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The great waves of accounting thought: an attempt of comparison between English and Italian literature

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Abstract The following speech has been pronounced at the XV Biennale of the Italian Society for Accounting History on October, 23rd, 2020, as the Introductory intervention of the Congress. The Author was Chairman of the Organizational Committee of the Congress and member of the Scientific Committee. It has the tentative status of scientific paper in order to be improved for a further process of publishing. It concerned the discerning of a number of parallel waves between English and Italian Accounting literature, since the early beginnings and until the advent of the Globalization Era, when standardization has made relatively irrelevant the specific contributions of single national streams of thought.

Keywords Accounting History · Accounting Systems · Revenues and Expenses View · Assets and Liabilities View · Comparative Accounting

Riassunto *Il seguente discorso è stato letto al XV Congresso biennale della Società Italiana di Storia della Ragioneria, 23 Ottobre 2020, come intervento introduttivo del Congresso. L'Autore era presidente del Comitato Organizzativo e componente del Comitato Scientifico. Esso ha lo status provvisorio di saggio scientifico destinato ad essere emendato per un successivo processo di pubblicazione. Riguardava la scoperta di alcune ondate parallele tra la letteratura contabile di lingua inglese e quella italiana, dai primi inizi e fino all'avvento dell'Era della Globalizzazione, quando la standardizzazione ha reso relativamente irrilevante i contributi specifici delle singole correnti nazionali di pensiero.*

Parole chiave *Storia della Ragioneria - Sistemi contabili - Redditalismo - Patrimonialismo - Ragioneria comparata*

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Introduction

Dear Scholars, Colleagues and Friends, Welcome to everybody and thank you for your participation, always so important for our community, but now more important for the hard times we're all experiencing. Thank you, particularly to Valerio, to our Society, which wanted this event, to the organizing Committee and the Biba company, to the Bianchini Foundation, which contributed to fund it, and, of course, to our international guests, who are giving prestige to this biennial meeting.

Premise

Let's begin, then, with my basic idea. A very relevant topic on Accounting History seems to be the history of accounting thought or accounting doctrines. Who is speaking now devoted a part of his scientific life to History of Accounting thought, thinking that Accounting History can be built on a balanced developments of its two main pillars: History of Facts and History of Ideas (Lipari, 2007). So, after decades of very relevant investigations on facts, let us remember that no Accounting History can exist without the history of its ideas and doctrines.

Within this broad field, in the present speech, the basic idea is that in Italian and English Accounting thoughts there have been too many similarities that we label isomorphisms, at least until a certain point in history, too much in my opinion to be a pure chance. They deserve - at least - to be first discerned and after, possibly, interpreted.

They can be all gathered within some great waves or phases. First phase: precept period. Second phase: personalistic theories of accounting Third phase: scientific accounting and 'old' assets and liabilities view Fourth phase: Revenues and expenses view

After this last one we record, in the late XX century, a decline and end of this isomorphism, along with the emerging of the new assets and liabilities view in the Anglo-Saxon world that is to be observed.

In this speech, after a brief methodological note, we sort through the different phases attempting a critical comparison between the two linguistical areas of English and Italian and, finally, make some short provisional conclusions of our discussion.

Methodological note

History of Accounting Thought - much as in philosophy - is basically a history of doctrines. In this we agree with Mattessich (2008), but doctrines are only partly due to the ideas of single scholars. Following an Institutional perspective, doctrines are greatly due to their historical contexts. Studying Thought we may distinguish what in Accounting developments is due to the environment, what is due to accidents of History and what is due to the genuine personal contribution of single thinkers.

The basic idea of the present intervention - as we said above - is the concept of 'Isomorphism'. For 'isomorphism' we mean a similar attitude, or perspective, toward one of the basic topics of accounting debate: Nature of the discipline, Nature of accounts, Preference for Assets and Liabilities vs. Revenues and Expenses, Measurement Criteria, Primary stakeholders, etc.

Isomorphism is an interesting topic for the studies on accounting thought history. The study of similarities allows, in fact, to distinguish what of the single ideas is probably due to the similar contexts. Similarly the study of recurring dissimilarities allows to observe what is due to the features of single countries.

