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RESEARCH SUBJECTS STUDIED BY THE CLUJ ACCOUNTING SCHOOL IN THE „BRASOV PERIOD”

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Abstract: *This article focuses on the works published in the field of accounting during the Second World War and in the post-war period in Transylvania. More exactly, this work presents the research themes studied when the Academy of High Commercial and Industrial Studies, which was the first form of Higher education in the economic field in Transylvania, functioned in Brasov. We wanted to surprise in this paper the apparition of the Academy in Cluj, the reason of moving in Brasov and the “Brasov period”.*

Key words: *University, History of Accounting, Accounting School, Academy, Works, Social – Economic Observer, Cluj, Brasov.*

1. Introduction

Romania is a country that, throughout its history, had to face the wish of several peoples to dominate and destroy its cultural and territorial identity and integrity. Because of this, its economic and cultural development was slower and several times interrupted.

This was also visible in the accounting thinking that started to shape only in the 19th century, although the first elements related to the accounting field on the territory of our country had been discovered from the Dacian times, and were tightly connected to the Romans' use of the golden mines.

The evolution of economy and merchandise trade required the appearance of education forms, which developed in various ways on the territories inhabited by Romanians. The Transylvanian territory

institutions of economic and accounting sciences were established, having Germanic and later on Austro-Hungarian influences. Adriana Tiron Tudor and Dumitru Matis in their article (*Options for a Modern Accounting System in 19th century Transylvania*, spring 2010) emphasize that the accounting system in the 19th century in Transylvania was influenced by German models.

In spite of all troubles faced by the Romanians from Transylvania during the Austro-Hungarian domination, a real economic thinking developed on this territory, which showed certain characteristics due to the foreign influence.

The first works in Romanian in the field of accounting appeared on the Transylvanian territory, as here there was an education form intended for the training of the population in the field of commerce.

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The organization of the higher education in Romanian in Transylvania, more exactly in Cluj-Napoca, had several attempts and restraints, but eventually, they succeeded in setting here a higher education institution, with a major in economics, which represents today the precursor of the greatest Faculty of Economic Sciences from Romania.

The works written in the period of the Academy of High Commercial and Industrial Studies in the field of accounting may be deemed as milestones of what we may find today in the Romanian accounting. This paperwork makes a quantitative and qualitative analysis of the writings of that time. We would like to identify the research subjects studied by the accounting specialists of that period, when the Cluj accounting education was at its beginning.

The article is divided into three parts, having a logical connection. Thus, in the first section, we presented the beginnings of the Cluj higher education, from its origins to the moment when the Academy of High Commercial and Industrial Studies was founded - our premises. The second part briefly presents other writings in this field and the method used for this scientific approach. The third part presents a brief history of the Academy of High Commercial and Industrial Studies of Cluj – Brasov and the research results of the works published in the Academy journal, „Observatorul social-economic”, in the period when the Academy worked in Brasov. We considered it interesting and at the same time useful to raise the awareness of the public in connection to the subjects discussed and studied in the field of accounting in the Second World-War and in the post-war period. We think that this work brings more elements

compared to what has been written before on the history of accounting in Romania, more precisely, in Transylvania.

2. Premises of the Cluj Higher Education

As of 1565, it was established to set up a Calvine College in Cluj – Napoca; but this was achieved only in 1581, once Prince Stefan Batory started to reign the territory; so on 12 May 1581, a University with the office in this town was set up. The University of Cluj, also called College, was organized and managed by the Jesuit monks sent from Poland raised at the level of the Western Universities.

The first University of Cluj had a religious background, its main purpose being that of drawing young people to Catholicism. In 1603, because of denominational debates, the University was dissolved.

In 1698, a new University was set up in Cluj, this time by the Habsburgs, but its purpose was also religious. At this time, the teaching language at Universities was Latin. Although they tried to draw young people to Catholicism and Germanisation, this did not happen; instead, young people had access to learning, which was very difficult to get at that time.

