A CONTEXTUAL APPRAISAL OF THE EVOLUTION OF ACCOUNTING THOUGHTS IN DEVELOPING COUNTRIES.

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1. INTRODUCTION

The History of accounting can be traced to thousand years ago in the most cities in Mesopotamia between 450 and 500 B.C. (Keisten, 1965).Helmakap, Imdieke& Smith (1986) traced the history of accounting to as early as B.C.3600 and claim that tablets were employed in the Babylonia Empire in the marking of the cuneiform script, which is the forerunner of the present day accountant. Ibidan&Oyakiromie (2010) stretch further that similar types of records have also been discovered describing business activities in ancient Greece, Egypt and Rome where coinage was invented in about 630 B.C. China was also where accounting systems were concerned with the recording of Merchants, temples and estates (Angus, 2014). The system of Mesopotamia accounting, though relatively simple by modern standards but the Mesopotamia economy did not require more advanced system to record its transaction {Angus, 2014). Vlora & Rrustem (2017) also found out that, the first simple accounting records are found in the writing of Babylonian, Chaldeans, Assyrians and Sumerians in Mesopotamia.). Onuoha, & Enyi (2019) traced the history of accounting to Mesopotamia where there were unique methods in the use of notches on sticks, marks on the wall use of counters made of pebbles and wood boxes used in the measurement of items.

In Nigeria history of accounting can be traced to the earliest man's development who survived by hunting of wildlife, picking wild fruits and digging up edible roots and tubers, which were used in exchange for items needed but not possess thus brought about trade by barter. Nwanyanwu (2006) explained that in about 2000 to 3600 B.C. when writing on clay tablets started from Egypt and Mesopotamia, some Africa countries including Nigeria kept records of commercial activities by means of "strokes"on the walls (Areo, 2014.). The origin

of modern-day accounting is traceable to the double-entry bookkeeping method developed by Italian merchants during the twelfth and thirteenth centuries (Ibadin&Oyakhiromhe, 2010). They opine that probably that most important condition, which gave rise to this development, was the rise in the trade between most medieval Italian cities and the East.Luca Pacioli, a Franciscan friar and distinguished humanist, first codified double-entry accounting in a treatise published in 1494 (Agbi, Isuwa &Salvation, 2017). Today in any organization, the role of accounting is to provide information to help the decision-making process (Vlora & Rrustem, 2017).

A developing country can be defined, in broad terms, as a country seeking to advance to a higher state of economic well-being. This term would therefore include a wide range of countries mostly found in Africa, Asia and Latin America. Apart from the quest for economic development, most of these countries received their independence from the colonial powers from the late 1950s onwards, and share the common characteristic of the Presence of poverty, while experiencing wide disparities in their development levels (Wallace, 1990). In general, the following problems are associated with developing countries: poverty; rapid population growth; high levels of unemployment; unequal income and wealth distribution; regional imbalances; insufficient domestic savings; large foreign debt; low levels of technology; and a need to improve education (Todaro, 1994).According to Ober holster (1999), the origins of accounting systems in most Developing countries like Nigeria, Egypt, China, Ancient Mesopotamia (Iraq) and South Africa point out to the fact that transfer of international accounting technology has occurred for many years in a non- formalized ways. These ways include; using previous colonial legacies, the importation of accounting qualifications from developing countries, applying the rules of International Federation of Accountants and the International Accounting Standards committee, using of British, American or Australian textbooks for the accountancy training since local textbooks are rarely available.

An appraisal of this nature is prompted by a need to have a clear view of the development of accounting thoughts over the years and from place to place across the world most importantly in developing countries with a view to finding meaningful inference for developing economies. It is also found necessary to bridge the gap in literature with respect to this area of study meant to rejuvenate and reinvigorate the development of accounting

as a field of study and accountancy as a practice. In professions, historical linkages have been found to be an inevitable way to improve on conducts and performances of practitioners, accountancy is not an exception. The changing roles of accounting and accountants in the face of growing threats from application and misapplication of technology, globalization, ecological and environmental concerns expressed through climate change adaptation and or mitigation and such like. These issues and the possibility of enhancing this growing field of specialization in accounting training are the core drivers for this appraisal.

