparative studies of an international nature. Specifically, we are currently examining the feasibility of the Academy sponsoring one or more international research conferences in 1991, and later, we will be engaged in long range planning for cosponsorships of conferences that extend beyond 1991.

With these charges in mind, committee members have been asked to forward to me their thoughts on how they believe the Academy could better serve members in their country and, at the same time, foster cooperative efforts among accounting historians of different nationalities and viewpoints. For example, if we decide that an international conference would be a useful vehicle for fostering comparative studies, then we will examine alternative locations where it might be held. It might prove particularly advantageous if we could hold a history session in conjunction with an existing conference such as the one being sponsored by the Center for International Research at the University of Illinois. If committee members are aware of any such conferences, particularly in their country, that are being planned for 1991 that might be receptive to holding a history session with an international orientation, they have been asked to pass this information on to me so that I can include it in our report. They have also been asked to include in their comments any other thoughts that they might have on where such a conference could be located.

The second issue that our committee is addressing is to suggest themes for an international history conference. One suggestion which has been offered would be to sponsor an accounting theory conference which might honor the Academy's life members. Committee members have been asked to forward to me any ideas that they have on other conference topics that would foster comparative studies across country boundaries.

A third issue that the committee is considering would be whether the Academy could sponsor a manuscript competition which would reward members for comparative research of an international nature. However, this suggestion may be temporarily shelved until we see what response the Academy receives from its members to an international conference. Or, perhaps, it could be awarded the first time to the best paper at the conference proposed by us. Again, committee members have been asked to send me their thoughts on this subject.

The following schedule for completion of our duties has been established.

February 1 - Request for ideas sent by Sarah Reed to task force members.

April 1 - Initial ideas returned by task force members to Sarah Reed.

May 1 - Rough draft of task force report sent by Sarah Reed to task force members.

June 1 - Comments on report and any new ideas returned by task force members to Sarah Reed.

July 1 - Copy of final report sent by Sarah Reed to task force members.

Our committee contains thirteen representatives from eight countries. We believe that this research task force has the potential to make a significant contribution to the future of the Academy.

Sarah Reed
Chairwoman
March 1990
A NEW JOURNAL AND A CALL FOR PAPERS

Accounting, Business and Financial History is a new journal which will foster interdisciplinary research into the flourishing areas of accounting, business and financial history. This journal is intended to provide an ongoing record and analysis of past developments; to give explanations for present structures and practices; and to create a platform for solving current problems, as well as, predicting possible trends for the future, both nationally and internationally. Particular areas to be covered in the journal are:

— The development of accounting theory, practices and institutions
— The influence of accounting on business decision making
— The interrelationship between accounting practices, financial markets and economic development
— The various environments and social influences on accounting, business and financial developments.

Accounting, Business and Financial History is contributed to and refereed by international academics in a variety of disciplines. Manuscripts representing original investigation using primary and secondary source materials are welcomed by the Editorial Board. Notes for contributors are available from the Editor, John Richard Edwards, Cardiff Business School, University of Wales. Trevor Boyns is the Assistant Editor; also at the same institution. Manuscripts are to be submitted to: John Richard Edwards, Cardiff Business School, University of Wales, College of Cardiff, Aberconway Building, Colum Drive, Cardiff CF1 3EU.

AFFILIATION WITH THE IAAER

The trustees, officers, and key members of The Academy have voted to become an institutional affiliate of the International Association on Accounting Education and Research (IAAER). Affiliation will enable Academy activities to be publicized in COSMOS, the IAAER newsletter and our members will be kept abreast of IAAER activities.

IAAER was established to assist the International Conference that was held in Kyoto in 1987. Membership was drawn from a number of different countries. After the Kyoto conference, it was decided that the Association has a role to play in fostering future international conferences and in providing members with a forum for exchanging information on meetings, seminars, and conferences other than those organized under its own auspices.

Currently, IAAER has scheduled the VII International Conference on Accounting Education for October 8-10, 1992 in Arlington, Virginia at the Marriott Crystal Gateway Hotel. The American Accounting Association is primary sponsor along with the IAAER.

WANTED MANUSCRIPTS AND ITEMS OF INTEREST

Anyone wishing to submit short article manuscripts, notes, cartoons, shaggy dog stories, letters to the editor, or other items to THE ACCOUNTING HISTORIANS NOTEBOOK should send the material for consideration to the editor, Elliott L. Slocum, School of Accountancy, Georgia State University, University Plaza, Atlanta, GA 30303.
I attended a four hour key member meeting on Friday, December 1, in Atlanta and then a two-hour review with some members on Saturday afternoon, December 2, in Atlanta. My goal was to see what the trustees could do to help The Academy. My reading of many books on "Boards" did not yield much specific help, as almost all were written for the private sector. The one book that was not for the private sector assumed that the organization had a full-time and paid staff, which is far from what our organization has or ever will have. Your responses on my questionnaire also helped me come to the conclusion that coincides with a comment written by Ed Coffman: "We must find a way for each member of the Trustees to participate in the current activities of The Academy." This is probably also true of our past trustees.

Barbara Merino has polled the membership for volunteers to help The Academy. There has been a very heartening outpouring of support from the membership. We do need some assistance in both the Endowment Committee and the Public Relations Committee. The Public Relations Committee includes the important outreach in such events as the SUMMA 500 in 1994 and the NAA 75th Year Celebration in 1994, as well as, the CPA Exam Centennial in 1996 and the World Congress in 1992. These two committees need CONTINUITY, something we can provide. This is true for the other committees as well. I hope each of you can participate in at least one of these committees. The Academy needs your involvement, ideas, and support.