Because State intervention was stronger and stronger, in 1776, the Emperors in Vienna agreed that the Catholic University of Cluj would become inter-denominational. On this occasion, the Jesuits were replaced by the Piarists, who were more permissive. This may be noticed in the increased number of students from that period.

In 1784, the number of Universities from the Empire was reduced to only three, in Vienna, Lowen and Buda, the rest of the education institutions being transformed into high schools. The University of Cluj

was transformed in the „Academic Royal High School” (*Dana Pop, Școala economica clujeană interbelică*, page 67).

The teaching languages in these schools were Latin, German, Hungarian, but not Romanian. The attempts of the Romanians from Transylvania were countless, they wrote many appeals and sent them to Vienna, requesting to set-up a University for Romanians, where the teaching language would be Romanian and the teachers would be Romanians.

Thus, following the Gathering of Blaj, in the 19th century, a Juridical Faculty was set-up in Sibiu, but the teaching language was German. The Romanians wished to set up a University in Cluj, where the teaching language would be Romanian. The publications of that period, *Gazeta Transilvaniei* [*The Gazette of Transylvania*], as well as the Romanians from the other territories supported the cause of the Romanians from Transylvania.

After the annexation of Transylvania to Hungary in 1867, in 1872 it was decided to set up a University in Cluj, where the teaching language was Hungarian. The University had four Faculties: Law, Medicine, Philosophy, Literature and History, Mathematics and Natural Sciences. At that time, the University had several shortcomings, beginning with the teachers and continuing with the material resources. At the same time, the access of the Romanians to education was modest, and the fact that the Romanian language and literature were taught in Hungarian was very difficult to accept for the Romanian population.

After the Great Union of 1918, the new Romanian University of Cluj was organized. For this organization, they took into consideration the opinion of the

Bucharest University and the Iasi University; at the same time, for the beginning, teachers from the former Principalities were brought to this University, so that only 8 out of 20 teachers were from Transylvania. The University had four Faculties, namely Letters and Philosophy, Sciences, Law and Medicine.

The need of having a higher economic education was felt even at the beginning of the 19th century, so that in 1919, once the University teaching in Romanian was established, in 1920, the first form of higher economic education was set up, namely the Commercial Academy, which in 1922 was called the *Academy of High Commercial and Industrial Studies*.

3. Research Methodology and other Approaches

This paper is based on the study of the history of accounting in Transylvania, more exactly in Cluj and Brasov. The research methodology used is the historical methodology and the study of the specialty literature, from a quantitative and qualitative point of view. Thus, the quantitative research is based on the objective analysis of the facts, focus on variables, detachment from the context, while the qualitative research, according to John W. Creswell, quoted by Septimiu Chelcea (*Metodologia cercetarii sociologice* [*The Methodology of Sociological Research*], 2007, page 79), “is an understanding approach based on distinct methodological traditions, which explore a social or human issue”.

By quantitative analysis, we wish to mark out how many works in the field of accounting were written in that period, in order to notice the interest for this science at that moment. On the other side, we used

the quantitative analysis in order to mark out the quality of the works, their relevance in the accounting field in time.

Goodman and Krugel (1988), quoted by G. Previts (1990, page 136), define the accounting historiography as a research method, which “includes the techniques, theories and principles associated with the study of history. It is a modality of identifying the data and the sources, of asking questions and making theories based on proofs”.

Archival methods are also employed, since they are the only realistic alternative given the nature of the data, i.e. historical and documentary. To a large extent, accounting is a product of its environment (Radebaugh and Gray 1997).

Well-known authors, like C.G. Demetrescu (1930), M. Muresan (1995), Daniela Artemisa Calu (2005), Ion Ionaşcu (1997), Adriana Tiron Tudor and Dumitru Matis (2010) approached themes related to the history of accounting in Romania.

The works mentioning the Academy of High Commercial and Industrial Studies were written by Dana Pop (2005) and Gheorghe Popescu co. (2010).

