Accounting Historians Notebook

Volume 29
Number 1 *April 2006*

Article 12

April 2006

Accounting historians notebook, 2006, Vol. 29, no. 1 (April) [whole issue]

The Accounting Historians Notebook

Vol. 29, No. 1 © Academy of Accounting Historians April 2006

A Note On Revenue Recognition And Asset Measurement*

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Forward

Carl L. Nelson wrote several versions of the paper, "A Note on Revenue Recognition and Asset Measurement" in the late 1960s and early 1970s, but it was never published. The version that I revised was written in 1972. When Nelson wrote the paper, he was George O. May Professor of Financial Accounting at Columbia University Graduate School of Business. As such, he held one of the few endowed financial accounting professorships in the world at that time, and was recognized as one of the leading accounting theorists of the day. He also won the *Outstanding Accounting Educator Award* of the American Accounting Association in 1975, and still has a loyal following of former students.

Although written over thirty years ago, this paper is still timely. It concretely illustrates with simple numbers

*The authors appreciate the helpful comments of Daniel L. Jensen (Ohio State University).

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as well as words how revenue recognition and asset valuation articulate and interrelate. The key points are as follows:

- When revenue is recognized at the *time of production*, accounts receivable and inventory are measured in terms of the *same* attribute, selling price (exit prices, output values). A common example is the percentage of completion method for profitable long-term contracts: Revenue is recognized pro rata during production. Construction in progress [inventory] is measured at a percentage of contract (selling) price reduced by progress billings to avoid double counting. The result is consistent valuation of accounts receivable and construction in progress inventory at selling price.
- When revenue is recognized at the *time of sale,* the usual situation for most companies, accounts receivable and inventory are measured in terms of *different* attributes. Accounts receivable is measured in terms of selling price (exit prices, output values) reduced by an allowance for bad debts, but inventory is measured in terms of historical cost (entry prices, input values). The result is inconsistent valuation of accounts receivable and inventory. Adding together accounts receivable and inventory in the balance sheet is akin to adding together apples and oranges.
- When revenue is recognized at the *time of cash collection*, accounts receivable and inventory are measured in terms of the *same* attribute, historical cost (entry prices, input values). A common example is the installment method: Gross profit (i.e., revenue less cost of goods sold) is recognized pro rata during collection. At the time of sale, the installment receivable is measured at amounts owing from customers, reduced by deferred gross profit, giving a net

book value equal to the cost of goods sold. As collections occur, the installment receivable is measured at remaining amounts owing from customers, reduced by remaining deferred gross profit, giving a net book value equal to a percentage of the cost of goods sold. Once again, the result is consistent valuation of accounts receivable and inventory at historical cost.

Understanding that consistent attribute measurements result when revenue is recognized at the time of production makes more apparent that mixed attribute measurements result when revenue is recognized at the time of sale. It also makes more apparent that consistent attribute measurements also result when revenue is recognized at the time of cash collection, provided the deferred gross profit account is viewed as a receivable contra rather than some anomalous liability.

I only slightly revised the Nelson paper. I changed a few terms to conform to current prevailing usage and combined conclusions of two earlier versions. By and large, however, I left most of the paper unchanged, in order to retain the inimitable style of Carl L. Nelson.

A Note on Revenue Recognition and Asset Measurement

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Apart from cash, there is no obvious correct way to measure assets. The practical result of this lack is that assets are measured in different ways. Since A = L+ OE, the method of measuring assets affects the owner's equity and hence affects the reported net income. We can speak of methods of measuring assets or methods of reporting income; there are two ways of saying the same thing. Since income is the result of subtracting expenses from revenue, different methods of reporting income are frequently referred to as methods of recognizing revenue.

Problem

If a firm had no inventory nor accounts receivable at the end of an accounting period, many problems of income measurement would be avoided. All of the goods that had been produced would have been sold; all of the goods that had been sold would have resulted in the collection of cash. The income would be the amount collected from customers less all costs of production, of selling and of collection. If the sales price per unit is \$5.00 (and there are no bad debts), production costs are \$3.00 per unit, selling costs are \$1.50 and collection costs are \$0.10 per unit, the income would be \$0.40 per unit and whether this is multiplied by the number of units produced, the number of units sold or the number of units for which collections are made would make no difference because the same amount of income would result. Revenue could be recognized at the time of sale, at the time of production or at the time of collection with the same result.

The above situation rarely exists. Ordinarily some sales have been made for which the money has not yet been collected. Let us suppose, for instance, that the goods were produced in February, sold in May and the money was collected in July. We know that over the period from May 1 to July 31 the

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Exhibit 1

	Income		
Possibility	*February (production)*	*May (sale)*	*July (collection)*
A	.00	.00	.40
B	.00	.40	.00
C	.40	.00	.00

(Continued from page 3)

income on this one unit was \$0.40 but was this February income, May income, July income or was part of it income of one month, etc., etc? We cannot give any assured answer to this question but we can certainly say that each of the three activities is necessary to the income generating process. Hence none of these can be said to produce a negative income. One possible answer that is quite generally rejected is to allocate the \$0.40 over the three months; no acceptable basis of allocation exists. As a result, there remain three possibilities from which one must be selected (see Exhibit 1). To simplify as much as possible, it will be assumed that all costs require an immediate cash payment.

Revenue Recognized at Time of Collection

If Possibility A is selected, that is, if income and revenue are reported at the time the cash is collected, the following changes in the various assets, various liabilities and owners' equity will take place:

February (production of goods)

– Cash	3.00
+ Inventory	3.00

The payment of cash obviously decreases cash. There is an increase in inventories but no change in receivables or in any other asset. No change takes place in any liability; the firm will have to pay for the selling costs when the goods are sold and the collection costs when the money is collected but these amounts are not liabilities because the services involved with the sale and collection process have not been received. There is no change in the owner's equity; the income will not be reported until the money is collected. Since cash is decreased by \$3.00, inventory is increased and no other changes in balance sheet items take place and since A=L+OE, inventory must increase by \$3.00. The inventory is thus measured at cost.

May (sale of goods)

– Cash	1.50
– Inventory	3.00
+ Receivables	4.50

When the goods are sold in May, cash obviously decreases as a result of the payment of the selling costs, the inventory decreases by \$3.00, the previously determined measurement, and receivables increase. No other assets change, no liability is affected (see discussion of liabilities for the February transaction) and owners' equity does not change since the income is not to be reported until the cash is received. Since A=L+OE, receivables must therefore increase by \$4.50. The measurement basis of the receivables is cost, in that to secure the receivables required the expenditure of $3.00 to produce the goods and $1.50 to sell them and obtain the claim on the customer.

July (collection of receivables)

+ Cash	5.00
– Cash	.10
– Receivables	4.50
+ Owners' equity	.40

The collection of the $5.00 increases cash while the payment of $0.10 for collection activities decreases cash. Receivables were $4.50 and are now zero so accounts receivable must decrease by $4.50. Owners' equity increases by $0.40 because the income is being reported when the cash is collected. These changes result in A=L+OE.

If revenue is recognized at the time of collection, both inventories and receivables will be measured at cost. The receivables would probably be reported as

Receivables	5.00
Less: Deferred income	.50
Net	4.50

Revenue Recognized at Time of Sale

If the income is to be reported when the sale is made, the production of goods will have the same effect on assets, liabilities and owners' equity as if the income were reported when the cash is collected.

February (production of goods)

– Cash	3.00
+ Inventory	3.00

Cash is decreased by $3.00, inventory is increased and no other changes take place. The inventory must therefore increase by $3.00.

May (sale of goods)

– Cash	1.50
+ Receivables	4.90
– Inventory	3.00
+ Owners' equity	.40

As a result of the sale, cash decreases by $1.50 (the selling costs), inventory decreases by $3.00 (the cost) and receivables increase. Because the income is to be reported at this time, owners' equity increases by $0.40. If A=L+OE, receivables must increase by $4.90 for no other asset and no liability changes.

July (collection of receivables)

+ Cash	5.00
– Cash	.10
– Receivables	4.90

When collection takes place, cash and receivables are the only assets affected. No change takes place in the liabilities or owners' equity.