After looking at the McGraw-Hill publication on Table of Contents of Journals in Accounting, I realized better than ever before the work we have to do to maintain our Journal as our "flagship." McGraw-Hill listed 29 journals in English, and most of them were spawned in the 1970's and 1980's. It is not easy to attract good literature for our Journal with all these competing journals. Barbara will need our support in her goal of increasing The Academy's outreach to business and economic historians to help to attract quality articles.

There were many outstanding comments to my questionnaire. I have summarized them in Appendix A. I did not do as good a job with the "Means to Ends" section of the survey. So much so that, I would rather concentrate on the Assumptions. The "Means to Ends" must await your responses to the revised assumptions about the academy.

APPENDIX A

Tom Nessinger suggested that a four factor model—Organization; Board; Officers; and Members—be employed for the "Assumptions about the Academy." I followed that format along with additions and corrections sent to me by Merv Winsfield, Maureen Berry, Tom Johnson, Gary Previs, Dale Flesher, Lee Parker, Murray Wells, Ed Coffman, and Barbara Merino.
Assumptions about the Organization of The Academy

1. The Academy should remain a not-for-profit (Sec. 501(3)) organization.
2. The Academy should be a collegial body.
3. The Academy should remain independent of the AAA.
4. The Academy should have a warm relationship with the AAA.
5. The Academy should be an international organization.
6. The Academy should be an English-speaking organization.
7. There should be an explicit policy about having an International Congress of Accounting Historians every four years.
8. There should be warm relations with other accounting history groups.
9. There should be warm relations with history groups.
10. The Academy should be concerned with all aspects of history.
11. The Academy should be very committed to an historical flavor for AACSB accreditation.
12. There should be a strong commitment to raising funds and to the endowment process especially for the AHRC and the THRC and for research projects.
13. The Academy should play an important role in celebrating long-term anniversaries—i.e., AICPA Centennial.

Assumptions about the Board of Trustees of The Academy

14. The Board of Trustees should be an advisory body for operating matters.
15. There should be no formal By-Laws for the Board of Trustees.
16. The Board of Trustees should be involved with the approval of long-term plans of The Academy.
17. The Board of Trustees should be concerned with the continuity of The Academy.

Assumptions about the Officers of The Academy

18. While the term of the presidency is one year, a person might be re-elected to a second consecutive year.
19. While there is a step system which leads to the presidency, there should be a necessity to maintain flexibility.
20. There should be a long-term plan for The Academy.
21. Repeat terms should be possible for the Secretary.
22. Repeat terms should be possible for the Treasurer.

Assumptions about the Members of the Academy

23. There should be a limited range of dues increases in the short-run for individual members.
24. There should be a limited range of dues increases in the short-run for institutional members.
25. Student members should be encouraged at all levels.
26. The membership of the Academy should be comprised predominantly of academic members.
The Accounting Heritage Association has been established in Woodbridge, New Jersey. The Association will be dedicated to preserving the history and heritage of accounting by way of a museum. The collection is already off to a fast start with antique adding machines, an accounting ledger, circa 1873, and a clock that was the "standard" for schools and businesses in 1886.

The accounting museum will be housed in Green Anderson and Company; an accounting firm based in Woodbridge. Leonard C. Green, managing partner of Green Anderson and Company, said "one of the goals of the Association is to bring in young adults who have an interest in accounting to view these antiques and compare them with the new technological advances made in accounting. Students will be able to learn about accounting's history and apply it to the future."

The Accounting Heritage Association is looking for people to donate artifacts that...
pertain to the field of accounting. All donations are tax deductible and members will receive a certificate of merit. Anyone interested in donating accounting collector's items, or in seeing the exhibit, should call Pamela Iovino at Green Anderson and Company at (201) 634-5100, extension 277.

Ms. Iovino has found it rather difficult to obtain information on some of the museum artifacts because most of the adding machine manufacturers no longer exist. Although she has contacted a number of museums and the AICPA, these sources have not possessed the information needed. A list of adding machines which have been donated are listed below. If you have any information on old adding machines, suggestions, comments, ideas concerning the museum, or know of individuals interested in donating to the museum, Ms. Iovino would appreciate your help.

### ADDING MACHINES

<table>
<thead>
<tr>
<th>Manufacturer</th>
<th>Manufacturer Information</th>
<th>Circa</th>
<th>Patent Information</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>BURROUGHS</strong></td>
<td>Mfg: General Adding Machine, Detroit, Mi.</td>
<td>1915</td>
<td>#29596</td>
<td>glass front panel, stands on base</td>
</tr>
<tr>
<td><strong>UNDERWOOD</strong></td>
<td>Mfg: Underwood Mfg.?</td>
<td>1917</td>
<td>Standard type 5</td>
<td>typewriter. In the foreground of the photo</td>
</tr>
<tr>
<td><strong>FELT &amp; TARRANT</strong></td>
<td>Mfg: Felt and Tarrant Mfg Company, Chicago, Ill.</td>
<td>1930's?</td>
<td>#12536270</td>
<td>photo subject</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Manufacturer</th>
<th>Manufacturer Information</th>
<th>Circa</th>
<th>Patent Information</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OLIVER</strong></td>
<td>Mfg: Oliver Typewriter Co., Chicago, Ill.</td>
<td>Circa: 1912</td>
<td>#9</td>
<td>typewriter with green base and no shield for keys</td>
</tr>
<tr>
<td><strong>WALES</strong></td>
<td>Mfg:?</td>
<td>Circa: 1920's?</td>
<td>?</td>
<td>rectangle base, handle on right side 9 rows of keys, roll cartridge on back</td>
</tr>
<tr>
<td><strong>FREIDEN</strong></td>
<td>Mfg: San Fernando, Ca.</td>
<td>Circa: 1940's?</td>
<td>#10-107911</td>
<td>electric, gray with green keys. Square with rectangle cartridge on back</td>
</tr>
</tbody>
</table>

THOUGHTS FROM THE PAST!