3.1. Brief presentation of the Academy of High Commercial and Industrial Studies

As we have already mentioned in the previous chapter, in 1920, the Academy of High Commercial and Industrial Studies was set up in Cluj – Napoca. In 1922, the Academy was structured in two sections:

- Commerce, Bank, Insurance Section
- Industrial Section

A new re-structuring of the sections took place, this time in three specialization groups:

- Economic Sciences
- Financial Sciences

- Social Sciences

In the first year of the Academy’s activity, its courses were taken by 35 students, followed by a group of professors comprising six personalities of the Cluj academic environment: Gheorghe Moroianu (Political Economy), Ion Mateiu, Octavian Prie (Romanian Language), Aurel Ciortea (Commercial Mathematics), Constantin Leca (German Language) and Ion I. Lapedatu (Financial Science and Legislation).

The founding professors, besides the aforementioned ones, were Gheorghe Bratu (Commercial Arythmetics), Silviu Dragomir (History of Commerce); Ion Evian and Dumitru Voinea (Accounting), Dumitru B. Ionescu, Victor Jinga (Political Economy). Some of them worked as professors at the Cluj University, others came from the pre-university environment and from the business environment from Transylvania.

In the first ten years of its existence, approximately 2000 students attended the academic courses, then until 1948, the number of students exceeded 10.000.

As of 1 January 1930, the academic and research activity of the higher economic education institution from Cluj was organized through a special law, namely the Law of the Academy of High Commercial and Industrial Studies. The same year, the journal “Observatorul Social – Economic” was founded. In its 14 years of existence, it published 222 articles and studies, and many notes, book presentations and reviews.

The Academy also had an organization of professors, “The Association of the Professors from the Academy of High Commercial and Industrial Studies”, a scientific and academic organization, a legal entity, meant to contribute to bring

together the economic education and the business and economic environment from Transylvania. Between 1936 and 1938, "The Association" published "The Conferences of the Academic Extension". After 1938, the "Annals of the Academy of High Commercial and Industrial Studies" was published instead of this publication.

After the Vienna Dictate, by which Germany and Italy imposed territorial revisions, more precisely in September 1940, the Academy of High Commercial and Industrial Studies of Cluj had to find a new location in Transylvania. The University of Cluj was moved to Sibiu and Timisoara, and the Academy of High Commercial and Industrial Studies was moved to Brasov, a town with tradition for the Romanian economic and accounting education, as the first Romanian book in the field of accounting was written in this town.

The Academy carried out its activity in this location until 1948, then it was moved to Iasi until 1950, and then it was dissolved by the Communist regime.

The Brasov period was a refreshing period for the institutional re-organization, adaptation, innovation and modernization. This stage of the Academy of High Commercial and Industrial Studies was characterized by the efforts to maintain the scientific and didactic requirements, the requirements for the extension of the social and education spaces, the requirements for

didactic works, specialty journals and books for the library, the requirements to organize student life in the best conditions.

In February 1943, the Institute of Economic and Social Research was set up. Its research subjects were Economic History, Economics of Enterprises, Cooperation, Bookkeeping, Regional Economy, Agriculture, Commerce, and World Economy. Between 1943 and 1948, the Institute of Modern Languages and the Pedagogic Seminar of the Academy functioned from the initiative of Rector Victor Jinga.

3.2. *Observatorul Social – Economic - accounting research subjects approached in the Brasov period*

The Academy of High Commercial and Industrial Studies is also considered the first accounting school from Cluj. The curricula of the Academy included several accounting subjects: General Accounting, Bank Accounting, Industrial Accounting, Statistical Accounting.

At the same time, personalities of the accounting history, well-known people, who left important works in the field of the Romanian accounting, worked as professors at the Academy. In the table below, the most important experts of those times are identified:

| | |
|---------------------|------------------------|
| Ion Evian | Accounting |
| Dumitru Voina | General Accounting |
| Iosif Ioan Gârbacea | General Accounting |
| Ioan Tarța | Financial Accounting |
| Dumitru Hașiegan | Statistical Accounting |
| Octavian Lungu | Accounting |

These professors had a great research activity in the field of accounting. A large part of their works was published in “Observatorul social-economic”, the economic journal “*the most important and well-known in our part of the country and one of the best in the whole country*” (Victor Jinga, *Observatorul social-economic*, 1943, page 1), founded in 1930.