If revenue is recognized at the time the sale is made, the inventories are measured at cost and the receivables are measured at net realizable value. Upon collection $5.00 will be received but $0.10 must be paid in collection costs so that the net amount that will be realized will be only $4.90. The receivables would probably be reported as

Receivables	5.00
Less: Allowance for collection	.10
Collection cost	4.90

The measurement basis is now inconsistent; inventories are measured at cost while receivables are not. Receivables may be said to be measured at "net realizable value" or simply, "value." The $4.90 is the net realizable value of the receivable because that is the net amount of cash ($5.00 less $0.10) which the firm will receive as a result of owning the receivable. It can also be considered the value in that, if a buyer were willing to make an in-

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vestment which would yield a 0% return, he would be willing to pay $4.90 for the receivable. It would therefore be the market value of the receivable. The zero rate of return is, of course, unrealistic but the assumption is repeatedly made in accounting thinking. If the expected interval between sale and collection is a lengthy one, an adjustment in the value should be made to recognize the fact that the receivable does not have a value of $4.90.

Revenue Recognized at Time of Production

If the income is to be reported when the goods are produced, the effect of the production of goods will be:

February (production of goods)

– Cash	3.00
+ Inventories	3.40
+ Owners' equity	.40

Cash decreases by $3.00 and inventories increase. As income is reported when goods are produced, owners' equity increases by $0.40. Since no other assets change, no liabilities change, and A=L+OE, inventories must increase by $3.40.

May (sale of goods)

– Cash	1.50
+ Receivables	4.90
– Inventories	3.40

The sale decreases cash by $1.50 (selling costs) and inventories by $3.40. Owners' equity does not change, in as much as income was reported at the time the goods were produced. No other assets change and no liability changes. In as much as A=L+OE, receivables must increase by $4.90.

July (collection of receivables)

+ Cash	5.00
– Cash	.10
– Receivables	4.90

The changes that take place at the time of collection are the same when income is reported at the time of production as when it is reported at the time of sale.

If revenue is recognized at the time the goods are produced, both receivables and inventories are measured at net realizable value. The ultimate collection of $5.00 per unit of inventory will require the payment of $1.50 for selling costs and $0.10 for collection costs.

Need for Estimates

The recognition of revenue prior to the time cash is collected requires the use of estimates. These estimates are likely to be incorrect. When the actual costs are known (selling costs if revenue is recognized at the time of production and collection costs if revenue is recognized at the time of production or sale) and the sales price is known, owners' equity will change by the amount of the revision.

The only estimates required in this simple illustration are the sales price, the selling costs and collection costs. In the more general case estimates will be required for the amount of sales returns, sales allowances (price reductions made after the sale takes place), sales discounts, bad debts, and warranty costs. It should be noted that warranty costs are different in nature than other costs in that a liability to the buyer is created when the sale is made.

For the manufacturer, recognition of revenue at the time the goods are sold is the most common accounting method. Many firms implicitly estimate sales returns, sales allowances, sales discounts, and warranty costs to be zero and hence overstate income. However it is probable that the allowance for bad debts is overstated, hence offsetting this error in whole or in part.

Summary

To summarize, the timing of the recognition of revenue and the measurement basis of assets are related as indicated in Exhibit 2.

Implications for Credit Analysis

The credit analyst is interested in the ability of the firm to meet its obligations and therefore is interested in the cash inflows that will result from the ownership of assets. He would therefore like to know the value of the assets but recognizes that this is an estimate. The cost of receivables and inventory in Possibility A and of inventory in Possibility B tells him nothing about the potential debt paying ability of these assets; it is necessary for him to make his own estimates.

On the other hand, he is not interested in unreliable estimates. If the value of the inventory could be as low as $1.00 or as high as $5.80, an estimate of $3.40 is not very useful. Probably the best conclusion is that Possibility A is best if reliable estimates cannot be made. The conclusion for most firms is that a reliable estimate can be made of the value of the receivables but not of the inventory, which thus leads to Possibility B. It should be noted that this means that the credit analyst must make his own estimate of the value of the inventory.

In this simple case, the only difference between the amount due from the customer and the value of the receivable is due to the collection costs. In actual situations, the customer might return some of the goods (sales returns), the customer might receive a price adjustment (sales allowances), the customer might take advantage of a discount for prompt payment (sales discounts), or he may fail to pay the entire amount due (bad debts). If receivables or inventories are to be measured at net realizable value, an estimate must be made of all these amounts. If these amounts are small, an estimate of zero is frequently made. The credit analyst must, however, consider the possibility that underestimates of these amounts may have been made.

The analyst must also understand that the balance sheet is prepared with the assumption that the firm is a going concern, that is, that it will continue to operate. If it were to go out of business, collection of receivables may be much more difficult and much more costly. As a result their value to the liquidating firm may be much lower than their value to a going concern. The difference would be even greater in the case of inventories; the value of inventories to a liquidating concern may be far less than their value to a going concern.

Exhibit 2

Revenue Recognized at Time of	*Asset Measurement*	
	Inventories	*Receivables*
Production	Net Realizable Value	Net Realizable Value
Sale	Cost	Net Realizable Value
Collection	Cost	Cost

The First Japanese Textbook of Accounting History: A Review

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The creation of an attractive textbook of accounting history in Japan yields a rich harvest of information in one package. The book, Kindai Kaikei-seiritsu-shi ("Accounting History - the formation of modern accounting," 257 pp., Dobunkan Publishing Corp., Tokyo, 2005) is edited by Yosihiro Hirabayashi the former president of the Accounting History Association (AHA) in Japan whose 240 members comprise roughly 15% of the Japanese Accounting Association. Hirabayashi composed both the "Prologue – The significance of accounting history" and the "Epilogue - How to study accounting history." It is hoped that readers will find their interest in accounting history stimulated by the former, while the latter will prove useful for both advanced researchers as well as students.

The book consists of three parts: Part I, "Birth of double entry bookkeeping and its gradual spread (13th through 19th centuries)" considers the development of accounting in Europe, USA and Japan. Part II, "Diffusion of corporate organization and business accounting (end of 19th Century through the first half of the 20th century)," considers the myriad problems of integrated financial statements, such as intangible assets, management accounting and corporate auditing. "Establishment of modern accounting," the theme of Part III, analyzes the development of accounting theory in Germany (Schmalenbach) and USA (Littleton).

Chapter 1 of Part I entitled "The birth of double entry bookkeeping and Pacioli' s bookkeeping theory – a history of Italian bookkeeping" was prepared by Yasuhiko Kataoka, the president of AHA. He emphasizes the merits of Cotrugli whose "Libro dell' arte dimercatula (Book of Commercial Technique)" was completed on August 25, 1458. This is the first book of "dupple partite (double entry bookkeeping)" but, unfortunately, was not published until 1575, after Pacioli's book was printed.

"Accounting in the Fugger Family and the diffusion of double entry bookkeeping – a German history of accounting" (Chapter 2 written by Hisao Hijikata) concentrates on the study of Gottlieb's 1531 and 1546 books. According to Takehisa Hashimoto, the author of Chapter 3 "The emergence of the merchant's state and Stevin - Dutch accounting history," the center of world trade in the 16th and 17th centuries was the Netherlands and accordingly, of bookkeeping after Pacioli.

Etsuzo Kishi developed French accounting history in Chapter 4 through an analysis of "Ordonnance du Commerce de Louis X IV" and Savary, and Chapter 5 ("Development of profit and loss statements during the period of the Industrial Revolution written by Izumi Watanabe) is a short bookkeeping history of the United Kingdom. Watanabe particularly considers changes in the standards of asset valuation, the appearance of comparative balance sheets, depreciation and the demand for disclosure.

Chapter 6 examines the history of accounting in USA, finding a clue to the transition of business forms. "Partnership bookkeeping and accounting in giant corporations" was the was the work of Tsuneo Nakano who compared the balance sheet (Aug. 31, 1733) of William Prentice & Co. in colonial America with that of US Steel (Dec. 31, 1902). In the last chapter, "Japanese traditional book keeping and introduction of the Western method," Koji Tanaka summarizes the points of Japanese traditional single and double entry bookkeeping methods and the process of introduction of Western methods after 1873.

