“Accounting model and regulation: Lessons from Recent Accounting History”

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Proposed Moderator
Yuri Biondi (Cnrs & Cnam)

Listing of Panelists
Rolf Uwe Fuelbier (University of Bayreuth, Munich)
Garen Marakian (IEBS, Madrid)
Jacques Richard (Dauphine U, Paris)
Enrico Viganò (University of Naples)

Session Topic
Amid the ongoing economic and financial crises, the accounting model and regulation are under strict scrutiny. National traditions of thought and past experiences can provide insightful lessons for better understanding the role of accounting for finance, economy and the society at large.

Session Description
The session convenes scholars of accounting history from different countries to provide a transnational understanding on the accounting role in economy and society. Each scholar will offer a definite perspective based upon the specific national accounting theory and practice of Germany, France, Italy and USA. These national traditions may provide insightful lessons for better understanding the role of accounting for finance, economy and society, addressing the issues underlying the design of accounting model and regulation. All participants will contribute to the collective book on “Accounting and Business Economics: Insights from National Traditions” (Routledge, 2011, forthcoming).

Invited speakers will intervene on the following matters:
- Rolf Uwe Fuelbier (University of Bayreuth, Germany) – “Accounting and accounting research tradition in Germany: Development, Contribution and Challenge”
- Garen Marakian (IEBS, Madrid) – “The role of Littleton, May, and Paton in advancing the role of accounting in society”
- Jacques Richard (Dauphine University of Paris) – “The contribution of French accounting theorists and practitioners to the birth of capitalist accounting”
- Enrico Viganò (University of Naples, Italy) – “An Italian Perspective”

The session may be organised on one plenary panel, or a series of two panel one after another. In the latter preferable case, Gary Previts, Shyam Sunder or Gregory Waymire may be invited as moderators of each panel. In the first case, Yuri Biondi will act as moderator.
About the invited speakers

**Yuri Biondi** studied economics and social sciences at the Bocconi University of Milan (MSc) and economic analysis and history of institutions and organizations at the Lyon2 and Brescia Universities (PhD). In France, he has taught at the universities of Lyon2, St. Etienne and the CNAM ([www.cnam.fr](http://www.cnam.fr)). He is currently tenured researcher (research fellow) for the French Institute of Research ([www.cnrs.fr](http://www.cnrs.fr)) at the Ecole Polytechnique of Paris ([http://www.polytechnique.fr/](http://www.polytechnique.fr/)) and affiliated professor of corporate governance and social responsibility at the CNAM. He is member of the AAA Financial Accounting Standards Committee since August 2010. He is the promoter and main editor of “The Firm as an Entity: Implications for Economics, Accounting, and Law” (Routledge, 2007), and, with Stefano Zambon, of “Accounting and Business Economics: Insights from National Traditions” (Routledge, 2011, forthcoming). He is editor in chief “Accounting, Economics and Law: A Convivium” ([http://www.bepress.com/ael](http://www.bepress.com/ael)), published by The Berkeley Electronic Press. His current research is on accounting, economics and finance of business and non-business organizations.

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**Rolf Uwe Fuelbier** is full professor of international accounting at the University of Bayreuth. He studied business administration at the University of Cologne, earned his Ph.D. at the University of Muenster, his habilitation (assistant professorship) at University of Bochum and taught four years at the WHU - Otto Beisheim School of Management (professor for financial accounting). His fields of research range from application-oriented accounting problems to methodological and historical perspectives on accounting and accounting research. Rolf Uwe Fülbier is editorial board member of the EAA publication outlet “Accounting in Europe” and author of a huge variety of books, book sections and articles in national and international research and transfer journals (Abacus, European Accounting Review and others).


**Garen Markarian**, currently at IE Business School in Madrid, obtained his Doctorate in Accounting from Case Western Reserve University in January 2005. His research interests include executive compensation, corporate governance, and accounting theory. He has published in the Journal of Business Ethics, Contemporary Accounting Research, the European Accounting Review, among others. He has received best paper awards both from the AAA and the AFA, and his work has received mention on FT.com and the CFO magazine.


**Jacques Richard** - Thesis on the comparison of capitalist and socialist accounting systems; articles in AOS ,European Accounting review, CPA ,and French ,German , Japanese and Russian reviews devoted to the question of the classification of the stages of capitalist accounting ,the history of value in accounting , the comparison of accounting systems (notably East and West ), the classification of Environmental accounting systems.

Link: [http://www.crefige.dauphine.fr/lab/cv/jacques-richard.htm](http://www.crefige.dauphine.fr/lab/cv/jacques-richard.htm)

**Enrico viganò** was born in Naples in 1941 where he now lives and works. After obtaining a first class honours degree in economics in 1964 he went on to become a full professor of Accounting at the University of Naples in 1975. At present within the Department of Economia Aziendale of the University of Naples he is full professor of Economia Aziendale, editor of a series of books on accounting and business economics, responsible for the International Accounting Section and coordinator of a master’s degree in European Accounting together with several European universities. He has written various essays and works on accounting and business economics also in English. He has spoken at many national and international conferences.