Our choice fell on English and Italian literature. They were the most accessible for the author of this brief speech, but there are also other reasons at the basis of this choice. English literature is the main ancestor of the present International and Global Accounting; it is no longer a national or multi-national literature. Italian literature is the ‘mother’ of literatures, and it has been at length characterized by a stress on theoretical deepening more than on practical problems.

Of course this choice has got its caveats. Other important literatures are here neglected: let us only think to the German one. The economic development in USA (the main English speaking country) and in Italy are and have been very far each other, as are and have been other features of the two ways of capitalistic development. And finally a so synthetic comparison of two literatures lacks always of precision and completeness in exploring so different and rich literatures.

The speech, so, means to find a synthetical (and provisional) explanation both of similarities met, and of dissimilarities, as well as an explanation for the sudden ceasing of this parallelism since the ‘60s of the XX century and, finally, the effects of the Globalization Era, after the fall of Berlin’s Wall, in 1990.

I Phase: precepts period

The first centuries of the Accounting Literature has been defined as the “precepts period” by an Italian famous scholar, Prof. Gabrovec Mei (1990), essentially because of the lacking of proper theory. Since the first printed Treatise of Pacioli and until the end of XVIII century no one thought that this could be a scientific discipline, but only a complex of technical tools, useful in business and administration of entities; no business school or university existed dealing with this subjects, out of the practical “Schools of Abacus”, mainly in Italy. Accounting was then only Bookkeeping, and authors aimed to give only ‘precepts’ about this practical art. In other words this is the ‘infancy’ of Accounting. No country is exempted by this phase. Our literature was born in Italy and after contaminated, little by little, other countries involved in the development of the early modern merchant capitalism.

In these old times the topics dealt with by the scant writers of accounting are how to record the entries, how to keep the Journal and the Ledger, under some minutiae of calligraphic or formal nature: how many rows and columns, which preposition to use before the debited and credited accounts, and similar simple questions. An embryonic theory of accounts perhaps may be discerned here and there in some authors, but often it is unaware and, in any case, marginal. The ‘balance sheet’ is not a financial statement, but still only a trial balance, like the “Bilanzone” of Luca Pacioli. English Literature since Oldcastle (1543) and for three centuries is a gemmation of the Italian one. In the meanwhile Italian literature knew a first ascent until the middle of the XVII century, and after a relative decline, but during these three centuries it was always quite flourishing and, in any case a point of reference. Only in the second period the French accounting progressively assumed this role. Notwithstanding this,

since Pacioli (1494) and until D'Anastasio (1803), there are not true theories, in a modern sense, but only technical rules of recording the entries, even with some progress in time. There are some rare exceptions, the most relevant being that of Lodovico Flori (1636), but he looks rather an isolated giant. But not even Flori thought to make 'theory', out perhaps of some passages.

If this can be sold as an 'isomorphism', the common character of this 'ancien regime' literature was that of being directed to the production of simple handbooks. But the explanation of this similarity looks trivial. There were no universities dealing with accounting, nor it was conceived as a science. Furthermore, out of Venice perhaps (which represents an exception), there were not any professional bodies. Thus, the only outcome of this condition was that accounting, better, only 'bookkeeping', was a practical knowledge, useful to trades and household administration, so presenting similar features everywhere.

II Phase: personal theories of accounts

Between the end of XVIII century and the half of XIX one, something slowly was changing in Accounting. Publications are no longer episodic. Writers now are unsatisfied with the simple explaining of double entry rules. They try now to find a logic behind them. To these first explanations the authors give the dignified name of 'theories' (some authors, in Italy, even of 'science'), but this pretension seems nearly always too ambitious: perhaps they were only 'bookkeeping theories' and, in the best of cases, 'theory of accounts'.

What happened, then, between the end of XVIII century and the XIX, to affect so decisively Accounting? In our opinion the 'elephant in the room', impossible to avoid, is certainly the First Industrial Revolution, which changed dramatically society, politics, culture and, of course, economy. From a trade technique, Accounting is now invested progressively of new tasks as industrial economy was growing; with a wider scope and applications, it began, thus, to need a rationalization. But, in the first times of this revolution, the dominant little workshop was not still so different from the old merchant's shop. Accounting remained a recording of relations with external subjects, and not a tool of internal control, or, at least, not immediately.