"The world is full of plausibilities.... Plausibilities not only rule the investments of large numbers of our people, but likewise more or less control our thinking. During the World War we, all of us, instinctively felt, as was preached from the housetops, that with the ending of the war peace would at once return and prosperity would be the portion of the victors. Perfectly plausible, and yet we now know that such was not and could not have been the case."

Frank Wilbur Main

*The Certified Public Accountant*

April 1926, p. 98.
ACCOUNTING HISTORY LESSONS FROM THE COMER SCHOOL

EXCHANGE.

A term that is used in reference to those transactions by which the debts of persons residing at a distance from their creditors are liquidated without the transmission of money.

CHAIN-RULE,

Or Rule of Equations, an arithmetical formula of German origin, which is of great practical utility, particularly in exchange calculations. It is so called from the terms being stated as equations, and connected as it were by a chain, so as to obtain by one operation the same result as by any number of different questions in the Rule of Three.

RULE.

Arrange the several terms in two columns of antecedents and consequents, as follows:—enter the term of demand in the right hand column; enter on the line below in the left hand column the first antecedent, which must be of the same denomination as the term of demand, and equal in value to the corresponding consequent placed contiguously in the right hand column; and so on throughout, making the terms lead from one to the other, so that the last term may be of the same denomination as the answer required.

EXAMPLES.

Required the number of French Francs which may be had for $5000 federal money, reckoning $4.82 equal to £1, and £1 equal to 24½ francs.

STATEMENT.

\[
\begin{align*}
\text{\$5000.} & \times \text{\$4.82} = \text{\£ 1.} \\
\text{\£1.} & = \text{Francs 24½} \\
5000 \times 1 \times 24\frac{1}{2} & = 122500 \\
\end{align*}
\]

\[
\frac{482 \times 1}{482} = \text{Francs 25.414.93 Ans.}
\]

Required the number of Roman Paoli which may be had for $5000 federal money, reckoning $4.84 equal to £1, and £1 equal to 25 French francs, and 100 francs equal to 200 Paoli.

\[
\begin{align*}
\text{\$5000.} & \times \text{\$4.84} = \text{\£1.} \\
\text{\£1.} & = \text{Francs 25} \\
\text{Francs 100} & = \text{Paoli 200} \\
5000 \times 1 \times 25 \times 200 & = 25000000 \\
\end{align*}
\]

\[
\frac{484 \times 1 \times 100}{48400} = \text{Paoli 51,652.89 Ans.}
\]

Required the price per lb. of Tea, purchased in China at 30 tales per pecul of 133½ lbs.; 720 tales being equal to £200, and £1 equal to $4.84.

\[
\begin{align*}
1 \text{ Lb.} & \\
\text{Lbs.} & = \text{Pecul.} \\
133\frac{1}{2} & = 1 \text{ Pecul.} \\
\text{Pecul} & = 30 \text{ Tales.} \\
720 & = \text{\£200.} \\
\text{\£1.} & = \text{\$4.84.} \\
1 \times 133\frac{1}{2} \times 720 \times 1 & \times \text{Cts. Mills.} \\
96000 & = 30.25 \text{ per lb.}
\end{align*}
\]

ABSTRACTS

PAPERS PRESENTED AT THE FOURTH CHARLES WALDO HASKINS ACCOUNTING HISTORY SEMINAR

The Accounting History Research Center (AHRC) hosted the fourth in the series of the Charles Waldo Haskins Accounting History Seminars at the Hilton Hotel in Atlanta, Georgia on December 1 and 2, 1989. Thirteen papers were presented at the seminar. In addition, presentations were made by Eugene H. Flegm at the seminar luncheon and Wil Schwotzer at the seminar dinner. Comments by Messrs. Flegm and Schwotzer are summarized earlier in this issue of The Notebook.

Support for the seminar from those persons submitting papers, presenting papers, and attending the seminar was very gratifying. More papers were received than could be accepted due to the presentation time available. Those papers selected were of outstanding quality and included a variety of subjects and issues in accounting history relevant to our understanding of the present. Authors represented thirteen universities; one public accounting firm; and ten states, Australia, and England.

Abstracts were submitted by the authors and are presented herein. Length and detail of the abstracts vary at the authors’ discretion. Undoubtedly, the authors would gladly provide a copy of the complete paper upon request or provide information on where the paper was subsequently published.

The directors of the AHRC and the trustees and officers of the Academy of Accounting Historians sincerely appreciate the contributions of the authors, moderators, and attendees which made the Fourth Charles Waldo Haskins Accounting History Seminar a success.

Elliott L. Slocum
Alfred R. Roberts

Dr. Gene Berry, Director of the School of Accountancy, extended a warm welcome to the participants in the Fourth Charles Waldo Haskins Accounting History Seminar on behalf of Georgia State University.
THE INFLUENCE OF FIRM SIZE, STRATEGY, AND STRUCTURE ON THE DEVELOPMENT OF ACCOUNTING, 1776-1989

by George J. Staubus
University of California at Berkeley

This paper is a portion of a line of research based on the premise that one's ability to understand and explain the existence of a particular firm's accounting practices, or of typical firm accounting practices, is enhanced by an understanding of the economics of the firm. Both firms and accounting have existed for a long time, having developed together over many centuries. The focus in this paper is on developments in firm size, in firm strategy regarding vertical integration and diversification, and in form of organization as influences on the development of accounting.