Part II Chapter 8, "Formation of business groups and integrated financial statements by Norio Takasu describes the early stages of integration found among American railway corporations and discussed how integrated statements came into wider use among other types of industrial enterprises. Yasuhiro Shimizu in Chapter 9 looks at "Recognition of intangible assets and capital accounting." He notes that these two questions were raised as the growth of corporations in the USA occurred from the end of the 19th century to the beginning of the 20th century. Nonetheless, he concludes that it was the existence of trusts which shaped the development

The gist of Chapter 10 (by Michiyasu Nakajima), "Industrialized society and management accounting," is how, first, mechanized mass production in USA produced a new method of operation called the scientific management which developed into standard cost accounting, and, second, how these techniques spread to the rest of the world, primarily in Germany. "The corporation system and audit" form Ikuo Hara's Chapter 11. Hara discussed the how the history of the audit in the United Kindom, Germany, USA and Japan accompanied the growth of big business in those locales.

Part III, Chapter 12 "Schmalenbach and the development of the dynamic theory of the balance sheet" by Hiroyasui Okitsu is a study of the German theory and Schmalenbach's doctrine. "Littleton and the descent of acquisition cost basis accounting" by Hideki Fujii (Chapter 13) traces the influence of Littleton's works on American accounting philosophy.

Each chapter contains both an abstract and a list of references which will undoubtedly prove to be valuable resources. The authors within this text grasp the essence of their subjects and their work reflects their abilities and long years of effort. Many of them are pillars in their fields and actively engaged in international scholarship. If it were issued in English, this volume would undoubtedly become a staple in the library of the world's academics. The only possible suggestion would be to omit Part III as it stands and replace it with the histories of accounting development in other non-English speaking countries such as China or Russia.

Although there are similar historical books available, including ones describing Japanese accounting, such as "Accounting History from the Renaissance to the present" (ed. by Lee, Bishop and Parker) 1996, and Sokolov's laborious work on Russia, "Accounting from the origin to this day," also 1996, the evolution of bookkeeping in Japan is minimal, primarily because of the lack of English lan-

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Accounting History in Today's Business Schools

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ABSTRACT

Slocum and Sriram's [2001] study of teaching accounting history found a decline from 1985-1997 in the number of courses with historical content at the doctoral and undergraduate level. Is this development a singular event for accounting or an example of what is happening in other business disciplines? Our study presents the results of a longitudinal and cross-disciplinary survey of members of AACSB International to determine the current state of the teaching of history in business schools. We find a similar decline in other business disciplines and offer suggestions about the relevance of history and steps that might be taken to encourage its study.

"Whatever has a present has a past" [Van Fleet & Wren, 1982b], so began our report on the teaching of history in business schools over twenty years ago and is repeated in our most recent update [Van Fleet & Wren, 2005]. Since the founding of the first business school in 1881, the Wharton School of Finance and Economy at the University of Pennsylvania, there as been an interest in teaching history in business disciplines. The first offerings were in economic history, followed chronologically by the history of economic thought, business history, and entrepreneurial history. In their report, Gordon and Howell [1959] made numerous recommendations for business education, among them was a study of "the legal, political, and social framework of business, with considerable emphasis on historical developments" [1959:131]. Five years later, however, Steigerwalt [1964] concluded that the course offerings to meet this recommendation were long on current events and short on historical developments.

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guage sources. Although comparatively many Japanese are members of the Academy of Accounting Historians, it is a matter of great regret that they rarely entertain readers with articles in the Accounting Historians Journal or the Accounting Historians Notebook. It is hoped that publication and review of this work will trigger the publication of similar textbooks which will contribute to the progress of research in accounting history and accounting in general.

Note: This review was adapted by the editor to accommodate the style of the publication. Any errors, therefore, are solely the editor's responsibility not that of the author of the review.

The study of history in schools of business was slow in becoming a part of curricula, but developments began to pick up during the 1970s.

In 1970, the First International Congress of Accounting Historians met.

In 1971, the Management History Division was formed as a professional division of the Academy of Management [Wrege, 1986].

In 1973, the Academy of Accounting Historians (U.S.) was formed [Chatfield & Vangermeersch, 1996: vii].

In 1986, a Marketing History group began at Michigan State University.

In the early 1980's, we surveyed all AACSB member institutions (*n* = 644: 64 accredited at only the bachelor's level, 17 at only the master's level, 217 at both levels, and 346 non-accredited) to get an overall view of the teaching of history in those schools. Our respondents felt more history should be taught than was being taught; the teaching of history in their respective disciplines was staying about the same or even increasing over the past 10-20 years; while the study of history in general was perceived to be staying about the same or decreasing. Our respondents noted that history was usually taught only as part of a course rather than as one or more separate courses. The open-ended comments suggested that most schools attempted to satisfy AACSB standards for accreditation by matching every requirement with a separate course, and, since the AACSB had no standard dealing with history, this meant that it would not be taught in a separate course. Interestingly, more respondents indicated that history was taught at the undergraduate level than at the graduate level [Van Fleet & Wren, 1982b]. A summary of these results was reported in the *Accounting Historians Journal* [Van Fleet & Wren, 1982a].

2003 SURVEY

With the passage of time and changes that seemed to be occurring, we felt it would be appropriate to repeat our earlier survey, so we again surveyed all AACSB International members using the same questions we used in the early 1980's (see Table I).

Methodology

The population consisted of 881 AACSB institutions in 2003: 278 with only business accreditation, 159 with both business and accounting accreditation and 444 nonaccredited. Response rates were: overall 24%; 25% for institutions accredited in business only, 27% for those accredited in both business and accounting, 22% for nonaccredited AACSB institutions; 26% domestic and 17% international. As preliminary results from the 2003 survey were shared [Van Fleet, 2003], it was suggested that perhaps the real importance of understanding the history of a field lie at the doctoral level. Therefore, we concentrated on the teaching of history in doctoral programs in business. The AACSB population of doctoral degree granting institutions in 2003 consisted of 231 domestic institutions; however, only 94 of those reported actually awarding doctorates in either business or accounting in the most current year for which data were available, 2000-2001. The response rate was 40% for those institutions.

Results

Caution must be exercised in interpreting these results, particularly for

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TABLE I

PERCENTAGE RESPONSES, DOCTORAL VERSUS ALL DOMESTIC INSTITUTIONS

		Doctoral Total	Domestic Total
Number of Responses		38	160
Is history, in some form, part of the program at your school?	yes	50	51
	no	50	49
If no, do you think it should be?	yes	32	44
	no	68	56
How is history taught in your program? (multiple checks used so total exceeds 100%)			
	as a topic within courses	80	80
	as a separate course	42	39
	in several separate courses	21	17
Indicate the type of history taught and the level at which it is taught (indicate how things are).			
	Undergraduate		
	Accounting History	n/a	48
	Business History	n/a	53
	Economic History	n/a	65
	History of Economic Thought	n/a	47
	History of Management Thought	n/a	66
	Graduate		
	Accounting History	11	19
	Business History	16	24
	Economic History	32	29
	History of Economic Thought	21	26
	History of Management Thought	64	34
Indicate the type of history which should be taught and the level at which it should be taught.			
	Undergraduate		
	Accounting History	n/a	67
	Business History	n/a	96
	Economic History	n/a	90
	History of Economic Thought	n/a	73
	History of Management Thought	n/a	88
	Graduate		
	Accounting History	42	35
	Business History	42	51
	Economic History	63	42
	History of Economic Thought	37	38
	History of Management Thought	68	69
Over the last 10-20 years, has the teaching of history in your program	Increased	8	11
	Stayed about the same	61	74
	Decreased	29	19
Over the last 10-20 years, do you think that the teaching of history generally has	Increased	0	4
	Stayed about the same	34	48
	Decreased	53	31

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those groups with smaller numbers of respondents. In those instances, one person's view becomes a high percentage. For example, numerous institutions were not accredited and had no graduate programs; thus, there could be no response to the questions dealing with the doctoral level, lowering the frequency of response to those items. With this in mind, some results can be noted.