Link: [https://www.docenti.unina.it/ENRICO.VIGANO%27](https://www.docenti.unina.it/ENRICO.VIGANO%27)
Speakers, Titles and Abstracts


A dynamic “enterprise entity” view emerged during the 20th century, fostered by industrial and financial transformations and shared by European and American scholars. This view is still valuable in understanding the nature and role of accounting the business enterprise for economy and society. A constructive critique of current models and insights for further developments will be derived from this dynamic enterprise entity perspective.

Rolf Uwe Fuelbier (University of Bayreuth, Germany) – “Accounting and accounting research tradition in Germany: Development, Contribution and Challenge”

When the first German business schools were established at the end of the 19th century it was accounting research that helped German business economics to establish itself as a science. The rise of early accounting theories at the beginning of the 20th century, especially the static, dynamic and organic theory – naturally prescriptive in nature – tried to answer the fundamental and still open questions about purpose and content of financial statements. They influenced accounting thought far beyond the German borders and shaped later regulations till today. The endeavours to advance the principles- and code law-based accounting regulation and to enhance the further development of accounting theories bred after WW II a specific deductive legalistic research approach. This approach was jointly responsible for a sustainable and presumably efficient accounting system especially for contracting purposes within its specific German socioeconomic environment. In the last decades the accounting system as well as the research community are challenged by an increasing internationalization. This has led to a stronger differentiation between contracting and valuation purposes based now on different accounting systems. This is attended by the attempts of German accounting research to conduct internationally renowned research within and aside the capital market empirical “mainstream” still keeping in mind that an applied science is not an end in itself.

Garen Marakian (IEBS, Madrid) – The role of Littleton, May, and Paton in advancing the role of accounting in society

This speech will discuss the impact of 3 key persons in establishing accounting as a key element in the functioning of modern day society. A.C. Littleton and W.A. Paton are chosen because of their academic advancements (the foundation of the AAA, the first accountancy Ph.D. program in accounting in the world, starting The Accounting Review, and textbooks such as “Accounting Theory,” “Principles of Accounting,” and “An Introduction to Corporate Accounting Standards”). In contrast, G.O. May, a practitioner and partner at PWC, was instrumental in establishing the set of standards that were used in the first mandatory audits of public companies instituted by the NYSE, and moreover, convinced the SEC that the accounting profession should be the authority in standard setting. The speech will discuss 3 main facets that changed the nature of accounting: (1) the foundation of a theoretical framework (2) the establishment of mandatory audits (3) the establishment of standard-setting.
Jacques Richard (Dauphine University of Paris) – “The contribution of French accounting theorists and practitioners to the birth of capitalist accounting”

France has played an important role, which has not always been correctly recognised, in the foundation of the capitalist accounting, notably in matter of theory of valuation as well in matter of concepts of profit and profit control. Concerning the first question (valuation) Jacques Savary (1675) has been one of the very first to differentiate fair value accounting from historical cost accounting; later the "Napoleonic lawyers" in the first half of the 18th century laid down the basis of the so called "static" accounting (as popularised in the 1920s by the German Schmalenbach) based on market values and on the turn of the 20th century Leautey and Guilbaut and Dumarchey participated in the theoretical debate about the construction of the historical cost accounting. Concerning the second point (profit and profit control) France has been the country where the conceptual discussion on the adaptation of accounting to a kind of (libertarian) State capitalism has been pushed to the extreme: this discussion has produced a lot of original suggestions for the redefinition of profit and/or its control such as shown by the examples of the famous "French Accounting Plans" and the "theory of surplus".

Enrico Viganò (University of Naple, Italy) – An Italian Perspective

Continental European countries are characterized by a strong legal aspect. Financial accounting and statement have been prayed now to the fiscal jurist (to calculate income for tax) now to the civil jurist (who considers the financial statement as a mean of accountability for managers). No economic orientation, then. Italian accounting doctrine devoted its research only to the internal financial statement with a great degree of abstraction. Now and then it tries to improve, economically speaking, the regulation imposed by law. Very seldom has the opinion been expressed that the civil (or fiscal) code is not the place where to fix accounting rules. In Italy therefore the financial statement has little of economic content and is scarcely used by the economic community. Due to the increasing adoption of international accounting standards (IAS), there is currently a growing awareness of the need to take a different path with a stronger economic tie. The EU is driving towards this adoption, still piecemeal. Probably it is necessary a certain period of time, but that orientation cannot be stopped: also in Italy there will be financial statements economically significant with weak legal ties.