This publication functioned for 10 years in Cluj-Napoca, until 1940, and then between 1940 and 1943, its publishing was no longer possible because of the Academy’s hardships during the first stage of the Brasov period and because of the war realities.

In 1943, the journal was published again, in six annual numbers. The Brasov period was a very rich one, because this stage was characterized by the wish to reach a high level of research and academic life.

A. A quantitative analysis

To write this article, we studied the 11 volumes published in Brasov and we could notice that between 1943 and 1947, 40 works were published in the field of accounting, out of 276 works published in that period. This represents 14,5% of all the works. Of a total number of 2.650 pages, 462 pages were assigned to the publication of accounting subjects, representing 17,43% of the total written pages.

These relatively high percentages, 14,5% and respectively 17,4% demonstrate that the professors of that time were continuously concerned with accounting, giving greater importance to the research in this field.

| Years | Volumes | Number of pages | | Number of works | | Work type | | |
|--------------|-----------|-----------------|------------|-----------------|------------|-----------|-----------|-----------|
| | | Total | Accounting | total | Accounting | article | chronicle | review |
| 1943 | 4 | 688 | 69 | 108 | 10 | 7 | 0 | 3 |
| 1944 | 3 | 634 | 87 | 60 | 9 | 3 | 4 | 2 |
| 1945 | 2 | 616 | 213 | 49 | 9 | 5 | 1 | 3 |
| 1946 | 2 | 624 | 79 | 46 | 9 | 2 | 3 | 4 |
| 1947 | 1 | 88 | 14 | 12 | 3 | 2 | 0 | 1 |
| Total | 11 | 2.650 | 462 | 276 | 40 | 19 | 8 | 13 |

All the works from that period were written by one author, represent an individual work, published only partially in the journal because there were no funds to publish a book at that time. In the following table, we identified the

professors who published articles in “Observatorul social-economic” between 1943-1947, the year when they published, and the number of pages of each article, as well as the part of accounting they studied.

| Surname and first name | Article title | Year of publication | Number of pages | Accounting field |
|------------------------|----------------------------------------------------------------------------|---------------------|-----------------|----------------------------|
| Gârbacea Iosif | Budgeting in Accounting | -1945 | - 3 | - public |
| | Aspects related to the Accounting Revision Technique | 1945 | - 12 | - revision |
| | Practice of Accounting Revision | -1946 | - 7 | - revision |
| | The Italian Influence in Accounting | -1944 | - 6 | - financial |
| | Auditors in Accounting | -1944 | - 7 | - revision |
| | German Accounting Regulations | -1943 | - 6 | - financial |
| Haşiegan Dumitru | The Statistics of Enterprise and the Balance Sheet | -1945 | - 36 | - analysis |
| | Balance Sheet Study by means of Statistics | -1945 | - 128 | - analysis |
| Lungu Octavian | The Importance of the Double Entry Accounting System for the Public Domain | -1946 | - 51 | - public |
| Lupaş Semproniu | The Universality of Accounting | -1943 | - 3 | - financial |
| Manolache Mihai | Accounting in the Economic Higher Education. | -1945 | - 27 | - general |
| | Critical study | -1947 | - 5 | - general |
| | Account Framework of Austria | | | |
| Tarţa Ion V. | Accounting in the Curricula of the Foreign Universities | - 1947 | - 8 | - general |
| Rusu Dumitru | A Reform for the Standardization of Accounting | -1944 | - 54 | - financial |
| | Accounting Standardization | -1943 | - 12 | - financial |
| Turdeanu Lucian | Control and Coordination of the activity of the State Enterprises | - 1943 | - 8 | - control |
| Voina Dumitru | Establishing the Results by means of Systematic Accounting | -1943 | - 12 | - financial administration |
| | Calculation Sectors of the Accounting | -1943 | - 5 | - public |
| | Public Accounting and the Digraphic Accounting System | -1943 | - 20 | |

These authors published both the aforementioned articles and the chronicles and reviews published in the journal in the Brasov period. Not all those presented in the above table were professors. At that time, only Gârbacea Iosif, Haşigan Dumitru, Lupaş Semproniu, Voina Dumitru were professors. Tarţa Ioan and Rusu Dumitru were Ph.D. candidates, assistants.