A brief summary of an earlier paper can provide useful background. The firm is viewed as an economic unit directed by one manager or management team that acquires, divides, and combines resource inputs to produce one or more product outputs in order to create wealth. This view of the firm was found to have important implications for accounting, as firm accounting practices are shaped by the fundamental characteristics of firms.

Six psychological and economic considerations were identified as influencing the development of firms, and through firms, accounting. They were: bounded rationality, the prevalence of self-interested (opportunistic) behavior, firm uniqueness, externalities and dilution of cost/benefit consequences, cost of information, and information losses in communication processes. These basic (Tier I) influences support seven Tier II influences (but not via one-to-one connections): separation of ownership and management, income taxation, regulation of financial reporting and auditing, control loss in large organizations, performance evaluation and incentives, asset specificity and redeployability, and indivisibilities and economies of scale. A number of developments in the historical evolution of accounting are linked to these issues.
of accounting were identified as emanating from those thirteen influences.

In this paper, the influence of firm size, strategy, and structure on accounting are investigated. Those influences are indeed substantial. They are summarized in this abstract in the form of a series of propositions (hypotheses with varying probabilities of acceptance, with or without further research) regarding developments in accounting.

Size of Firm

The tendency of increasing size of firm to challenge the bounds of human rationality (including memory) has stimulated the development of accounting for thousands of years.

The communication problems, coordination difficulties, and bureaucratic tendencies plaguing the managements of large firms have stimulated the evolution of control-oriented accounting procedures such as budgeting, standard costing, segment performance reporting, and variance analysis.

Both motivation to work toward firm objectives and direct observability of individual performance are impaired as size of firm increases. Therefore, accounting-based performance reports are more fully developed in large firms than in small ones.

As size of firm increases, opportunistic behavior and incentive dilution encourage managements to make greater use of internal control devices such as separation of duties and internal auditing.

Increasing specialization of labor in growing firms stimulates an interest in financial information about specialized activities and makes the gathering of cost and revenue data about those activities easier, thus leading to the development of finer classifications of data on specific functions.

Developments of more economical, high volume data processing equipment and techniques are largely attributable to large firms.

Growth Strategy

In the absence of market prices for activity inputs and outputs that are observable by the management of a single-activity firm, managements in the integrated firm with several sequential activities seek substitutes for use in measuring activity inputs and outputs. Accounting has developed such substitutes. For performance evaluation, accounting has developed the concept of responsibility accounting and performance reports that show actual results alongside budgets or standards. For technology decisions, accounting has developed the cost-tracing form of product costing and a variety of ad hoc analytical techniques. Limited development of transfer pricing schemes not based entirely on cost tracing is observed, but they rarely are applied to transfers among activities in the same product division. In sum, accounting measurements play the same role in guiding decisions made in the management of a set of activities making up an integrated firm that market prices play in guiding such decisions when a set of activities is distributed among several unintegrated firms.

One is inclined to speculate that the influence of regulation on external financial reporting, the importance of verifiability to transferrers and transferees with conflicting interests, uniqueness of the intermediates being transferred, and cost of information have tended to inhibit further development of market-related transfer pricing.

The production of multiple products in one plant obscures product cost data and contributes to the development of complex product cost accounting systems. Other things remaining equal, multiproduct plants develop more refined systems for measuring product costs than do single-product plants.

The Accounting Historians Notebook, Spring, 1990
Organizational Structure

The multidivisional form of organization has replaced the functional form in many large firms, accompanied by development of profit center reporting, transfer pricing techniques, and emphasis on return on investment and, to a limited extent, residual income.

Certain problems plaguing managements of large firms — especially losses in transmissions and coordination difficulties — suggest that the more complicated and varied the business (e.g., number of products, location, technology, marketing channels, government relations) the smaller (in revenues) the size limit for a firm organized functionally and the more likely the firm is to adopt the profit center form of organization and accounting. The product division form of organization predominates the functional form in diversified firms.

A firm is not likely to adopt profit center accounting if interactivity transfers are not measurable by close surrogates for observable market prices; cost center accounting will prevail. For example, a proprietary product is likely to be transferred from manufacturing to sales at cost rather than a transfer price that yields a profit or loss to manufacturing. Thus, the form of organization is partly determined by information availability.

This series of propositions regarding the influence of firm size, strategy and structure on the development of accounting is presented for examination by others interested in the general area of the development of accounting in firms.

THE EVOLUTION OF THE 'UNIFORM' CPA EXAMINATION

by
Kent T. Fields
Auburn University

William D. Samson
University of Alabama

Motivated by curiosity and by concern with the recently adopted changes to the format of the CPA Exam and also by a desire to understand better what possessing a CPA certificate really means, this paper analyzes the evolution of the CPA Exam from its beginning through the adoption of a uniform content and format. This paper also compares the exams taken by our professional forebears to the modern examination. One motivation for the paper is a curiosity concerning the level of truth associated with a common perception of many CPAs that the exam is getting progressively more difficult. If this perception is true, then the earliest examinations, when contrasted with current exams, must have been comparatively easy. This look back at the past also is motivated by recently adopted proposals to change the format and structure of the CPA examination for the first time in many years. Finally, a review of the past century of exams provides perspective to
the profession's most treasured ritual: that of examining candidates' knowledge and competence to be admitted to the guild of Accountancy.