In spite of the recent works by British Accounting Institution, much has not been done in linking past history to the present accounting thought thereby projecting to the future accountancy profession becomes a problem. It is important to understand and appreciate the present and future practices of accounting as well as the institutional structure of the discipline. The present day accounting is more of creativity rather than transparency that occurs in the olden days accounting system whereby accounting was by means of "strokes" on the walls. There is liberal interpretation of accounting rules allowing choice that may result in depiction of accounting information that are more or less optimistic than the real situations (Ahmed,2014). Karl Marx also maintain that accounting perpetrate a form of false consciousness and provide a means for mystifying rather than revealing the true nature of the social relationship that form, the productive endeavour.

Consequently, this appraisal was initiated to examine the evolution of accounting thoughts in developing countries. Therefore, the specific objectives of this appraisal are, to:

i. review the perspectives of various contributors to theories and practices of accountancy over the years;

ii. assess the contributions from various civilizations to the field of accounting in all its ramifications;

iii. examine the influence of recent developments on the growth of accounting thoughts.

This work is a descriptive research study that explores the approaches, methodologies and metrics used in evolving accounting thoughts on one hand; and, reviews approaches, methods and narrative style adopted in developing the historical compilations. It is basically

a review of existing literatures on the evolution of accounting thought in the developing countries, using Nigeria, South Africa,Egypt and Iraqas case studies among the developing countries. The focus on these countries is mainly because they share common characteristics of developing countries such as; the presence of poverty, low levels of productivity, high rate of population growth, unemployment and significant dependence on agricultural production.

2. Definitions and Concepts

2.1. Accounting Thought

According to Ross (2016), accounting is primarily concerned with the recording and communication to interested users, the effect of economic events or transactions, which an entity has entered into. The details of these events are passed through the double-entry system and summarized in a signal commonly referred to as the financial statements. He explains further that this signal is then operated on by a third, independent (supposedly "independent" in the case of the auditing firms) party, who filters out noise and error and then passes the signal on to the recipient (market participants). These recipients are presumed to be economically connected, in some way, to the entity and, therefore, have already made ex ante probability distributions regarding the future states of the entity. Ahmed (2014) perceived accounting as the language of business since it is one means of communicating information about a business. The various business activities of a firm are measured and reported in accounting statement to variety of users (investors, creditors, management, regulators) using accounting language. Accounting is the measurement, processing and communication of financial information about economic entities of businesses and corporations (Needies & Power, 2013).

Committee on Terminology of the American Institute of Certified Public Accountants (AICPA) defined accounting as an art of recording, classifying and summarizing in a significant manners and in terms of money, transaction the results thereof. Wood (1996) offers another definition accounting as the process of identifying, measuring and communicating economic information to permit informed judgments and decisions by users of the information. These definitions have basically itemized the key phases involved in accounting and its end-purpose. Accounting is, simply put, a service activity that is expected

to provide quantitative financial information for making informed economic decisions with verifiable facts about the future.

Thought, on its own, is about the action or process of thinking. It involves arrangements of ideas to come up with a logical and coherent explanation. Thus *Accounting Thoughts* mean postulates and theories arising from pragmatic and empirical examinations of accounting which have become a body of knowledge (principles or axioms) approved for guidance of the practice and learning of accountancy and accounting. Although many use these terms interchangeably, there are remarkable differences between them. Accounting is the body of knowledge that guides the practice of accountancy.