This isomorphism is week as week are still the characters of this first period. For as concerns English Literature let us recall the ephemeral success of the Jones Method (1796/1816), the last attempt to fight against the 'Italian Book-keeping' (the Double Entry), proposing a simple entry method, based on recording only of cash transactions, integrated by some final adjustments for getting the same results of an accrual accounting. The same Jones Method had some fortune in the first decades of the century in Italy, for being after strongly criticized and discredited. On the whole Italian Accounting during this first stadium of the I First Industrial Revolution is all colored of the revival of Italian 'noble accounting traditions' against French and English theories, and aimed from great ambitions, as in the case of D'Anastasio (1803), who defined the Double Entry as a true 'Science', but it is still poor of true innovations.

A few more interesting, for both streams of literature (English and Italian), looks the second stage, since the '40s of the XIX century, when this slow process reached finally a relevant degree of maturity.

At this stage in English speaking countries we find that the ‘precept period’ is ending and we may speak of pioneers of modern early accounting research. In this respect, America arrived relatively late, mostly after the Secession War (but let us remember at least a first attempt of account classification in Foster, 1837), but converged in substance with other countries toward a personalistic theory of accounts, at least in part. Faced to the slow take-off of American (and English) literature, Italian literature of XIX seemed to reach the grandness of its glorious past centuries. Before the Lombard School (ca. 1835-1885) and after the Tuscan School (1865-1930) made a true Scientific Revolution in the Italian Accounting. The two main concerns of these two schools can be resumed in the ‘doctrinal question’ and in the ‘accounting question’. As ‘doctrinal question’, briefly, we mean the investigation on the nature of our discipline, as ‘accounting question’, we mean the investigation on the best way to record transactions and events and on classification of accounts. The ‘doctrinal question’ is an Italian peculiarity, which, in time, should have led to the idea of “Economia aziendale” (Giannessi, 1954), and there is no isomorphism to be observed on this respect. The ‘accounting question’, instead, is more interesting for our survey. Leaving other questions, the theory of accounts seems for certain respects similar to the far first American attempts to classify properly the accounts. The Lombard School proposed a mixed theory (partly real, partly personal), while the topic was deeply afforded by the Tuscan School, which arrived to a radical personalistic theory: all accounts are entitled to specific persons and represent a credit/debt relation.

On the whole in this phase isomorphism between Italian and English literature exists but it is weak. The two main differences (mainly in the last decades of this stage) are:

- Italian literature shows a precocious trend toward theorization while English one is at its first steps in this same direction: but while in the latter this goes hardly beyond a rationalization of bookkeeping rules or first theories on accounts, in the former theory is linked explicitly to higher forms of culture (the Lombard School recalled classical economists, while the Tuscan School evoked philosophy, and Idealism particularly in Cerboni);
- Italian literature seems to benefit from its richer background, while English one, even representing the first and most industrialized country in the world, considered accounting little more than an art, being this the golden era of classical economic thought.

The stress toward generalization and rationalization of bookkeeping practice is common. And, when a theory of accounts is afforded, the personalistic theory looks the dominant one.

An attempt to explain this isomorphism is possible considering the degree of developments of economy in this epoch. The First Industrial Revolution, in fact, did not still assist to the presence of very big firms. This delayed in America and England the emergence of accounting and business disciplines as dignified doctrines like economics was, while in Italy the persistence of a merchant economy made the developments were limited within the boundaries of a pre-industrial society. American thinkers, concerned more with practical issues, were not so interested to this, but, when they were, the same weak structure of the firms led to conclusions at all analogous to those of Italian literature. In words, personalistic theories, from both sides of Ocean, look as a simple evolution of the previous conceptions of accounting. The only relevant difference is that before we had only practical rules,

now the first theories. Similarities of contents (the account as a relation with a specific person) reflect the similarity between the old merchant enterprise and the new industrial enterprise. In the golden era of the 'invisible hand' the 'visible hand' of management and accounting was still to come.