In this paper there are four research issues. First, the developments that led to the institution of the first CPA Exam are identified. Second, the evolution of the earliest state CPA Examinations into the "uniform" CPA Examination is investigated. Third, the early CPA Exams are compared to the current exams as a way of illustrating the impact that these first exams have had, and continue to have, on modern exams. Last, in a very subjective way, the rigor of the early examinations is compared to "modern" examinations in an attempt to draw conclusions about the relative difficulty of the old examinations compared to the modern ones. This level of rigor will be assessed by (1) comparing and contrasting questions and (2) comparing pass rates. The issues which are discussed include:

- Has the level of difficulty of examinations changed appreciably from early exams to more modern ones?
- Have the pass rates changed appreciably over the years?
- Is the coverage of the exam more (or less) comprehensive now than in the past?

The primary research method employed in this paper is to investigate the old examinations by reviewing The Journal of Accountancy issues from the turn of the century. CPA exam information printed in The Journal of Accountancy includes reprints of the actual CPA Examinations, articles discussing various aspects of the examination procedure and facts about the pass/failure rates on various exams.

BRITISH ENTREPRENEURS AND INDUSTRIAL REVOLUTION COST MANAGEMENT: A STUDY OF INNOVATION

by

Richard K. Fleischman
John Carroll University

Lee D. Parker
The Flinders University of South Australia

Traditional accounting histories date the advent of sophisticated cost accounting from the mid-1880's and credit American innovators of Frederick Taylor's scientific management movement with conceiving the new practices. However, it is counterintuitive to think the entrepreneurs of the British Industrial Revolution would not have developed costing techniques, given their significant methodological advances in other economic areas, such as technology, capital accumulation, and marketing structure development. This paper reports the findings from a survey of surviving business records from twenty-five large industrial firms during the 1760-1850 period, concentrated in the dominant textile and iron industries. Substantial evidence of mature cost management has
been found in eight major areas of activity:

**Expense Control:** Concern over expenditure must be considered a most fundamental aspect for even a nascent cost management system. However, Industrial Revolution firms tracked costs to a degree unanticipated in terms of frequency, specificity, and detail. For many companies raw materials and productive processes were costed to a fraction of a pence on a weekly or even daily basis. This evidence sheds new light on the frequently heard contention that entrepreneurs were unconcerned about costs since profit margins were so enormous.

**Responsibility Cost Management:** A number of the firms surveyed made regular comparisons of individual factories and shops of the same function. Managers were evaluated on the basis of these comparisons.

**Product Costing:** Great care was taken to price products based on lengthy and intricate cost calculations which included, not only the more obvious prime costs, but selling expenses and factory overhead allocations as well. Product costing efforts of Boulton & Watt and Wedgwood were particularly impressive.

**Accounting for Overhead:** The realization that productive departments and products should bear overhead allocations was prevalent. On several occasions allotment was based on predetermined application formulae.

**Cost Comparisons:** Sophisticated cost comparisons were made on a wide variety of subjects, including mineral field yields, waste associated with various raw material mixtures, and individual blast furnaces. The efficiency of steam engines was particularly scrutinized, including horsepower generated, coal consumed, and machine downtime.

**Costs for Special Decisions:** Cost analyses were both frequent and sophisticated to support decision-making in areas such as lease or buy, introduction of technology, subcontracting, expansion of operations, product line abandonment or deemphasis, and marketing/transportation.

**Budgets, Forecasts, and Standards:** Nearly all major Industrial Revolution firms employed standard cost techniques for valuing inventory, transferring costs for raw materials between departments, product costing, and departmental evaluations. Budgeting and profit forecasting was done more rarely, though several sophisticated examples do exist.

**Inventory Control:** References are frequent to the concern of managers about inventory problems such as carrying charges, stockout dislocations, and risks of obsolescence.

Tables have been presented demonstrating on an individual firm basis either a substantial volume of activity or an excellence/sophistication of technique in each of the eight cost management categories. The evidence supports the contention that British Industrial Revolution entrepreneurs had good costing instincts appropriate for their environment. Comparisons to the literature of the later "costing renaissance" era suggest that much greater credit should be accorded their activities as a formative stage in the evolution of cost accounting.
A PRIMER ON ORAL HISTORY

by

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The purpose of this paper is to present "oral history" as a means of doing research on accounting history. As a research tool, oral history can be used to supplement and clarify the written record. It has scarcely been used in accounting history despite its great potential for illuminating past events and circumstances. We take the position that interviews of the principal participants in professional accounting standard-setting and practice by academic accountants can serve a valuable objective, for example, in terms of explaining how a particular accounting standard was developed. Additionally, such interviews can have the effect of alleviating the long-standing schism between accounting practitioners and academics.

Donald A. Ritchie, past president of the Oral History Association, observes [1988, p. A44] that oral history is "not a new pursuit," citing as examples oral histories collected by military historians during World War II and surreptitious tape recordings used as supplements to written records by Presidents Nixon,
Roosevelt, Kennedy, and Johnson [1988, p. A44].

Advantages of oral histories according to Ritchie are that they [1988, A44]:

...provide oral road maps through the documentary thicket and also offer some clues to missing material. ...[T]he "author" of an oral history works with an interviewer who has done the homework necessary to raise questions about policies that did not work and decisions that went wrong.

Admittedly, each oral history deals with only one perspective, and few people have been in a position to see all sides of an entire issue or judge all of its implications. But good oral-history programs seek to interview a wide enough selection of the people involved to build a balanced image of events. The spoken word can offer the additional advantage of being more colloquial and intimate than formal memoranda writing....