2.2. Developing Countries

Developing countries refer to indistinct and heterogeneous group of countries mostly found in Africa, Asia, Latin America, the Middle East and Oceania. A common characteristic of this group is the presence of poverty (Wallace, 1990), low levels of productivity, high rate of population growth, unemployment and significantly dependence on agricultural production (Belkaoui, 1985). There countries are rich in natural resources, such as Nigeria and Indonesia, whose lack of development has to do with the colonial legacy and difficulties in maintaining a good and accountable government (Taeihabh, 2017). Korotaye & Zinkina, (2014) viewed those countries in the context of development, allocation and utilization of resources and see them as poor in terms of natural distribution of wealth, and an uneven allocation of the available resources resulting in low levels of employment, business activities and government involvement. Such development is measured with statistical indexes such as income per capital (per person), gross domestic product per capital, life expectancy, rate of literacy and so on (Althor, Wasson & Fuller 2016.)

Generally, developing countries are those countries that have not achieved a significant degree of industrialization relative to their populations growth and have in most cases, a medium to low standard of living.

2.3. Birth of Double Entry Bookkeeping.

The origin of double entry bookkeeping is generally associated with Luca Pacioli. . Pacioli's first printed work in 1494 was on algebra, titled: "Summa de Arithmatica, Geometrica, Proportioni et Proportionalita" meaning everything about Mathematics, geometry, and proportions.It was developed to ensure that every transaction has equal and opposite

reaction, (Augus, 2014). He affirms that, One of the chapters of the book contained a section entitled "De Computiset Scripturis (i.e. computations and records), which was separately published in 1504 described double entry bookkeeping and was later translated into many languages.

Pacioliide a reflected the business activities of then Venice at as that time, especially the way they recorded financial transactions (Adum, 2015). This is to say that even before Pacioli published his book, the Italian *Merchants of Venice* actually maintained accounting records which of course, they did in a particular way, Pacioli simply described this peculiar method used by the early merchants and this method was referred to as “the Method of Venice” or “the Italian Method”. This method spread throughout Europe in the sixteenth and seventeen centuries and developed to become what we known as the double-entry model (Ahmed, 2014).In Pacioli’s opinion, the purpose of bookkeeping was to provide the trader with timely information concerning his assets and liabilities. He postulated that all accounting entries must be double hence, when a creditor is created, someone must be made a debtor. He suggested that “not only was the name of the buyer or seller recorded, as well as the description of the goods with its weight, size or measurement, and price, but the terms of payment were also shown” and “whatever cash was received or disbursed, the record was shown of the kind of currency and its converted value”. Despite the short duration of business ventures at that time, Pacioli advocated for the closure of books and the periodic computation of profits. This elevated trade and commerce to new levels and actively sought better methods of determining their profits.

Government regulation and income tax legislation have resulted in an increased need for accounting system in both their record-keeping and communication functions. The double-entry system developed by the early Italian merchants and translated to Pacioli’s book is essentially the same system used today to satisfy the increased demand for accounting information (Ibadin & Oyakhiromhe, 2010).

3. Relevant Theories for Accounting Thoughts.

Agency, Stewardship and Institutional theories provide the theoretical frame for this appraisal.

3.1 Agency Theory

The agency theory explains and predicts the inherent relationships between the principal and the agent in the course of executing the contract of agency. The crux of the matter is whether the agent will act in the best interests of the principal.Jensen and Meckling (1976) explain an agency relationship as a contract under which one or more persons usually referred to as principal(s), engage another person (known as the agent), to perform certain defined tasks/services on their behalf which involves delegating some decision-making authority to the agent. They add that this arrangement comes with conflicting objectives in that the agent will not always act in the best interests of the principal, since both parties are utility maximizers. In a corporate setting, the dominant financial objective of the firm is to maximize the wealth of the shareholders whereas managers (agent) are prone to private consumption of firm resources and firm growth. Thus, the agent will most likely pursue courses of action that will favour him at the expense of the principal.

According to Eisenhardt (1989), agency theory refers to relationships that mirror the basic agency structure of a principal and an agent who are engaged in cooperative behavior, but have differing goals and differing attitudes towards risk. He identifies two main aspects of the agency theory namely moral hazard (the agent usually has more information about his or her actions and limitations than the principal does- information asymmetry) and adverse selection (the principal cannot completely verify the agent's skills and abilities, either at the time of hiring or while the agent is working). Hence the need for accounts of stewardship .Jensen and Meckling (1976) identify agency theory cost as the cost that arises because of the delegation decision-making authority from the principal to the agent on account of the separation of ownership and control. They further group the costs under three categories: monitoring costs (expenditures by the principal to limit the agent's aberrant activities), bonding costs (expenditures by the agent to guarantee that he did not perform certain actions that would harm the principal) and residual losses.

