

# Accounting resources for Economic and Financial History (19th and 20th c)

Call for a 2021 pre-session World Economic History Congress

Paris and online, 18th and 19<sup>th</sup> June

## Argument

*« Un des problèmes d'un usage statistique des comptabilités est l'impossibilité de contrôler l'homogénéité des procédures comptables. (One of the problems with the statistical use of accounts is the inability to control the consistency of accounting procedures) » (Desrosières, 2008)*

This session aims to examine historical accounting data and their potential use in economic and financial history. Recently published articles have generated debate and controversy around the limitations of data sources and data as well as their heuristic scope. These debates have focused on a variety of different variables from wages (Humphries and Schneider, 2019 and Allen, forthcoming), the number of existing companies in a country (Hannah, 2015) to stock market data (Hannah, 2018a; Grossman, 2018). In this context, accounting data offer new opportunities for research, but also novel topics for debate on the possible use of accounting data to credibly represent a particular corporate reality.

At previous World Economic History Conferences, several sessions have explored the link between accounting and economic history over the long run (e.g. Stellenbosch 2012: Mercantilism and accounting records: comparative analysis of the periphery-core structure and its impact on indigenous market players; Kyoto 2015: Diverse accounts and accountings: constructions and creations of accounting across space and time; Boston 2018: Deciphering the economy: numbers and their rationalities in the long run 12th - 19th century). We propose to explore the links between accounting data and economic and financial history in the 19th and 20th centuries.

The objective of this session is to take stock and open up new avenues for studies on the use of accounting data, their aggregation, standardization and comparability over time and between companies within the same country and internationally. These issues will be examined in the light of the formal and informal rules and practices not only of companies producing accounting data, but also of public and private actors who, for commercial reasons, statistical missions or other interests, have aggregated accounting statistics.

As Desrosières (2008) notes following Morgenstern (1963) in a work on the possible uses of corporate accounting, accounting is sometimes able to reflect reality, but it is also and above all the product of social constructions "that are totally beyond the control of statisticians" and

therefore of historians who reuse these data. In the second case, accounting items give rise to valuations and raise questions about the reliability of the data (Capie and Billings, 2001).

However, other types of institutions such as codes of best practice, listing criteria, the reputation of banks and bankers as underwriters and the monitoring of major shareholders can make accounting practices more transparent and consistent (Hannah, 2018b). Other elements can be used to explain biases that could affect accounting data: the undervaluation of results to limit wage pressures (Bryer, 1993) or the introduction of taxation (Spoerer, 1998).

This session applies more particularly to the period 1870-1939 with no geographical limits. It focuses on the use of accounting data, their aggregation, standardization and comparability between companies within the same country and internationally. During this period, the forms of accounting regulation were still changing. Current models are based either on professionalization, as in Great Britain and then in the Commonwealth (Edwards and Walker, 2009), or on legislation, as in France and Germany (Camfferman and Detzen, 2018). However, the effects of these rules remain ambiguous (Labardin, 2011).

Without the list below being exhaustive, here are some topics that could be discussed:

- The links between the concrete production of accounting data and their possible uses.
- Regulations and the use of regulations (legal, tax or audit obligations) to understand the evolution of practices;
- The contribution of archives to understanding the informal practices and institutions affecting accounting data;
- Historicization of accounting categories to understand their spreading and decline;
- Historicization of evaluation methods to include periods and times when certain positions are over- or undervalued;
- Methodological proposals to measure the reliability and assess the comparability over time and between companies within the same country and internationally of accounting data;
- The practices of private and public actors who standardize and aggregate accounting data for publication (in public or commercial journals) or private exploitation.

While not exhaustive, this list aims to open a debate on accounting data and their possible uses across time and space in the future.

The *Accounting History Review* would be pleased to receive paper submissions as a follow-up to the session.

This pre-session is organized to allow participants to exchange ideas and arguments and select papers prior to the conference session.

### **Organizers**

Jan Annaert, University of Antwerp

Pierre Labardin, Paris-Dauphine

Cheryl McWatters, University of Ottawa

Angelo Riva, European Business School and Paris School of Economics

### **Additional information and deadlines:**

31th January, 2021: extended abstract of their paper (not exceeding one page) to [pierre.labardin@dauphine.psl.eu](mailto:pierre.labardin@dauphine.psl.eu)

28th February 2021: decision of the organizers

30th May 2021: submission of a full paper

18th and 19<sup>th</sup> June 2021: pre-session online and in Paris

July 2022: World Economic History Congress in Paris

### **References**

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