The process of gathering oral history is simple to implement. As an example, the typical steps to be taken are as follows:

1. Identification of sources available in the same geographical area as the researchers. This facilitates the "collection" of oral history because the parties can meet at mutually convenient times and places.
2. Selection of an individual based on research interest and then arranging a suitable time and place for the interview. In making the initial contact, the interviewee should be apprised of the purposes of the interview and the anticipated use of the information gathered.
3. Preliminary research of literature to determine the direction and questions to be asked in the interview.
4. Interviewing with flexibility—i.e., having some notion beforehand of the direction the interview will probably take—without taking preconceived, bias-ed positions on any issues—and having "neutral, unbiased" questions available should not prevent the interview from taking a different path from the one expected. Notes can be taken, but a tape recorder cannot be used unless the interviewee is comfortable with one. After the interview is finished, it is imperative to request the interviewee to sign a release form indicating that the interviewee consents to have the information which he/she furnished for the express purpose indicated in writing. (Stave, 1987) Furthermore, a copy of the draft of the paper should be forwarded to the interviewee for his/her perusal and suggested modification. (Stave, 1987, 16) Oral history can be an effective research tool only if the researcher is thoroughly prepared.

Oral history can be both a tool for shedding light on written record or raising questions about that record. (Shopes and Frisch, 1988) We believe that much potential oral accounting history is available, and ought to be gathered. It is regrettable that oral history has been used so seldom in accounting to substantiate or complement written history.

SELECTED REFERENCES
Locating and gathering research materials may be the most difficult aspect of conducting historical accounting research studies. One must dig for archival materials in any fertile ground. An important source of data may often be overlooked by historical researchers due to the perceived difficulties of dealing with the bureaucracy of the federal government. The Freedom of Information Act (FOIA) provides a vital source of inquiry on many subject areas once the tricks of dealing with government agencies can be mastered.

The Freedom of Information Act, first passed in 1966, is intended to provide any person access to the records of agencies of the executive branch of the federal government. The Act does not apply to the records of Congress or the judicial branch of the government. The procedure to follow in making a request for information under the Freedom of Information Act is simply to write a letter. Probably the most important part of the letter is the request for records. The letter should include an adequate description of the records being requested. The letter may also contain a request for a waiver or reduction of the search fees. If possible delays are to be avoided when a waiver is requested, the requester should offer to pay the search fee up to a stated limit upon denial of the waiver.

The FOIA appears to be a most valuable source of data for accounting history projects, in particular biographies. To illustrate, the FOIA had great potential as a source of information in researching the life of T. Coleman Andrews, a former president of the American Institute of Accountants and a member of the Accounting Hall of Fame. For much of his career T. Coleman Andrews was a public servant and during most of that time was the center of attention or controversy so that government records on him should abound. Andrews moved to Washington, D.C. in 1941 where he worked in the office of the Under Secretary of War and the Under Secretary of the Navy and served on the staff of General Eisenhower. He also worked as an accountant for the Department of State. After the war, Andrews became the first director of the Corporation Audits Division of the General Accounting Office. Andrews next served on the Hoover Commission. He became Commissioner of Internal Revenue in 1953, the first CPA to hold that position. Following 33 controversial months as Commissioner, he resigned to become a presidential candidate. In 1956, Andrews ran on an independent ticket with his platform being the abolition of the federal income tax system and a general limitation of federal government powers. With the support of a large number of conser-
The notion of extraordinary items has been clearly defined since the Accounting Principles Board issued "Reporting the Results of Operations," *Opinions of the Accounting Principles Board No. 30* in 1973. The opinion established the criteria of infrequency and unusualness for extraordinary item treatment. In addition,
the opinion discussed the proper presentation of extraordinary items in an income statement format. Although extraordinary item treatment is a well-understood concept, little has been written about the forces and developments that led to the issuance of Opinion No. 30. The purpose of this paper is to review the historical developments that led to the evolution of the extraordinary item concept.

The problems involved with accounting for extraordinary items came to the fore as the emphasis in financial reporting shifted from the balance sheet to the income statement. Prior to the shift in emphasis to the income statement, there was little concern with income determination or the elements to be included or excluded in the income calculation.

As environmental conditions changed, new demands were made on accounting to provide relevant information about the operations of business entities. Earning capacity, as measured by the computation of periodic net income, became a major factor in valuation of industrial enterprises. Income statements provided the necessary information for evaluating earning capacity.

By the early 1930's, the shift in emphasis to income statement data was substantially underway. Concern began to be expressed over what constituted net income for the period. One of the primary questions to be answered involved the proper treatment of extraordinary items in financial reports.

The American Institute of Certified Public Accountants recognized the problem of extraordinary items in its early pronouncements, but did little in the way of providing a solution. Not until the issuance of ARB No. 32, in 1947, did the AICPA take any definite stand on the matter. In essence, ARB No. 32 advocated a current operating performance concept of net income.

In 1953, ARB No. 32, with minor modifications, was reissued as Chapter 8 of ARB No. 43. The provisions of this pronouncement constituted the AICPA's official position on the matter until the issuance, in 1966, of Opinion No. 9 of the Accounting Principles Board, entitled Reporting the Results of Operations.

Despite the weaknesses inherent in the provisions of Opinion No. 9, it has generally been considered a significant improvement over the practices existing prior to its issuance. The primary advantage claimed for Opinion No. 9 is the uniformity of presentation achieved by its application.

The Securities and Exchange Commission has consistently advocated an all-inclusive concept of income. With the revision of its Regulation S-X in 1950, the SEC still expressed its preference for including all items of gain and loss in determining net income for the period. However, due to a compromise with the American Institute of Certified Public Accountants, Regulation S-X provided a means of presenting special items on the face of the income statement without having to include the effects of these items in the calculation of net income for the period.

The American Accounting Association’s first official position on the treatment of extraordinary items was essentially one reflecting an all-inclusive concept. In its subsequent pronouncements, the AAA seems to have modified its position regarding income statement presentation.