3.2. Stewardship Theory

Agris (1973) points out a difference between agency theory and stewardship theory. He submits that agency looks at employee or people as an economic being which surpasses an individual's own aspiration, whereas, stewardship theory recognizes the importance of structures that empower the steward and offers maximum autonomy built on trust. Donald so(1997) affirms that "a steward protects and maximizes shareholder's wealth through firm performance, because by so doing, the utility functions are maximized. More so, stewardship theory de-emphasizes the duality role of Board chair and CEO, suggesting that the unified function empowers the steward to safeguard the interest of the shareholder. From the foregoing, Daly, et al (2003) explains the fact that for the employees and executive to protect their reputation, they will take those decisions that will improve performance. This position is in agreement with the submission of Owolabi (2011), who argues that stewards are expected to behave rationally because if they refuse to take decisions that will improve performance, then the shareholder operating in a free market system can switch to a performing firm and the stewards may lose their job. He adds that stewards will act in the best interest of the shareholders. Meanwhile, Donald so and Davis (1991) have empirically proven that the combination of these theories (agency and stewardship) yield better results.

3.3. Institutional theory

Institutional theory considers the institution as the pivot upon which the social structure rotates. The theory emphasises how social interactions, order and norms among social actorsand groups are evolved, presented, disseminated and changed over times and spaces (Scott, 2004). According to Scott (2001), institutional norms and practices form the bedrock of social interactions. As such, they are durable, transferable and capable of having both localised as well as international connotations. Social actors such as individuals ,organisations and governments operate within a web of economic, cultural, legal and political institutions; all of which directly or indirectly impact on their behaviours (Fligste in and Free land, 1995). The theory stresses the need for organisations to conform to rules, norms and social values of their institutional environments for them to survive and achieve legitimacy (Meyer and Rowan, 1977). This forms the basis of compliance with statutes regulating financial reporting to stakeholders.

Additionally, it shows how individual or agencies may seek to construct legitimacy by simply attuning to expectations of those key players (whether individual or organisation) within the environment in which they operate. Further more, it is widely argued that government that share similar institutional environments are likely to experience identical institutional pressures perhaps because of the competitiveness globalisation might have brought. These government or organisations therefore "tend to beisomorphic in their structures and behaviours to obtain legitimacy" (Gonzalez and Hassall, 2009). In addition, Scott (2001) identified three bases for such legitimacy: regulatory (which emphasises conformity to rules); normative (which stresses moral obligations); andcultural -cognitive (which places importance on taken-for-granted understandings).

Another dimension to institutional theory is institutional isomorphism. This can be described as a process that compels one government or organisation to be like other organisations facing identical environmental conditions. DiMaggio and Powell (1983) recognised three elements to institutional isomorphism. These include coercive (when organisations depend on external environments for resources to survive); mimetic (when organisations try to copy similar organisations that they perceive more legitimate or successful); and normative (which areassociated with professionalisation). In line with Muller's (1967) and Nobes's (1998) ,this study draws on institutional theory to analyse the perennial institutional isomorphism that underpin the development of accounting and accounting standards.

4. Contextual Consideration in Situating the History of Accounting Thought

4.1 Nigeria in Context

Nigeria is a state in West Africa that ranks first by population, gained her independent in 1960 after over 200 years of British colonialism and under the British accounting system. Nigerian people account for 1/8 of the inhabitants of the continent. It has the presidential system of government and the biggest democracy in the world. In addition, it's is characterized by a dual economy, which is in turn based on its trade sector, rich natural resources and traditional agriculture (which is essentially olden days agriculture of hunting wildlife, picking wild fruits and digging up edible roots and tubers) (Areo, 2014).