For schools reporting data to the AACSB and for the most recent year available on the AACSB website (2000-2001), 94 schools awarded doctoral degrees. Those 94 institutions awarded 913 business doctorates and 98 accounting doctorates. Eighty-four (9.2%) of the business and seven (7.1%) of the accounting doctorates were from one non-accredited institution. Of the remaining doctoral degrees in accounting, five were from the University of Kentucky; the University of Pittsburgh and Pennsylvania State had four each; and numerous schools awarded one to three accounting doctorates each.

While half of the respondents felt that history should be taught in doctoral programs, half felt that it should not be (Table I). Among those that felt that it was not part of their programs, a much larger percentage felt that it also should not be. Indeed, among those schools with doctoral programs whose respondents said that history is not part of their programs, 68 percent felt that history should NOT be part of their programs. Those who felt that history is not or should not be a part of their programs added comments such as these:

"We have eliminated teaching history in favor of courses that better prepare our students for scholarly research. This does not mean we think history is unimportant, only that it is less important than other topics and we had to make trade-offs given the limited number of courses students take while in the program."

"Research quality is so much better now than in the past that studies over 20 years old need to be disregarded."

"The history of various disciplines [is] not considered important by faculty for Ph.D. work."

"Dept. [sic] cannot afford to hire a history of econ. [economic] thought expert."

Of the respondents who felt that history is a part (50 percent of doctoral schools; 51 percent of all schools) or should be a part (32 percent of doctoral; 44 percent of all schools) of their programs added comments such as these:

"Our students think their brainstorms are original. They have no sense of the development of the field."

"I think people should explore the history of business in the context of study as a general social history."

"I think 'history' is taught implicitly when addressing how research streams have developed."

"It is valuable to the extent that it frames knowledge development in the field."

This is a rather bleak picture. If these respondents are representative, only half of doctoral programs in business currently teach history in any form and, where it is not taught, over two-thirds seem to think that is fine.

Compared with the total set of domestic institutions, the respondent from doctoral institutions were also

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Table II

PERCENTAGES OF DIFFERENCES BETWEEN WHAT SHOULD BE TAUGHT AND WHAT IS TAUGHT, DOCTORAL VERSUS ALL DOMESTIC INSTITUTIONS

	Doctoral	Domestic
Topic/Discipline	Total	Total
Accounting History	31	16
Business History	26	27
Economic History	31	23
History of Economic Thought	16	12
History of Management Thought	4	35

NOTE: Positive values suggest that the respondents thought that more of the topic should be taught than is being taught.
A very small value suggests that the respondents thought that what was currently being taught was approximately appropriate in terms of amount.

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more pessimistic about the teaching of history over the last 10-20 years (Table I). In their programs, only 8 percent perceived an increase while 29 percent perceived a decrease compared with 11 percent and 19 percent for the total set of domestic institutions. For the teaching of history in general, zero percent perceived an increase and 53 percent perceived a decrease compared with 4 percent and 31 percent for the total set of domestic institutions.

When examining the differences between what should be taught and what is being taught, a somewhat more encouraging picture is shown in Table II. Thirty-one percent of these respondents felt that more accounting and economic history should be taught; 26 percent that more business history should be taught; 16 percent that more history of economic thought should be taught; but only 4 percent responded that more history of management thought should be taught.

While it is not possible to separate the accounting results alone in Table III, it is possible to separate the business results alone so that the remaining ones are for both accounting and business and, hence, reflect the views of the programs in accounting a bit more closely. Note that the data in Table III are only for those 38 respondents from schools that actually awarded doctoral degrees in business and/or accounting (the first column in Table III is the same as the first column in Table I). In addition, the following discussion pertains to those schools separated by the type of doctoral degrees awarded (the last two columns) rather than by the level of accreditation (columns 2 and 3).

The results are slightly more "comforting" to accounting historians. Fifty three percent of respondents from schools awarding doctorates in both accounting and business said history is or should be in their programs versus only 47 percent from those that awarded business doctorates only. The percent of respondents who said that history appears as a separate course is about the same for the two groups but again slightly higher in those awarding accounting doctorates (40 and 44 percent). It is interesting, however, that accounting history as a type of history taught is nearly identical in both groups (11 and 10 percent). However, when asked the type of history that SHOULD BE taught, a substantial difference occurs---22 percent of those awarding business doctorates only feel that accounting history should be taught versus 60 percent for those awarding doctorates in both areas. Perhaps schools that have doctoral programs in business and accounting have more comprehensive doctoral programs and feel more strongly that accounting history should be taught when it is obviously not being taught. In other words, having both doctoral programs exercises a greater influence on teaching accounting history compared in programs where there is only a business doctorate.

For this group of respondents, fewer felt that the teaching of history was decreasing (26 percent for those awarding doctorates in both areas versus 32 percent for those awarding doctorates in business only). This difference is even greater regarding the teaching of history generally. While 37 percent of those awarding doctorates in both areas felt it was decreasing, fully 68 percent of those awarding doctorates in business only felt that the teaching of history was decreasing. Thus while accounting history seems to fare better and exists in a somewhat more favorable academic climate when both accounting and business doctorates are being awarded by an institution, the future is still not overly optimistic.

DISCUSSION

Compared to our study 20 years ago the results are disappointing: (1) less history is being taught; and (2) the history that is being taught is not in separate courses by individuals who are prepared by their professional education and who are interested in teaching the history of their business discipline. Our research sample and methodology differed from Slocum and Sriram's [2001] study, yet our conclusions are quite similar---teaching history in today's business school is in decline. This is not confined to accounting but is apparent in other business disciplines. Mathis [1981], for example, noted the decline in teaching economic history and history of economic thought more than twenty years ago.

Despite recommendations for including historical content from Gordon and Howell [1959] and from the Accounting Education Change Commission [Williams & Schwartz, 2002], curricular changes are not occurring. Slocum and Sriram [2001] noted their respondents "appreciated" the value of accounting history but did not deem historical research equal in methodological rigor, nor in the mainstream of accounting literature, and less likely to be rewarded in hiring, promotion, tenure, and merit decisions. These beliefs are embedded deeply and reflect other beliefs about what are 'quality' journals and what are worthwhile research topics. It is unlikely that these extant beliefs about research can be changed, but we would like to offer two avenues of thought about the teaching of his-

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TABLE III

PERCENTAGE RESPONSES DOCTORAL DEGREE GRANTING INSTITUTIONS BY TYPE OF INSTITUTION

	Total	Accredited Business	Accredited Accounting and Business	Awarded Business Doctorate Only	Awarded Doctorates in Accounting and Business
Number of Responses	38	8	30	19	19
Is history, in some form, part of the program at your school? Yes	50	25	57	47	53
No	50	75	43	53	47
If no, do you think it should be? Yes	32	0	46	30	33
No	68	100	54	70	67
How is history taught in your program? (multiple checks used so total exceeds 100%)					
as a topic within courses	79	50	82	100	60
as a separate course	42	50	41	44	40
in several separate courses	21	0	24	11	30
Indicate the type of history taught and the level at which it is taught (indicate how things are).					
Accounting History	11	0	12	11	10
Business History	16	0	18	33	0
Economic History	32	50	29	33	30
History of Economic Thought	21	0	24	33	10
History of Management Thought	63	0	59	78	50
Indicate the type of history which should be taught and the level at which it should be taught.					
Accounting History	42	0	47	22	60
Business History	42	0	47	44	40
Economic History	63	0	71	56	70
History of Economic Thought	37	50	35	11	60
History of Management Thought	68	100	65	67	70
Has the teaching of history in your program increased, stayed about the same, or decreased over the last 10-20 years?					
increased	8	0	10	11	5
stayed about the same	61	88	53	53	68
decreased	29	0	37	32	26
Do you think that the teaching of history generally has increased, stayed about the same, or decreased over the last 10-20 years?					
increased	0	0	0	0	0
stayed about the same	34	13	40	16	53
decreased	53	50	53	68	37

(Continued from page 15)

tory in business schools: its relevance to contemporary issues and its role as an integrating medium.