III Phase: 'Old' assets and liabilities view

Whatever we mean with the term 'scientific' Accounting, it is hardly debatable that its early beginning cannot be dated before the last or the last but one decade of XIX Century. Which is the common condition of context in Western Countries between the end of the XIX century and the beginning of XX? The so called Belle Epoque, was the era of European Imperialism, partition of Africa and other Continents, triumph of industrial technology, trust in the Science and Positivism. Yet, the main feature of this epoch, which can resume effectively all the others, is the II Industrial Revolution. It's not here the place where to describe sharply the differences between the First and the Second Industrial Revolution, but just let us say that perhaps the most relevant one is that of dimensions of firms. The 'visible hand' of great management (Chandler, 1977) sided the more traditional 'invisible hand' of the market. While the internal control begins to assume as the same importance as market conditions, a 'control' technology is needed for it; not before. Organization studies, for an instance, before neglected, began by means of Taylor's 'Scientific Management'. In this context Accounting was bent to the control requirements. The legal aspects and the transactions with counterparts are partially overshadowed by the exigence to have a daily control of firm's wealth.

Thus, we arrive to core assumption of this phase. Accounts are no longer a tool for representing juridical relations, but for controlling economic resources. Throughout the world, so, the personal conceptions of accounts progressively decline, we find a conception were basically an account represents a single item, be positive or negative, of firm's wealth, namely, a 'value'.

So the classical 'assets and liabilities view' prevailed: the balance sheet is the place in which we can read the algebraic sum of single positive and negative financial items; the income statement is simply the place in which to read the variations of net worth due to management's work.

In the Anglo-Saxon countries the overcoming of personalistic theory is linked mainly to the emergence and prevalence of the so called 'Proprietary theory'. Perhaps Sprague and Hatfield are the most interesting authors of this stream and period. The old 'assets and liabilities views' share some recurrent characters. One of them is the stress to building a true theory of accounting and not only a simple rationalization of accounting rules, as was in the recent past. The same title of the master work of Sprague (1907/08), *Philosophy of Accounts*, perhaps an exaggeration, witnesses of this effort. Even Sprague's *The Accounting of Investment* (1904), according Hatfield's reading (1909) would be characterized by 'scholarly erudition, philosophic insight and practical experience'. Sprague definitely abandons the personalistic theory of accounts for the materialistic one. This passage is noteworthy. And a permanent acquisition for accounting: since then in general, accounts represent 'values' and no longer 'persons'. Hatfield's work (1909) followed in the same wave, building a complete theory of accounting. With him, we catch another typical character of this phase: the first establishing of accounting scholars in University faculties. Finally, another common feature is that while flows (and

income statement) are less stressed than stocks (and balance sheet), valuation of balance sheet elements is ruled according conservative accounting practices as the historical cost or the realization principle; but there were some openness to present value and current cost model as an alternative model. The correspondent Italian School, more or less in the same period, is the 'Venetian' one, led by the "Master" Fabio Besta, Professor of Accounting in Venice so long as since 1871 and until 1921. Also in this case, a lot of isomorphism is to be observed. With Besta Accounting enters universities: he and his disciples were the first accounting professors in the first 'high schools of business' [Scuole Superiori di Commercio]. Besta (1922), the recognized chief of the Venetian School, fought against the personalistic theory of accounts: according his conception any account represents just a value and not a person. He explicitly linked the 'Science of Accounting' (defined as the 'Science of Control', not only bookkeeping control, but also what was beginning to be of 'business organization') to Positivism in philosophy, and particularly to the evolutionist Positivism of Spencer. From this conception he derived both the materialistic conception of accounts and the 'eternity' of laws of control. Control was essentially control of 'wealth' ["Patrimonio" in Italian]. For that the issues of measurement became more prominent than those of recording. Focus was indeed upon the balance sheet and its components (positive or negative they are), while the income statement, representing only variations of wealth, was residual. Besta is known in Italy as the Father of the "Sistema Patrimoniale Classico" [the Italian version of the old 'Assets and Liabilities View'], where - very close to what independently was happening in America - prudence and realization were the bases of accounting. On the whole similarities between - let us simplify - Hatfield and Besta are amazing, and we are sure they did not know each other their scientific production. The only feeble link between them could be some knowledge of the contemporary German literature, what retrospectively the XX century literature called "statische bilanztheorie". But, mostly, the two traditions, Anglo-Saxon and Italian, were self-sufficient. The main difference could be resumed on the Italian stressing on the 'Accounting System', defined by means of the sharing of accounts into two series, while the American tradition had a more pragmatic attitude. Out of this attitude and language, however, the conclusions were at all similar. The most important statement was the balance sheet, as the static values of assets and liabilities (and, as a difference, the equity) were the basic values, while their variations, represented in the income statement, were of secondary relevance. Evaluation of wealth was, notwithstanding this, minimal: to give a safety value under which it would be improbable the elements would go. This strong isomorphism is hardly debatable.