In reviewing the historical evolution of the extraordinary concept, one weakness seems to permeate all of the various authoritative positions. This weakness is the failure to clearly define criteria for determining which transactions and events give rise to extraordinary items. At best, the American Institute of Certified Public Accountants, the Securities and Exchange Commission and the American Accounting Association have attempted to list...
specific items which would qualify for extraordinary treatment. The main thrust of the early work on extraordinary items was directed at the debate concerning the inclusion or exclusion of extraordinary items from the figure designated as net income.

ACCOUNTING FOR LABOR IN THE EARLY 19TH CENTURY: THE U.S. ARMS MAKING EXPERIENCE

by

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The Springfield armory was the largest and among the most important prototypes of the modern factory establishment, and its accounting controls were the most sophisticated in use before the 1840's (Chandler, 1977). Until that time, the armory's accounting system did not integrate piece-rate accounting and a clock-regulated workday into prespecified norms of output. Hoskin & Macve (1988) have argued that accounting was unable to establish norms, increase labor productivity, and thus attain its full disciplinary power until a West Point managerial component was established in the 1840's. They then called for further discourse to verify or refute this contention.

The current study pursued this charge and concludes that West Point management training was a relatively minor determinant in the evolving nature of accounting. In the U.S. arms-making experience, at least, a more proactive accounting system emerged in response to social and economic forces that included the disintegration of the craft production tradition, an economic depression, and the termination of cost sharing and cooperative knowledge among producers.
WHEN WOULD THE INTELLECTUAL BACKGROUND MAKE A DIFFERENCE? OR PROFESSORS HAVE BEEN IMPORTANT FOR A LONG TIME, BUT WHAT KIND OF PROFESSORS?

by

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Medieval accounting history affords a fertile ground for studying the impact of the intellectual background on the development of accounting itself. In such a study, four hypotheses can be proposed: that the intellectual background affects accounting only when it reaches out towards accounting practice; that this outreach occurs only when intellectuals have direct, personal contact with accounting practice; that developments in law, philosophy, and related humanities are important; and that developments in mathematics are not important.
Little or nothing is said of empiricism in U.S. accounting literature during the first half of the twentieth century in accounting history literature. We cannot make generalizations about the extent or role of empirics in the development of accounting thought. This lack of knowledge may be imposing unnecessary bounds on our understanding of how accounting literature has developed. This study has the very modest primary goal of determining if an empirical literature existed prior to 1950 that was extensive enough and substantive enough to have influenced the development of accounting thought. A secondary goal is to make some general comparisons with contemporary academic empiricism.

The study is based on a sample of thirty-eight works published from 1906 through 1949. The twelve entries in Ball's [1971] bibliography of empirical studies were all included in the sample and a cluster-sampling plan was used to select the remaining twenty-six works. The clusters were randomly selected volumes of The Accounting Review, N.A.C.A. Bulletin, Journal of Accountancy, The American Accountant, and Michigan Business Studies. One hundred thirteen articles and eleven books were identified from the clusters. The remaining twenty-six works in the sample were randomly selected from this group.

The sample included works in several accounting specializations and were found in all of the journals. The empirics in most of the studies were essential to the study and not peripheral. The data were used in conjunction with normative theory in the financial accounting studies, but theory was not important in studies in other specializations. Two studies reflect embryonic efforts at “positive” theory. Both academic and non-academics were authors in academic journals. Very little use was made of inferential statistics and design of the studies was generally unnecessarily primitive. The studies were primarily concerned with implementation in contrast with contemporary concern with explanation. Similarly, most theoretical concern was normative rather...
than positive.

Empiricism was extensive enough and substantive enough to have had considerable influence on normative theorists and the subsequent development of accounting literature. Given the surprising frequency of empiricism, more specialized exploratory studies are desirable for the formation of hypotheses. For example, samples might be identified and drawn by specialization and/or temporally stratified samples examined.

‘PLUS CE CHANGE, PLUS C’EST LA MEME CHOSE’: A STUDY IN ACCOUNTING FOR CHANGING PRICE LEVELS IN GERMANY AND THE USA

by

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Prior to World War I, accountants and academics generally advocated the preparation of accounting statements based on an assumption of a stable monetary unit. During the war, the industrialised countries experienced moderate inflation but this was reasonably quickly controlled in the USA and the UK. However, post war inflation in Germany was not so rapidly controlled and revealed the shortcomings of accounts prepared under traditional assumptions. This stimulated several academics to consider ways in which this problem might be overcome, and their studies were to provide the foundations for later work on inflation accounting in the USA and the UK.

German accounting practice up to the 1920’s was influenced by several factors. The most important of these were the Commercial Codes of 1861, 1884 and 1897, but tax legislation, trade associations, the accountancy profession and academics also helped to shape accounting reports. Among the German academics, the most notable were Schmalenbach, Mahlbert and Schmidt, and it is their work which provides the first focus for this paper. The paper will then examine the impact of their research on Sweeney’s “Stabilized Accounting” and, finally, will consider the influence of Sweeney’s work on subsequent attempts to provide a solution to the problems of inflation accounting in the USA and the UK.

MOYRA KEDSLIE
WOMEN IN ACCOUNTING IN GREAT BRITAIN AND IN THE UNITED STATES — SOME HISTORICAL PARALLELS

by
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The public accounting profession in the United States has its roots in Great Britain. Chartered accountants from England and Scotland came to this country to account for the capital coming into the States from the Old World [Stevens, 1981, p. 3]. Hence, a history of women in accounting in the United States would be expected to have many parallels with a history of women in accounting in Great Britain.