In Nigeria, the history of accounting can be linked to the time before trade by barter, where kings took stock of their lands for territorial claims (Agbi, Isuwa& Salvation, 2017). All the

phenomena like counting, recording and monetary system that were associated with the origin of accounting in Mesopotamia were equally present in the pre-colonial Nigeria. Ascchemie (1992) underscores the role of agriculture in the evolution of accounting practices in Nigeria. He asserts that agriculture has influenced everything that is known to be Nigerian, including their methods of record keeping. The materials for record keeping were, not surprisingly, mostly agricultural. People, therefore, used materials like calabashes, bamboos, seeds and grains, tally sticks and ropes. The items adopted as currencies in Nigeria before the introduction of trade-by-batter, were to a larger extent influenced by ecological determinants (Areo, 2014).

Nwanyanwu(2006) explained that "some of the earliest known writing discovered by archaeologists has, when translated, been found to be records of tax accounting recorded on clay tablets from Egypt and Mesopotamia from as early as 2,000 to 3,600 B.C. At about the same period, some African countries including Nigeria kept records of commercial activities by means of "strokes" on walls and in some cases, "counter containers" were used to reflect records of debtors and creditors.

The recording on the house walls in Nigeria, according to (Nwanyanwu, 2006) are 'veritcal strokes' marked with red palm oil, native chalk or charcoal. He states that the wall strokes are used to represent quantity of inventories of sheep, goats and yam. They are also used to represent revenues, debts owed, etc. The description of what each group of wall strokes represent is not stated on the wall. According to Ascchemie (1992), "The strokes are often drawn on walls of bedrooms. This is not to make the information in the strokes public while at the same time making them conspicuous so that observing them requires little or no effort".Akinyemi, Okoye & Izedonmi (2015), affirms that record keeping has antecedents in the ancient kings and empire and prominent then was the periodic contributions which were recorded on the wall but the granting of royal charter to Royal Niger Company was almost the same as the ones in Britain.

4.1.1 Development of Accounting in Nigeria

The development of accounting in Nigeria can be traced to the time when the companies' ordinance can be said to start in the early fifties when the Nigerian Colleges of Arts, Science and Technology were established in Ibadan, Enugu and Zaria and the development of the departments of accounting in the Nigerian Universities, Polytechnics and Colleges of Technology. Just after the country's independence, the idea of establishing a professional body of accountants in the country became a burning issue in the mind of a few accountants who coordinated the establishment of "The Association of Accountants in Nigeria" incorporated under the companies Act, 1958. The main objectives of the Association were to provide a central organization for accountants in the country, to maintain a strict standard of professional ethics, and to provide for the training, examination and local qualification of students in accountancy (Ibidin & Oyakhiromhe, 2010).

In 1965 Chief Akintola Williams had a significant influence on establishing the first professional accounting organization in Nigeria - The Institute of Chartered Accountants (ICAN). The profession was given a fillip in 1965 when an Act of parliament No 15 established the Institute of Chartered Accountants of Nigeria. The Institute was empowered with the general duty to, inter alia, determine what standards of knowledge and skill to be attained by the persons seeking to become members of the accountancy profession, as circumstances would permit. The Institute of Chartered Accountants of Nigeria (ICAN) was the only professional body regulating the accounting profession in Nigeria until 1st January, 1979, when another accounting association known as the Association of National Accountants of Nigeria (ANAN, 1980) was founded to perform duties similar to those being performed by ICAN. In fact, it can be safely said that ICAN was awakened from its slumber with the birth of ANAN(Ogundele, 1991).

4.1.2 Standardisation of Accounting Principles and Practices in Nigeria

Historical studies have it that ICAN was responsible for the formation of the Nigerian Accounting Standards Board (NASB) before it was taken over by the Government (Josiah, Okoye, & Adediran, 2013). Upon formation of the NASB, both ICAN and ANAN nominated two members to the board in order to assist NASB in developing, publishing, and updating statements of Accounting Standards. With the globalization of economic trade, businesses, and financial markets, it has become imperative for financial information to be prepared

according to accounting standard that can easily be interpreted by the accounting profession of nationals and this has brought us to the use of International Financial Reporting Standard (IFRS). In as much as nationals are still working tirelessly and collaboratively to harmonize the accounting standards globally, the country established the Financial Reporting Council of Nigeria and lately had issued an exposure draft on Corporate Governance Codes.