Now it is time to try an interpretation for that. Even though in Anglo-Saxon countries Stock Exchange Markets were more developed than in Italy, we are still before the crisis of 1929, and, above all, before any serious attempt of regulation by means of accounting standards and principles (or, in 'civil law' countries other statutory or law regulations). Capitalism of the II Industrial Revolution was too grown for being still interested in legal links with corresponding actors (as it was the case in the previous period), the control of wealth should be central everywhere, but, for avoiding opportunistic behaviors, in a not-still-ruled accounting world, this control should remain in the limits of a strict conservatism.

IV Phase: revenues and expenses view

A number of factors, between the two world wars, drove to move from a static conception of wealth to a dynamic one. It is hard to synthesize them and to have a plain demonstration of the effect of each of them, but on the whole the final outcome was always this different stress on accounting studies. Among these factors we may recall the fall of golden standard, as an instance, and with it, the ideal of a stable reference to measurement of value. The answer to this trend was differentiated in different countries, but similar features are simply an evidence.

In this stage, however, coming back to our two privileged streams of thought, isomorphism reached its highest level.

In the USA, perhaps the most relevant moment where this view was erected as a theoretical system is the very famous textbook of Paton & Littleton (1940). For decades it has been a sort of Bible for Accountants. And without exploring all its features, we may assert that the basic concern was the determination of income, not that of capital. As Storey & Storey say (1998), in this context “assets are costs” (and “liabilities are credits”) was the basic rule. This was the golden era of prudence, by means of the principle of realization, for accounting revenues, and of historical cost. The attempts of founding sound accounting standards, before the FAS was established, are still weak, and judgment, even criticized, prevailed in accounting agreed rules. The same AAA Executive Committee (1936) arrived to state that “Accounting is not essentially a process of valuation, but the allocation of historical costs and revenues to the current and succeeding fiscal periods”. Prevailing of income determination on capital determination was reflected by the privilege of the matching principle for deciding what should be conventionally declared as a liability or an asset. Even if business economics did not flourish in English speaking countries, the institutionalism won over the old contractual view of entities definitively, by means of the entity theory, according which are no longer private but ‘semi-public institutions’ (Paton, 1940).

The resemblances of this American trends with the contemporary Italian ones are really amazing. This, at least, until the ‘60s (Storey & Storey, 1998), from which the environment in USA began to change. Italy, since the ‘20s was marked by the so called ‘Zappian Revolution’ (Canziani, 1994). This scientific revolution was a true change of paradigm, starting from the ‘classical’ one of Besta. Much has been written about this and here it is not the place for giving a full explanation, out of a short synthesis. The Revolution was twofold: properly accounting and doctrinal. Under the first point of view Zappa preached (1920/29) the passage from what he called the classical capital system (of Besta) to the income system (his). Income accounting system is nested on the previous view of accounts, shared into two series, but, this time, the first series is limited to cash and near-cash assets and liabilities (basically receivables and payables), while all the remaining accounts are either ‘capital accounts’ or ‘income accounts’. In turn ‘income accounts’ are not only the revenues and expenses to be read in income statement, but also deferred revenues and expenses, allocated in balance sheet, even multi-years. In this conception, e.g., also plants and machinery or inventory are no longer ‘assets’ but only ‘costs’, eventually attributed to fiscal periods, even by means of quotas, as in the amortization process. Under the second point of view, in line with what was happening in other central European countries, Accounting was nearly dissolved into a wider discipline, including also management and organiza-

tion: the “Economia aziendale” (1926) [approximately, ‘business economics’]. More in his disciples than in Zappa, we observe: Conservatism, Preference for Income respect to Capital, Balance sheet as place where to allocate revenues and expenses not still accrued. These and other isomorphisms are the most evident of all the history.