The Case for Relevance

We live and act in time and "as time cannot be conserved nor cultivated, it must be organized" (Bluedorn, 2002:

262). History is a way of organizing the time of our disciplines, enabling a framework for the what, who, when, where, and how of our studies. Through history, we must deal with events and people roughly organized in some defining of beginnings and outcomes. Those who devalue the study of history often quote Henry Ford that "history is bunk." This is not exactly what Ford said and the quote is out of context — the occasion was an interview with a *Chicago Tribune* reporter in which Ford commented: "History is more or less bunk. It's tradition. We want to live in the present, and the only history that is worth a tinker's damn is the history we make today" [Ford, quoted by Wheeler, 1916].

We disagree. History is not tradition -- it is an unfolding story of events, people, and ideas who define who we are and how we understand our discipline. How we interpret the past affects the way we understand our disciplines in the present, how we socialize newcomers to our discipline, and how we select reference sources to use in our teaching and research.

For example, suppose we wish to understand the Sarbanes-Oxley Act of 2002 in historical perspective. Let us begin with Adam Smith's observation: "The directors of [joint-stock] companies, however, being the managers rather of other people's money than of their own, it cannot be well expected that they would watch over it with the same anxious vigilance with which the partners in a private copartnery frequently watch over their own" [Smith, 1784: vol. 2, bk. 5, ch. 1, pp. 123-124]. Over two centuries ago, Smith raised issues that today we see as corporate governance.

An early, if not the earliest, instance of an executive's personal use of "other people's money" occurred in Britain's railway construction mania of the 1840s. In 1844, George Hudson began to raise money to build new and to acquire existing rail lines. At this time, there were no general rules for corporate financial reporting and accounting. Hudson took advantage of investor exuberance and, by 1849, controlled nearly one-third of Britain's 5,000 miles of rail lines. Hudson published false statements to investors; paid dividends out of capital, both existing and borrowed; altered accounts of traffic and revenue to indicate more profitability than existed; and engaged in other financial chicanery [Lambert, 1934; Glynn, 1994].

The case of George Hudson is both old and new for understanding governance issues. Britain's Parliament responded to Hudson's actions with the Joint Stock Companies Act of 1844, amended by the Companies Clauses Consolidation Act of 1845 [Chatfield, 1974: 113-114, 147; Chatfield & Vangermeersch, 1996: 136-137]. Although these acts were poorly conceived and lacked monitoring and enforcement powers, they demonstrate an early response to executives who exhibit little vigilance over "other people's money," instead serving their own self-interest with guile.

History is relevant to today's issues. As in the case of George Hudson, there are sufficient contemporary examples of corporate malfeasance to facilitate understanding of why laws are passed, accounting rules developed, and financial standards formulated. Through historical examples, we can compare

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and contrast past and present, lending an added dimension to our disciplines. In this fashion, we can tap the knowledge of the past and find ideas beyond our own limited experiences. As others have commented: "[History] is the universal experience—infinitely longer, wider, and more varied than any individual's experience" [Hart, 1972: 15]; and "[History] sharpens one's vision of the present, not the past … it pushes thinking about alternative explanations for phenomena, helps identify more or less stable concepts, and expands research horizons by suggesting new ways of studying old questions" [Lawrence, 1999: 311].

History as an Integrating Medium

We live in an age of increasing specialization and, while this is stimulating in developing our disciplines, it often leaves our students with a fragmented notion of the purposes we serve. Through history, we have a means to "present the origins of ideas and approaches, trace their development, grant some perspective in terms of the cultural environment, and thus provide a conceptual framework that will enhance the process of integration" [Wren, 2005: 4]. Our intellectual division of labor enables us to delve more deeply into our favorite study, but neglects the long and broad view of history that puts our studies in a broader context.

Accounting consists of numerous subject area components: cost accounting, managerial, financial, international, behavioral, governmental, tax, auditing, accounting theory, and a host of avenues of intellectual research and practical application. These studies, in and of themselves, fall short of explaining the whole of the accounting profession. What is missing is context, the economic, social, political, and technological setting of an ever evolving discipline. In the study of accounting history, "The focus is on the past and on the present with the intention of revealing current problems in their historical context" [Chatfield, 1968: v]. As Roush and Smith indicate, we should understand how accounting principles, practices, and standards evolved before we can "understand how accounting concepts and techniques evolved contemporaneously with changes in technology and the world economy" [1997: 113].

An illustration would be the advent of the railroad and how this technology influenced the development of managerial accounting and information systems for decision making in the work of Daniel McCallum and ideas for financial reporting to an investing public through the efforts of Henry Poor [Wren, 1996]. On the railroads we also find examples of internal auditing as a separate business function and the need for external, independent auditing [Boockholdt, 1983]. By tracing these roots we can see how means were devised to meet practical problems and how this promoted the need to develop general accounting propositions.

The events we call history are "effects rather than mere events … History also creates a perspective; and perspective makes for good balance. Direct observation of men and events of the present, if unchecked by a perspective derived from some pertinent knowledge of the past, may be inadequate for the making of wise choices" [Littleton, 1933: ix]. This is the long and broad view that history provides to enable us to understand the process and the context of developing thinking in our disciplines. As Bedeian observed: "past arrangements-institutions, roles, cultural forms-are not simply superseded, but transformed and recombined to inform the present. In this sense, the past repeatedly informs and reinforms the present such that the search for understanding is never finished" [1998: 4]. For now, the past is all we know and history provides that knowledge.

CONCLUSION

Our survey data confirm Slocum and Sriram's [2001] findings and indicate this is not solely in accounting but in other business disciplines as well. This decline is occurring even in the face of calls for more emphasis on teaching history in our business disciplines [Gordon & Howell, 1959; Thomson, 2001; Williams & Schwartz, 2002; Bedeian, 2004]. We realize the study of history may be a resistible force that has encountered an irresistible object, that is, academic traditions about what to publish and where. The effect, however, is the creation of a generation (or more) of scholars lacking a historical perspective of their discipline. We feel that there are some steps that can be taken to hopefully reverse the decline that has been observed: (1) encourage accrediting bodies to be more diligent in seeking historical content in courses during accreditation visits; (2) increase our efforts to offer courses in our discipline's history, especially doctoral seminars, even though this requires adding to our other responsibilities; (3) seek to emphasize in our writing and teaching the relevance of history to contemporary issues; and (4) through gentle persuasion on our colleagues, emphasize the value of the long and broad view history provides. It is not essential that our students become historians, but that they know their discipline has a history that is relevant.

Our graduates, particularly those who will teach and conduct research in business, need to appreciate our inherited past by becoming familiar with the literature that is central and relevant to their discipline, past and present. Current AACSB accreditation requirements emphasize matching a school or college's curriculum with its stated mission; thus allowing more flexibility in mission statements of the importance of understanding historical events and forces shaping the present. An appreciation and understanding of history can come about through recognizing its relevance to contemporary issues and valuing its utility in integrating our specialized subject matter. We feel this is a task that can and should be accomplished.

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Academy of Accounting Historians
Minutes for the Meeting of the Officers, Trustees, Committee Chairs, and Editors
Columbus, Ohio
October 8, 2005

Present: Salvador Carmona, Ed Coffman, Eugene Flegm, Dick Fleischman, Dale Flesher, Michael Gaffikin, Oktay Guvemli, Esteban Hernandez-Esteve, Dan Jensen, Marilynn Leathart, Alan Mayper, Barbara Merino, Steve Moehrle, Gary Previts, Jennifer Reynolds-Moehrle, John Rigsby, Elliott Slocum, Cengiz Toraman, Tom Tyson, Stephen Walker, Richard Vangermeersch,

Dan Jensen chaired the meeting jointly with the assistance of incoming president Salvador Carmona, bringing it to order at 3:00 p.m.

Agenda: The agenda for the meeting was approved (Previts, Flesher).

Minutes: The minutes of the August 7, 2005, meeting in San Francisco were approved without amendment (Fleischman and Slocum).