4.2. South Africa in Context

South Africa that largely meets the criteria and falls within the group of countries classified as developing countries according to Wallace (1990) became republic on 31 May 1961 after approximately 150 years of a formal British link in one form or another. This is a perfect example of the entrenchment of the British accounting system in a former colony of the United Kingdom. Mueller (1966) supported by those of Da Costa, Bourgeois, and Lawson (1978) classified South Africa as a part of the British sphere of influence. Frank (1979), once again, classified South Africa as falling under the British sphere of influence. Theaccounting history in South Africa is similar to Mesopotamia where the scribes write on the clay tablets the name of parties who exchanged goods and any form monetary transaction (Alexander, 2002). Briston (1990) state that South Africa once part of the British Empire, found themselves on independence with a professional accounting body and company law based on the British model therefore found it very difficult to move away from the British system. Hioton (1968) points out that the South African disclosure requirements up to 1968, were based on the Eighth Schedule of the Companies Act of 1926, which was in turn based on the recommendations of the English Institute of Chartered Accountants. Consequently, the South African reporting requirements up to that stage were virtually identical with those of England.

4.2.1 Development of Accounting in South Africa

The importation of formal accounting qualifications from developed countries to South Africa, appears to have been adversely affected by the political dispensation under the previous South African government. This point is argued by referring to the history and activities of the Chartered Institute of Management Accountants (CIMA) and the Association of Chartered Certified Accountants (ACCA) in South Africa (Chaderton & Taylor 1993).

ACCA, which featured in the South African accounting environment up to the 1950s, closed its South African branch in 1956 and was only relaunched here in 1993, as South Africa's period of political isolation drew to a close. The relaunch followed an investigation by ACCA, after the Association of Black Accountants in South Africa (ABASA) had approached ACCA with a view to establishing its international qualification function in South Africa once more (Kamukwamba, 1997).

CIMA first opened a branch in South Africa in 1950 and that its membership grew to approximately 1,900 persons during the forty years until 1989. During this forty year period, the ClMA International Head Office in London merely funded a small contingent of administrative staff and did not actively promote ClMA in South Africa. In 1990, however, with the change in the political situation in South Africa, a divisional director was appointed in South Africa for the first time, after which CIMA operations in South Africa expanded rapidly (Johan, 1990). Another reason for the recent popularity of the CIMA qualification, could be the fact that it is promoted and regarded as an internationally accepted professional qualification, while the political situation in South Africa has induced especially white people to acquire this qualification to enhance their future marketability and job security abroad.

4.2.2 Standardisation of Accounting Principles and Practice in South Africa

Of the professional bodies mentioned above, only the International Accounting Standards Committee (IASC) has recently played a major part in the development of accounting in South Africa, up to the 1994 election. This role can be attributed to the fact that South Africa gained an active member of the IASC throughout its years of isolation, and therefore kept abreast of the accounting issues addressed by this body (Mockler,1993). With the launch of the Harmonisation and Improvement Project of the South African Institute of Chartered Accountants in 1993, the IASC once again emerged as a major influence, seeing that the bulk of the revised South African accounting standards are closely aligned to those of the IASC (Blumberg, 1995).

The fact that the English language has dominated the business world for so long, contributed to the use of English textbooks which further entrenched the British accounting

system in South Africa (Victor, 1992). The subsequent emergence of accounting textbooks in Afrikaans in the early 1970s, contributed little to changing the entrenched British position, for at that stage the South African accounting system had already developed along British lines and the new Afrikaans textbooks merely reflected the status quo.