There are not mutual quotation in the two literatures. Zappa cites, among foreign authors, only German ones; no American author as far as we know cites Zappa or his disciples. The possible interpretations seem founded over the basic assumptions we mentioned at the beginning of this point for justifying the change of stress from the ‘static’ to the ‘dynamic’ conception of wealth. The ‘institutional’ point of view is a general acquisition against the old ‘contractual’ one and this cultural framework should have led doctrines to similar general outcomes. But, this time, also the little differences deserve better to be explained. Both in American and in Italian accounting the centrality of historical cost is undisputed, but while in America an openness toward other methods of measurement is to be observed, and growing in time, in Italy, at the opposite, this trend would strengthen in the following decades (Alexander et al. 2017). These differences may have different reasons. Italian capitalism remained a familiar one, with a strong support by the state, where, instead, American capitalism assisted to the greatest development in the world of the financial markets. In Italy Financial Statements were not useful for investors, or not so useful, but they represented along a warrant for the third parties who had relations with the entities (providers, workers), and a basis for the determination of income tax, as it was the case for most Continental countries. Anyway, even with these diverging trends, the basic contents of the two literatures are quite similar if not exactly the same. In the second half of XX century something happened to change Accounting, opening a new era.

‘New’ assets and liabilities view and decline of isomorphism

The last 50 years (ca.) witnessed the progressive crisis and abandon of the revenues and expenses view. This wave starts from the USA in the 60’s becoming an hegemonic attitude in the following 20 years. The most relevant feature of this perspective has been the considering of assets and liabilities (and most the assets) as the independent variable, whose variations, and only them, are to be considered income or expenses. The traditional assumption according which ‘Assets are costs’ did not enjoy any more the favor of before. Once the conception in which costs either are allocated in the Income Statement as expenses or are ‘parked’ in balance sheet has declined, only economic resources (and claims) are accepted. The turning point, perhaps, was a famous article by Sprouse (1966), where the deferred costs and credits were called disparagingly what-you-may-call-its. The process was accelerated after the institution of FASB 1973, and was finally transposed, within the progressive issuing of the American Conceptual Framework.

The most relevant news is that, since the end of the XX century, English speaking literature can be no longer considered a national, or a multi-national one, but it progressively becomes the ‘global one’. In this context the comparative approach loses relevance. The birth, growing and strengthening of the International Accounting Standards, after IFRSs, brings with it the footprint of the Anglo-Saxon tradition. Concerning this, the condition of American Accounting is quite paradoxical: USA remain,

nowadays, one of the few countries not adopting IFRSs, where IFRSs are mostly influenced by American tradition and accounting regulation. And the American footprint, in our opinion, is growing in time. We can observe it by the lenses of the Conceptual Frameworks issued by the IASC/IASB. The 1989 version presented still some European sensitivities, as the plurality of stakeholders, or the indecision (not still solved) between physical or financial maintenance of capital. In the 2010 version the 'prudence' disappears, a strong orientation to 'primary users' is established. In the 2018 version the last survivals of the 'Revenues and Expenses View' in the definition of Income and Expenses (the reference to 'flows' as independent variables and not as simple variations of assets/liabilities) are cancelled. The new 'Assets and Liabilities View' now rules as the unique global language.