Secretary's Report: In the absence of the Secretary, Dale Flesher agreed to take the minutes of the meeting.

Treasurer's Report: Treasurer Jennifer Reynolds-Moehrle distributed the financial statements dated June 30, 2005. She urged that we maintain proper security over personal credit card information. It was agreed that any old personal credit card information should be eliminated from our records as soon as feasible. It was also agreed that discussions with Kathy should determine a process for purging this information in the future.

Administrative Coordinator's Report: Kathy Rice submitted a written report of her activities (see attachment B). It was observed that Salvador Carmona and Esteban Hernandez Esteve were planning an aggressive campaign in Latin America to increase membership there. Kathy was authorized to try a new mailing method that might save postage.

Vice President for Communications: no report

Vice President for Partnerships: no report

Reports of Editors:

Accounting Historians Journal: Stephen Walker gave his final editor's report (see attachment C). Trustees noted that an index of AHJ was needed. The subject was turned over to a task force chaired by Gary Previts.

Accounting Historians' Notebook: Joann Noe Cross submitted a written report (see attachment D). It was noted that although it would be nice to have an electronic version of the *Notebook*, the electronic version would not replace the hard copy. The Academy wishes to continue publishing the *Notebook* in its current format.

Reports from the Centers:

Tax History Research Center: Dale Flesher reported that some tax materials had been received from Georgia State but that they had not been much used as yet. Elliott Slocum still has a few older books at Georgia State that he will send in the near future.

Accounting History Research Center: Dan Jensen reported that Elliott Slocum had transferred some eleven thousand pounds of books, journals and other materials (in 150 boxes) from the Accounting History Research Center at Georgia State University to the Ohio State University Business Library. All these materials have been processed by Dan Jensen with student research assistance. Over four hundred books, plus pamphlets and journals, have been placed in the OSU library as a special collection identified as the "Academy of Accounting Historian's Collection." These materials are available to researchers via inter-library loan. Books not accepted by the OSU Library (by reason of their condition or existing holdings of the Library) were placed into a silent auction at the October research conference.

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Garner Center: No report. Trustees were reminded that Dr. William Samson, the overseer of the Garner Center, passed away on September 15, 2005.

Reports from the Committee Chairs:

Management Committee: No Report.

Nominations Committee: Dick Fleischman reported the slate of nominees earlier in the day at the annual business meeting of the membership.

External Relations Committee: No Report.

Research Conference Committee: Dan Jensen reported that the 2005 conference was a rousing success. The Trustees congratulated Jensen for hosting such a fine meeting. The financial results of the meeting were not yet available. Salvador Carmona was reminded that he had the authority to choose the site of the 2006 research conference.

Membership Committee: There was no formal report other than Kathy's compilations. It was noted that the existence of the website makes it easier to become a member. Esteban Hernandez-Esteve gave a report on his activities to increase Latin American membership. There was much discussion of co-sponsoring conferences there, but no decisions were reached.

Regional Programs Committee: no report

Doctoral Education Committee: Barbara Merino reported that the number of doctoral students attending the conference was 12 (2 from North Texas, 2 from Turkey, 1 from Case Western, 1 from Ohio University, and 6 from Ohio State University) and two of them presented papers. The registration fee was waived for all of them, and five received a $250 grant (one grant was paid from the President's expense allowance and four from a donation made by Professors Merino and Mayper). Dan Jensen added, "The gift from Barbara Merino and Alan Mayper is gratefully acknowledged."

Award Committees: It was noted that the Vangermeersch Award was not given this year. The winner of the inaugural Thomas J. Burns Biographical Research Award was Dale L. Flesher of the University of Mississippi. Dr. Flesher received a plaque and a check for $1,000, which was paid from the Burns Endowment Fund.

Schoenfeld Endowment: Professor Jensen announced that he and Gary Previts have been working with Hanns Martin Schoenfeld on the establishment of an endowment fund within the Academy to "encourage and support research on the history of accounting by doctoral students and young accounting faculty." The "Margit F. Schoenfeld and Hanns Martin W. Schoenfeld Scholarship in Accounting History" is expected be endowed by a gift from Hanns-Martin Schoenfeld in memory of his late wife, Margit F. Schoenfeld. The Schoenfeld family has pledged to grow the endowment to $100,000 over a period of years. Professor Schoenfeld formally announced the gift at the luncheon earlier in the day and presented an initial check to start the fund.

Business History Conference at Case Western: Gary Previts announced that Case Western Reserve University will host the Business History Conference the first week of June in 2007.

2006 World Congress: No request has been received by the Academy from the Nantes organizers for the subvention of expenses to be incurred at the 2006 World Congress.

2008 World Congress: Oktay Guvemli talked about the plans for the 2008 World Congress in Istanbul.

Dan Jensen thanked Gene Flegm for his fund raising efforts on behalf of the Academy.

The meeting adjourned at 5:00 p.m.

Respectfully submitted,

Dale L. Flesher

Accounting History

Call for Papers

Accounting and the Military

Throughout history a prominent and abiding feature of most societies, irrespective of their political form, has been the need to be able to protect themselves from outside interference by investing in military forces. Indeed, for some historians war is the natural human condition. The military may also be used to intimidate the citizens whom the military were formed to serve. Accordingly, the potent threat that the presence of a large, well armed military establishment poses to the liberty of citizens has ensured that military forces are closely monitored by their governments, most notably through financial and accounting controls. This historical, political and financial significance of the military and the contributions of accounting to both the power and oversight of military might has yet to be accorded a corresponding presence in the accounting history literature. A special edition of *Accounting History* to be published in early 2009 seeks to recognise the contributions of accounting to this enduring importance of the military throughout history and to the political legacies that this has left behind.

Interested scholars are encouraged not to interpret the term military too narrowly by restricting it to national armies or other branches of the military such as the navy. Instead, the term might also encompass the industries and political infrastructure upon which the military depend and independence movements of resistance against entrenched interests, notably colonial powers. The ubiquity of military forces across diverse geographical locations and forms of government and across great expanses of time to the present provides considerable scope for scholars to investigate the nexus between accounting and the military. Thus, submissions for this special edition might examine, amongst others:

- the instrumental intentionality of accounting, that is the way in which it is used in association with military force to advance or protect the interests of favoured minorities, most often under the guise of the national interest;
- the contributions of accounting to efforts by governments to influence public opinion and gain support for militaristic endeavours;
- accounting practices and processes used to manage efficiently and effectively vast military expenditures, both in peace and war, and the industries upon which the military depend;
- the relationship between business interests, the military and government;
- the contributions of accounting in the field of battle to military victory;
- the culpability of accounting in the suppression of political dissent by force;
- the protections that accounting might offer as a means of guaranteeing the liberty of civilians against the immanent threat posed by a large standing army;
- comparative studies, either across time or across different political systems. There is an especial weakness in the literature in comparative international military studies.

When submitting papers, authors should follow the instructions which are found at the back of all issues of *Accounting History*. Prior to submission authors are welcome to contact the editor of the special issue, Warwick Funnell. Submissions should be sent electronically as a Word document to the guest editor no later than the 30 November 2007.

Warwick Funnell
Professor of Accounting
Kent Business School
University of Kent
Email: w.n.funnell@kent.ac.uk
Telephone: 44 1227 824673

Call for Papers
The fifth *Accounting History* International Conference
"Accounting in other places, Accounting by other peoples"

The Banff Centre, Banff, Alberta, Canada

9-11 August 2007

Sponsored by: College of Commerce at the University of Saskatchewan

and

Accounting History Special Interest Group of the

Accounting and Finance Association of Australia and New Zealand

Conference information is available at the Conference website:

http://www.commerce.usask.ca/5AHIC

Information about The Banff Centre is available at: http://www.banffcentre.ca

Inquires may be directed to the Conference Convenor,

Nola Buhr

University of Saskatchewan

nola.buhr@usask.ca

DE COMPUTIS Number 3 Posted on Website

On December 28, 2005, Number 3 of *DE COMPUTIS, Revista Española de Historia de la Contabilidad (Spanish Journal of Accounting history)* was posted on its website: www.decomputis.org.