4.3 Egypt in Context.

By about 5000BC the two Kingdoms of Upper and Lower Egypt were founded. They were united under Menes regarded as the first Pharaoh around 3500BC with capital at Memphis for several centuries all the land was owned by the king and the nobility. The district governors called Normarch's were responsible for the collection of taxes in the "nomes" (that is district) under their jurisdiction. These were paid in kind since stamped money was unknown among the Egyptians till about the 4th century BC. Accounting in ancient Egypt had developed in a similar way to Mesopotamia (Alexander, 2002). Clay tablets on which the oldest tax records were written were found 3000 years before the birth of Christ. On these clay tablets were recorded the accounting records for linen and oil that at that time represented the tax that was to be paid to King Scorpio I (Kaplan & Johnson, 1987).

4.3.1 Development of Accounting in Egypt

In Egypt, papyrus was used instead of clay tablets, and this allowed accounting records to be recorded in more detail. A "scribe" accountant had to know how to read and write more than 1,000 symbols (Metcalfe, 2014). Papyrus was divided by several horizontal lines which enabled the accountant to group the data. Accounting data provided information, e.g., the group included construction and woodwork, including a list of employees. At the same time, calculations were made on the construction projects and the number of workers they could accomplish (Katz, 2007).

The storehouse bookkeepers were very meticulous in documenting receipts into and issues out of the stores. Nothing left the treasury without a documented authority. Extra security was provided by an elaborated internal control system, which required that the records of one official agree with those of another. Royal storehouse superintendents audited accounts and fraud was punishable by torture and death (Chatfield, 1977). Therefore, these early accountants had good reason to be honest and accurate. Although such records were important, ancient Egyptian accounting never progressed beyond simple list-making in its

thousands of years of existence. Perhaps more than any other factors, illiteracy and the lack of coined money appear to have stymied its development. While the Egyptians tracked movements of commodities, they treated gold and silver not as units of fungible value, but rather as mere articles of exchange. The inability to describe all goods in terms of a single valuation measure made cumulating and summation difficult and the development of a cohesive accounting system all but impossible.

4.3.2. Standardisation of Accounting Principles and Practices in Egypt

With the advent of International Accounting Standards (IAS), there were three main reforms in Egypt, namely:

a. Liberalisation of national economy in 1970
b. Comprehensive economic reform and IAS in 1991 and
c. Macro-economic and structural reform and modernisation in 2004 which has brought improvement to their accounting environment (Booloaky, Omoteso, Ibrahim & Adelopo, 2018).

4.4 Ancient Mesopotamia(Iraq) in Context

Five thousand years before the emergence of a double-entry accounting system, accounting records of economic activity appeared in Mesopotamia (today's Iraq) (Botes, 2009).As farmers prospered, service businesses and small industries developed in the communities in and around the Mesopotamian Valley. The cities of Babylon and Nineveh became the centres for regional commerce, and Babylonian became the language of business and politics throughout the Near East. There was more than one banking firm in Mesopotamia, employing standard measures of gold and silver, and extending credit in some transactions.

During this era (which lasted until 500 B.C.), Sumeria was a theocracy whose rulers held most land and animals in trust for their gods, giving impetus to their record-keeping efforts. Moreover, the legal codes that evolved penalized the failure to memorialize transactions. The renowned Code of Hammurabi, handed down during the first dynasty of Babylonia (2285 - 2242 B.C.), for example, required that an agent selling goods for a merchant give the merchant a price quotation under seal or face invalidation of a questioned agreement. Thus it is believed that most transactions were recorded and subscribed by the parties during this period.