In this new context the Italian debate on accounting systems is without doubt passing a moment of decline. Until 2010 (ca.), and after the disappearing of the greatest XX century authors, no significant internal debate is recorded on the fundamental topics of the past. The textbooks, e.g. on the 'accounting systems', are conservative, where the work of the past is simply assumed as the basis for the logic of recording, but no longer made as a subject of scientific investigation. It is relevant to observe as this is becoming a subject of historical or pure theoretical comparison (Ceriani 2007). There is no sensitive influence of the Italian debate on the Italian or European regulation, nor on the international debate, where, the long lasting use of Italian as a language of research, finally isolated the national community of the "Economia aziendale" in a sort of autoreferential cluster. No new "Patrimonialismo" (the Italian version of the "Assets and Liabilities View") is recorded. The 'isomorphism' between Italian and English literatures, met since the just early days of accounting, suddenly ceases. After 2010, the year of an epochal reform in Italian University, the collapse of traditions: English literature enters overpowering and uncritically into Italy, at most with some timid defensive attitude. Chances of survival for the classical Italian doctrine now rests on the attempts to insert it into the international debate by the Accounting History community. But Accounting History does not mean Accounting Theory. The same memory of a so rich literature, in non-historical contributions, is fighting for not being at all removed by the scientific awareness and from bibliographical references.

On the one hand, the revival of the Assets and Liabilities view in the Anglo-Saxon (now International) world is not the same of the old days of Sprague. It is not oriented to a static evaluation of assets and liabilities, but it derives, in our opinion, from the emerging of a more speculative economy where the financial maintenance of capital prevails over the physical one, now considered less relevant. In this perspective stocks (assets and liabilities) become again the independent variables and flows (revenues and expenses) only their variations, then the dependent ones. In turn assets and liabilities are measured, more or less, as the discounted cash flows of their future benefits and costs, because, only this is ultimately relevant for primary users. On the other hand, to this process a new stream of English speaking Italian literature is giving its contribution. The IV Directive on Companies Law already made the traditional Italian Income Statement, child of the 'Zappian' Italian doctrine is left to history. European and International integration reduce the relevance of the strict national debate to secondary questions. Italian scholars, in the meanwhile, prefer, more and more, to participate directly in English to the international doctrinal debate. It is the end of the traditional isomorphism, for which there is now no liable space for developing.

Concluding remarks

In this brief survey we showed and underscored the presence of specific similarities and dissimilarities along the main doctrinal waves of English speaking and Italian literature. We called them ‘isomorphism’ and tried to give some first interpretations that justify the presence of recurring similarities in literature, when they were not still well communicating each other, and the prevalence of dissimilarities just when the international communication of knowledge and the progressive spread of English as the international language of research had finally emerged. Out of the specific results and observations we proposed above, which can be defined as the main outcome of our path?

In my opinion it relies upon the concept of ‘fusion of horizons’. Isomorphisms show that common characters of doctrines are better understood when they are observed under different perspectives. Accounting now has become a monolingual discipline, and the main risk is that it could forget all its own past that was not written originally in English. Whether this perspective is nowadays unavoidable, it is a great limit to refer it also to the past. Different conceptual frameworks, in different languages, afforded in time similar problems and arrived to similar conclusions. The comparison between these conceptual frameworks (not in the statutory meaning of the IFRSs, of course, but in the doctrinal one), could lead to a broader ‘meta’-perspective, common to both, where problems are set and investigated more deeply.

Another basic outcome is the emergence of what we could label as the ‘Institutional perspective of Accounting history’: Institutions, similar in different environments, reveal to be determinant for the development of thought, more than personal attitudes or individual geniuses. Investigating on them could shed light on the succession of doctrines in our field more than according partial views. Of course this way may be pursued only by means of a true stream of research, more analytical and addressed to specific topics of comparison. This is only an introductory speech, whose only goal could be to achieve sensitivity toward this field of study, and, at the moment, I hope it has got this first provisional step.

After all a statement out of this historical path can be given: national accounting experiences showed in the past similar patterns when they were different, while these similarities are rapidly disappearing, quite paradoxically, as national doctrines are dissolving into a global one. Something is being lost in these days: and this is difference. And as difference vanishes we are facing a new challenge for our discipline: the hardness to identify the deep structure of accounting languages, mistaking it with the simple state of art, in a sort of “End of History” (Fukuyama 1992). Comparative studies in time, being hardly possible in space, perhaps, can counteract this risk, but for these many other studies on Accounting Thought are needed. Thank you for your attention.

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