This was found to be the case. Women in both countries faced obstacles when they wanted to enter the public accounting profession. In the early years of the profession, women in both countries were more often directed toward positions as bookkeepers or clerks than accountants or auditors. The suitability of women entering the accounting profession in both countries became the subject of debate within the existing membership of the profession. Both British and American women moved into the accounting profession in large numbers primarily as a result of national manpower shortages encountered during wartime.

Additionally, women in both countries encountered resistance when they entered the male-dominated public accounting profession and related professional organizations. Membership in professional organizations was often denied to them. However, women persisted in their efforts to join the ranks of accountants. In the 1970's an unprecedented number of women moved into the accounting profession in both countries. Currently, the national accounting firms report that approximately half of their new accounting recruits are female, and colleges and universities are reporting the same ratio of students majoring in accounting [Berg, 1988, p. D7]. Fairly recently, economic opportunity legislation and court decisions have aided women in all career paths. Finally, although the status of women in public accounting in these two countries has improved greatly during the last 20 years, there are still few women partners in the national accounting firms in either country.

REFERENCES
The Natural Business Year: A Review of Accounting Literature from 1915 Through 1988 Shows a Shift of Proactive to Reactive Behavior by Accountants

by

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The Tax Reform Act of 1986 brought back the topic of the Natural Business Year in a shocking manner to accountants. The hard work of over seventy years was lost, as individuals and partnerships effectively lost the Natural Business Year alternative. This paper traces the proactive accounting development of the Natural Business Year concept to the reactive mode of the last three decades.

Fifty articles on the Natural Business Year were chosen for review from the literature from 1915 through 1988. The beginning of this literature was impressive, both in the quality and quantity aspects. Robert H. Montgomery chaired the Special Committee on Distribution of Work of the American Association of Public Accountants [AAPA, 1915]. Elijah Watt Sells published perhaps the major piece of literature on the Natural Business Year concept in 1926. A.C. Littleton's effort with the Bureau of Business Research of the University of Illinois in 1926 is a close second. The late 1920's and the 1930's marked the start of a very aggressive campaign by the A.I.A. to increase business adoption of the Natural Business Year concept.

Montgomery rejoined the fray in 1936. However, it was the Natural Business Year Council that provided the strongest focal point for this quest. While the membership was inclusive of the financial community, the chief impetus was the American Institute of Accountants. Much success was achieved in the late 1930's and early 1940's.

There was a noticeable switch in the accounting literature from financial accounting to tax accounting starting in the 1940's. There were only two academic-type articles of a financial accounting nature reviewed in this later period. Chatfield in 1964 published an article which should become the basis for a more scholarly relook at the topic. Fogg and...
Ovadia's 1982 effort is a start of that relooking. The tax accounting literature tended to be fragmented and very tax avoidance oriented.

The cataclysmic Tax Reform Act of 1986 brought the Natural Business Year concept back to more than seventy years ago for individuals and partnerships. While the Tax Reform Act of 1987 contained minor modifications, the Natural Business Year concept is in a severely weakened position. Was the Tax Reform act of 1986, at least in the instance of the Natural Business Year, a child of neglect by the AICPA? Was the Natural Business Year change caused by tax avoidance advocacy in the accounting literature? Should accountants become proactive again on this topic?

In conclusion, the writers had an overwhelming feeling of sadness at the end of the research process. There was a failure to maintain a truly marvelous literature. There was an almost complete absence of "theoretical" articles in the Natural Business Year literature of the last 50 years. There was a relatively complete switch from a proactive to a reactive stance taken by the AICPA, by accountants, and by accounting academics. The writers realize that there is much research to be done on the Natural Business Year Council and on the AICPA's Natural Business Year Committee. If these two institutions are needed to get us back to where we were, they need to be studied in great detail.

PICTURES AND PUBLIC RELATIONS IN CORPORATE ANNUAL REPORTS

by

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A corporate annual report has a wider purpose than the mere communication of financial information. The report is a public relations tool to "sell" the firm to interested readers. The firm's story is told using the traditional methods—financial statements, notes, management letter, and auditor's report. But sooner or later, the firm adopts the use of pictures and narrative captions to aid in the telling of its story. This study examined the first use of photos by 14 large corporations. The average year of first usage was 1947. In most cases, companies evolved slowly into the use of pictures, but a few companies jumped into the activity with a vengeance.

The magazine, Financial World, played an important role in this transition. Financial World did not specifically call for using pictures in annual reports, but its annual survey and awards brought an awareness to the business community of the public relations potential for annual reports. Since most companies whose reports won awards had photos, it was quickly recognized that pictures are an important public relations tool in the promotion of a company's image.
The use of pictures often brings with it several other changes. The report size changes—usually larger, but sometimes smaller. Southern Railway Company used a picture in its 1954 annual report. The text size of that report was 3.75 inches by 7 inches. Neither the 1955 or 1956 report contained pictures. The text size of both years was 6 inches by 9 inches. The company returned to pictures and reduced the text size back to 3.75 inches by 7 inches. Most companies that changed their report size, however, increased the size.

The use of pictures brought additional changes. The paper used in the report often shifted to high gloss stock. The length of the written text grew at a faster rate than the growth prior to pictures. At the point when pictures are first used, the report seems to adopt an expanded purpose. This expanded purpose does not, however, affect the readability of the written text. One change that did not occur was with respect to reading levels. In general, reading levels did not change over the years.

DALE FLESHER

It would be a rare annual report that did not use pictures today. Pictures communicate well. However, more than 40 years was necessary to make annual reports with pictures the normal practice. The use of pictures required management to change its concept of the annual report. All change is difficult, but to change one’s convictions is the most difficult change of all.