DE COMPUTIS has a global focus and, therefore, in addition to Spanish papers, publishes papers written in other widely-used languages, such as English, French, German, Italian and Portuguese. Other signs of its international vocation reside in the fact that the title of every paper must be accompanied by its translation in English -the abstract as well as the key words- and the information on the authors must be written in Spanish and English.

Three features which distinguish *DE COMPUTIS* from other accounting history journals are:

a) A journal that is only published in an electronic edition;
b) A journal that is completely free of charge, with free printing of all contents;
c) A journal open to texts written in several languages;

The Presentation of the journal, that contains the Purpose and features, the Editorial Board, the Editorial philosophy and the Submission format, has a full English translation and in the three numbers appeared up to now 17 papers have been published: 8 in Spanish, 4 in Italian, 3 in English, 1 in French and 1 in German with a full translation into English. Other sections, such as Reports, Opinion, etc., also contain full texts in English.

The journal was launched on December 14, 2004 and during the first the first year of its life has received 3,953 visits from 24 different identified countries besides from other unidentified countries which are not computed.

Opportunity to Enhance Your Library

Members of the Academy of Accounting Historians have the opportunity to acquire a collection of U.S. Financial Accounting papers. This collection includes ARBs, APBs, FASBs, pre-1936 items, ARSs, FASB Discussion Memorandums and much more. If you are interested, for yourself or for your school's library, please contact the editor at crossj@uwosh.edu with details on your plans for the collection.

Announcement of Conference
Call for Papers

18th Annual Conference on Accounting, Business & Financial History Cardiff Business School 14-15 September 2006

Guest Speakers
Josephine Maltby & Janette Rutterford

Theoretical, empirical and review papers are welcomed in all areas of accounting, business and financial history. The conference provides delegates with the opportunity of presenting and discussing, in an informal setting, papers ranging from early working drafts to fully developed manuscripts. The format of the conference allows approximately 40 minutes for presentation and discussion in order to help achieve worthwhile feedback from those attending. In the past, many papers presented at Cardiff have subsequently appeared in print in *Accounting, Business and Financial History*, edited by John Richard (Dick) Edwards and Trevor Boyns, or in another of the full range of international, refereed academic accounting, business and economic history journals.

The conference will be held at Aberdare Hall, Cathays Park, Cardiff, CF14 3UX, UK, from lunchtime on Thursday, 14 September 2006 to mid-afternoon on Friday, 15 September 2006. The fully inclusive conference fee (covering all meals, the conference dinner on Thursday and accommodation) is £130.

Those wishing to offer papers to be considered for presentation at theconference should send an abstract of their paper (not exceeding one page) by 31 May 2006 to:

Debbie Harris,
Cardiff Business School,
Colum Drive, Cardiff, CF10 3EU
Tel +44 (0)29 2087 5730
Fax +44 (0)29 2087 4419
Email. HarrisDL@cardiff.ac.uk

Following the refereeing process, applicants will be advised of the conference organisers' decision on *30 June 2006.*

THE INSTITUTE OF CHARTERED ACCOUNTANTS IN ENGLAND & WALES

THE ACADEMY OF ACCOUNTING HISTORIANS

2006 VANGERMEERSCH MANUSCRIPT AWARD

In 1988, The Academy of Accounting Historians established an annual manuscript award to encourage academic scholars new to the field to pursue historical research. An historical manuscript on any aspect of the field of accounting, broadly defined, is appropriate for submission.

ELIGIBILITY AND GUIDELINES FOR SUBMISSIONS

Any accounting faculty member, who holds a full-time appointment and who received his/her masters/doctorate within seven years previous to the date of submission, is eligible to be considered for this award. Coauthored manuscripts will be considered (if at least one coauthor received his/her master/doctorate within the last seven years). Manuscripts must conform to the style requirements of the *Accounting Historians Journal.* Previously published manuscripts or manuscripts under review are not eligible for consideration.

Each manuscript should be submitted by **June 16, 2006** in a Word file as an e-mail attachment to the chair of the Vangermeersch Manuscript Award Committee, Professor John Richard Edwards (edwardsjr@cardiff.ac.uk).

A cover letter, indicating the author's mailing address, date masters/ doctoral degree awarded, and a statement that the manuscript has not been published or is not currently being considered for publication should be included in the submission packet.

REVIEW PROCESS AND AWARD

In addition to the chair, the Vangermeersch Manuscript Award Committee includes:

Richard Fleischman
Marc Nikitin
David Oldroyd

The committee will evaluate submitted manuscripts on a blind-review basis and select one recipient each year. The author will receive a $1,000 (U.S.) stipend and a plaque to recognize his/her outstanding achievement in historical research. In the case of coauthored manuscripts, only the junior faculty member(s) will receive prizes. The winning manuscript will be published in the *Accounting Historians Journal* after an appropriate review. The award will be given annually unless the Manuscript Award Committee determines that no submission warrants recognition as an outstanding manuscript.

THE ACADEMY OF ACCOUNTING HISTORIANS

Hourglass Award

Call for Nominations

The Hourglass Award of the Academy of Accounting Historians is presented annually to an individual who has made a demonstrable and significant contribution to knowledge through research and publication in accounting history.

Nominations for this Award are now invited. The judging panel will echo the tradition of openness and flexibility associated with the Award and will emphasize the importance of contribution as the fundamental criterion. To that end there is no restriction as to who may make a nomination, the country in which the nominee is resident, or the paradigms and methodologies employed in the nominee's work.

Nominator's are asked to supply a 200 word (maximum) statement summarizing the reasons why the nominee should be considered, full contact details of the nominator and nominee, a list of relevant contributions and any other relevant documentation supplied by the nominee who has agreed to be nominated.

The Hourglass Judging Panel will consist of:

- Professor Salvador Carmona (Instituto de Empresa Business School)
- Professor Lee Parker (University of Adelaide)
- Professor Stephen P. Walker (Cardiff University)

All nominations and accompanying data should be sent, preferably by e-mail, to:

Professor Salvador Carmona, Chair
Instituto de Empresa Business School
Calle María de Molina, 12-4
28006 Madrid
Spain
E-mail: salvador.carmona@ie.edu

Closing date for nominations reaching Professor Carmona is
1 June 2006

Eleventh World Congress Of Accounting Historians

Nantes (France) July 19 - 22, 2006

Six years after the Madrid Congress in 2000, the WCAH will return to Europe, after stops in Melbourne in 2002 and St-Louis in 2004. In fact in July 2006, the Eleventh World Congress of Accounting Historians will take place in Nantes, and France will welcome this gathering for the first time.

Ideally situated, Nantes is only two hours from Paris by TGV (the high speed train with 20 round trips daily) and approximately two hours by plane from the majority of European Capitals. Gateway to Brittany and its ports, it is equally very close to a number of major tourist sites, such as Mont Saint-Michel, le Puy du Fou, the Futuroscope, and the "Chateaux of the Loire".

Settled over two millennia ago on the banks of the Loire, fifty kilometres from the Atlantic Ocean, Nantes was, during the middle ages, the capital of the Duchy of Bretagne. In the eighteenth century, the city became the great merchant port of the French crown, opening commercial and maritime routes of the Americas and Africa. The leading industrial shipyards of the western half of France from the nineteenth century, noted for its naval engineering and its canning industry, Nantes and the Loire estuary have developed into a leading metropolis for the service and high technology sectors. Economic capital of western France and the major French city in terms of its rate of demographic growth, Nantes draws interest not only for its economic achievements but also for its quality of life and its environment.

The Congress will take place at the University of Nantes, a few steps from the historic centre of the city and from the majority of the hotels likely to lodge congress attendees. In 1995, the *Journées d'histoire de la Comptabilité et du Management*, which takes place in France in March of each year, was organized for the first time in Nantes. The same year, the University of Nantes made a major acquisition of a collection of works dealing with accounting and its history, amassed by the Belgian Accounting Historian Ernest Stevelinck. Deceased in 2001, Ernest Stevelinck was the initiator and organiser of the first World Congress of Accounting Historians, which took place in Brussels in 1970. Holding the eleventh Congress in Nantes will therefore possess symbolic value and will be an opportunity to recognise his legacy.