4.4.1 Development of Accounting in Iraq

The accountants at that time were called “Scribes”, and they were employed by palaces, temples, and private firms. The scribe was a prestigious profession at that time. During this period, in addition to the description of transactions, the accounting system was highly focused on the deals (contracts) made, paying particular attention to the detailed coding of economic transactions (Alexander, 2002).Scribes stood at the gates of the city, when there was a need to register a transaction. The deals (contract) had to be reported to the accountants (Scribes) and who were responsible for preparing the records of the financial transaction which they recorded on a clay tablets specially prepared for transaction registration. The moist clay was molded into a size and shape adequate to contain the terms of the agreement. Using a wooden rod with a triangular end, the scribe recorded the names of the contracting parties, the goods and money exchanged and any other promises made. The parties then "signed" their names to the tablet by impressing their respective seals. In an age of mass illiteracy, men carried their signatures around their necks in the form of stone amulets engraved with the wearer's mark, and were buried with them at death. Often the seals included the owner's name and religious symbols, such as the picture and name of the gods worshipped by the owner.

The accountant described on the clay tablets the names of the contracting parties who exchanged goods and money or any kind of promise made in the agreement. The parties were required to sign their names on their clays with their respective stamps. These stamps were with the names of their owners, religious symbols with pictures and the name of the gods they worshiped by the owner of that time (Alexander, 2002).After these impressions from the amulets were made, the scribe would dry the tablet in the sun or in a kiln for important transactions which needed a more permanent record. Sometimes a clay layer about as thick as a pie crust was fashioned and wrapped around the tablet like an envelope. For extra security, the whole transaction would be rewritten on this outer "crust," in effect making a carbon copy of the original. Attempted alterations of the envelope could be detected by comparing it with its contents, and the original could not be altered without cracking off and destroying the outer shell.

5. Assessment of the Contributions from Various Civilizations to Accounting

Henio(1992);Oldroy and Dobie (2008), observed that accounting dates back to ancient Mesopotamia,and its development has close association to the evolution of money, counting and writing. Ancient Egyptian and Babylonians were responsible for the development of early auditing systems (New York Society of Accountants, 2013). Under the Roman Empire, detailed financial information had become required by the government (Oldroyd,1995).Chanakya wrote a manuscript" Arthashasthra" which contains few detailed aspects of maintaining books of accounts for a Sovereign State.

Luca Pacioli is generally acclaimed as the father of accounting because of his published work on double entry bookkeeping which was introduced in Italy (Heefers, 2009; Lauwers, Luc & Willekens, 1994). The modern profession of the chartered accountant originated in Scotland in the nineteenth century. Accountants often belonged to the same associations as solicitors, who often offered accounting services to their clients. Early modern accounting had similarities to today's forensic accounting. Accounting began to transition into an organized profession in the nineteenth century, with local professional bodies in England merging to form the Institute of Chartered Accountants in England and Wales in 1880.

6. Influence of Recent Developments on the Growth of Accounting Thoughts.

Recent developments such as globalisation, cybercrime, technology, cultural transformation and vagaries of economic changes all exert tremendous pressures on accounting and accountancy. Many fundamental theories, axioms and principles are challenged by rapidly industrialised economies and constantly growing complexity and advancement in technology. Societies demand for a fair involvement of businesses in conservation such that issues of global warming and consequent climate change phenomenon, biodiversity loss and eco-efficiency of production systems, natural resource accountability for remediation of fast disappearing or degraded natural resources and the insistence on disclosure of environmental activities as well as steps taken to decommission unsuitable technologies, all need to be accounted for.

Today, we question the value of the trial balance as a tool for accounting control in the face of computer software; ditto the double entry principles; and, concerns are expressed of standardising management accounting reports to facilitate performance measurement across industries and nations. The challenge posed by cyber fraud puts the accountancy

profession to task to evolve both forensic and other forms of tools for tracking transactions that have no apparent audit trail. The development of global standards to cater for reporting needs of stakeholders and regulators are quite demanding for researchers to catch up with and surpass the pace of changes.

7. Conclusion

Developing world are beleaguered by the challenges of development and so should respond to accounting and accountancy needs in their context. Among the beauties of the history of accounting is the fact that all nations developed the principles from the same source and are constrained to respond to global changes through the standards, ISOs, GRIs and auditing guidelines that tend to unify divergent focuses into a common practice. Accounting has come a long way but rather than react to shocks from its environment, accounting is becoming proactive especially in tackling cybercrimes, the virtual money regimes and sustainable development issues.

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