Registration

Registration Fee
300 € by 1st May 2006 (Doctoral student **200 €)**
360 € after 1st May 2006 (Doctoral student **250 €)**

Participant registration fee includes the congress material, early bird reception on Wednesday, lunches on Thursday, Friday and Saturday, gala dinner on Friday.

Accompanying Person:
140 € : includes the early bird reception on Wednesday, lunches on Thursday, Friday and Saturday, gala dinner on Friday.

Registration Form

Surname . . . . First name. . . . .

Title . . . .

Institution. . . . .

Address . . . .

. . . .

City/State . . . .

Postal Code/Country . . . .

Email address . . . .

Telephone . . . . Facsimile . . . .

Registration fee	€
Accompanying Person fee	€
Total	€

Check Enclosed ☐ Charge to my: Visa ☐ MasterCard ☐

Card Number ____

Expiration Date

Authorizing Signature

Please send this registration form (mail, e-mail or fax) to:
Fabienne Le Roy
Congress Administrator
Maison des Sciences de l'Homme Ange Guépin
21 Bd Gaston Doumergue
BP 76235
44262 Nantes CEDEX 2 FRANCE
wcah@univ-nantes.fr

Accounting History

Call for Papers
Perspectives and Reflections on Accounting's Past in Europe

The world of accounting has never been monolingual. Indeed, across mainland Europe, examinations of accounting's past within specific countries or regions have most frequently been published in languages other than English. Such contributions are often not recognised when Anglo-American accounting scholars prepare guides, which are intended to be useful and authoritative, on conducting and publishing accounting history research. Sometimes the impression can be unintentionally given that the history of accounting has taken place almost exclusively in English language countries or, perhaps even more unintentionally, that work undertaken and prepared in languages other than English is not of a suitable style or of sufficient quality for "international" recognition. Such circumstances are unlikely to alter in at least the near future as the English language continues to assume ascendency as the dominant international language in this era of globalisation.

Today, within many European countries, accounting and other scholars, especially young scholars, are being encouraged to publish in international refereed journals which are highly prone to be published wholly in the English language. Such incentives are often readily visible in national research assessment regimes which are being implemented in certain countries in mainland Europe. Accounting in Europe, of course, has a long tradition, whereas accounting history studies set in the United States, the United Kingdom, Canada, Australia and New Zealand have typically focussed on developments in the nineteenth and twentieth centuries. Accordingly, this special issue of *Accounting History* provides an opportunity for accounting scholars, who are interested in accounting's past in Europe, to broaden the English language literature with studies which meet the editorial policies of the journal.

This special issue, scheduled to be published in 2008, seeks to augment the literature in various ways. Submissions of original papers for this special thematic issue may be concerned with enhancing historical knowledge through, for example, investigations on the following issues or topics:

- Traditions in accounting history research in Europe;
- European trends in accounting history research;
- Comparative international accounting history in Europe;
- Accounting institutions, accounting regulation and standard setting;
- Accounting in social institutions.

Intending contributors are encouraged to interpret this theme from diverse theoretical and methodological perspectives in studies either within or across specific countries or regions. Intending authors are strongly encouraged to contact the guest editor in advance to discuss their proposed topics. Submissions should be written in English and forwarded electronically, to the guest editor, by **31 August 2007**.

Guest editors: Angelo Riccaboni and Elena Giovannoni
Faculty of Economics, University of Siena, 53100 Siena, Italy
Email: riccaboni@unisi.it; giovannoniel@unisi.it

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problem until lunch time. Then Bill appeared in the doorway asking if I was going to lunch with him.

"Yes," I said, "but what about the letter?"

"What letter?" replied Bill. "Let's go to lunch."

I talked with others about this and they all had the same experience. When Bill got mad about something, his letter was his way of blowing off steam. He never held a grudge and the matter was forgotten once the letter was written.

Bill did not tolerate fools or dishonest folk. If a student was hard working and interested, Bill would spend hours helping with study problems. But if the student was merely trying to dodge a bullet or avoid a task, Bill usually dismissed the miscreant in seconds. There were many occasions when I overheard Bill talking to a student playing the artful dodger and I felt like saying to the student – do not argue, admit your fault, and retire gracefully! Bill was a very good and demanding teacher who made considerable use of the case study method and I am certain that his students benefited from the care and skill with which he constructed his cases. Fortunately, many have been published and future students will benefit from Bill for years to come. I owe a great deal to Bill in what seemed a small teaching courtesy at the time. He always read many newspapers and business magazines with an eagle eye in order to identify material of interest generally and for teaching particularly. I now have several files of cuttings which he left in my mailbox on a daily basis – often with his thoughts written in the margins – and which I continue to use. The 1990s was an era of considerable scandal for the corporate world and the public accountancy profession. Bill was a fierce but informed critic and he helped me and several other colleagues to gather the ammunition we could use in the classroom. Bill's lasting legacy will be the sense of professional integrity he brought to the classroom which was so lacking in the corporate boardroom in the 1990s.

Bill and I shared several years as officers in the Academy of Accounting Historians and he followed me as president of that body – a unique record for the School of Accountancy at the University of Alabama. He served the Academy in numerous ways and had a large responsibility in setting up the Garner Centre at the University of Alabama in honour of Dean Paul Garner. This facility provides a place for visiting history researchers to study at Alabama. Bill also had a flair for historical accounting research. The two areas he will be best known for are taxation (particularly the tax affairs of America's Presidents) and railroad accounting (with colleagues Gary Previts and Dale Flesher). Indeed, it was Bill who discovered the rich railroad archive at the Business Library at the University of Alabama. Bill enjoyed accounting history conferences and I know how much he enjoyed visiting distant parts in the company of accounting historians – despite a dislike of travelling. Although I have not seen Bill for several years due to retirement and several thousand miles of ocean, I miss his company and his sense of joy and despair on matters that interested us. He was a big man and will remain so in my memory. My thoughts are with Joni and the rest of Bill's family.

In Memory of
WILLIAM DONALD SAMSON
Past President, The Academy of Accounting Historians
(March 30, l947 – September 15, 2005)

BILL SAMSON:
MEMORIES OF A BIG MAN

by

Tom Lee
Emeritus Professor of Accountancy at The University of Alabama
Past President, Academy of Accounting Historians

I first met Bill in 1990 when he met Ann and me at Tuscaloosa Airport when I arrived for an interview at the University of Alabama. It was early Spring and the air was warm and fresh as it always is at that time of the year. Bill took us out of the terminal to his transport in the car park – a Volkswagen camper van last seen in Europe in the 1960s. We proceeded at a sedate pace into town while Bill explained he had to check on his dogs at home in Northport. We arrived at his home and he took us indoors. The dogs were in the basement, Bill explained. Down we went and then all hell broke loose as something like twelve dogs of varying sizes and types rushed to greet Bill. We were overwhelmed by canine love. Bill told us that he and Joni could not refuse a stray dog. Ann and I were amazed at this community service. Later on, however, the memory of Bill's strays resurfaced from time to time during my time in Tuscaloosa. The memory lingers still because it says so much about a big man with a big heart.

Bill's office in the Alston Building at Tuscaloosa was two doors down the hallway from mine. He and I shared one thing in common apart from frequent visits to the coffee pot – we came to work every day unless we were out of town. Often, this included holidays. The result of this habit was that Bill was always there for his colleagues and students. His door was rarely closed. Bill was someone that many of his colleagues went to for advice and a chat. He gave them time and comfort.

Work life with Bill, however, was not always peaceful. Bill could get mad about an issue or matter he really cared about and woe betide the person who was the focus of his wrath. I remember at least two occasions when I had done or said something in a meeting or as the result of a meeting, and Bill disapproved. On each occasion, I found a letter from Bill in my mailbox – written in very large hand writing, some in black and a lot in red, with underlining and exclamation marks. There was no compromise in the letter – I was dead wrong and in the hole. I read each letter several times wondering what I had done and how I could placate Bill. On each occasion, I sat for a couple of hours wrestling with the

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