Professor Gârbacea Iosif, Ph.D., was the Rector of the Academy for three months, then the Academy was moved to Brasov. It would be interesting to mention that

Dumitru Rusu graduated from the Academy in Cluj; he started his teaching activity in Brasov, and then moved together with the Academy in Iasi, where he became one of the most well-known accounting professors.

B. A Qualitative Analysis

Considering everything that was written in the accounting field while the Academy of High Commerce and Industrial Studies carried out its activity in Brasov, we may notice that the most often discussed subject referred to the balance sheet, the use of the

statistical methods in the achievement of the balance sheet. At the same time, several works also approached accounting

subjects applicable to public institutions. The situation of the works is better synthesized in the table below:

| Areas | Approach | | Number | | Type of work | | | Approach | |
|-----------------------|---------------|--------------------|--------|-------|--------------|----------------|--------|------------------|----------------|
| | Natio- nal | Inter- national | Works | Pages | Article | Chroni- cle | Review | Theo- retical | Practi- cal |
| Financial accounting | 11 | 3 | 14 | 116 | 6 | 3 | 5 | 13 | 1 |
| Management accounting | 1 | | 1 | 5 | 1 | | | 1 | |
| Public accounting | 3 | 1 | 4 | 76 | 3 | | 1 | 3 | 1 |
| Financial situations | 3 | 2 | 5 | 13 | | 2 | 3 | 5 | |
| Analysis | 3 | 1 | 4 | 167 | 2 | | 2 | 3 | 1 |
| Review | 3 | 1 | 4 | 30 | 3 | 1 | | 4 | |
| Duties | 1 | | 1 | 2 | | | 1 | 1 | |
| Control | 1 | | 1 | 8 | 1 | | | 1 | |
| Education | 1 | 1 | 2 | 28 | 1 | 1 | | 2 | |
| Personalities | | 1 | 1 | 3 | | 1 | | 1 | |

If we analyze the table presented above, we may notice that most of the works written were in the field of financial accounting. The approach for these works was theoretical and the majority, at a national level. The published articles about financial accounting were more numerous than the chronicles or reviews. The subjects discussed were related to the standardization of the accounting at that time, balance sheet and double entry accounting, the Romanian principles and regulations and the presentation of foreign models.

At the same time, we may say that the interest in management and public accounting, financial situations, accounting analysis and review was the same. The approach was more theoretical; there were case studies and international approaches. The key phrase in these fields of activity was *balance sheet*; the authors of these works proved a real interest for the balance sheet, statistical approach methods, as well as various drafting models.

In the field of financial accounting, Prof. Iosif Gârbacea, Ph.D., who was a professor of general accounting, wrote mostly on the theme of balance sheet.

Last, but not least, we may notice that there is a real interest in the place the subject called *Accounting* occupied in the Romanian economic education of that time, as well as the organization methods of the accounting education in other countries. The authors of the two works written in this period on the accounting education were the Ph.D. candidates Mihai Manolache and Alex Herlea.

4. Conclusions

The development of the economic education as a whole, and specifically in Romania, followed the evolution of the economy. Thus, because of the development of the commerce with merchandise in the territories inhabited by Romanians at the end of the 19th century and the beginning of the 20th century, the effort to disseminate economic knowledge

through commercial schools was intensified.

The Transylvanian territory lived a different historical experience than the other Romanian territories; that is why their wish to create a Romanian higher education could be reached only after the Great Union.

In 1919, the University of Cluj was founded and, in 1920, the first form of higher economic education was set up, namely the Academy of High Commercial and Industrial Studies of Cluj. This Academy is considered the first accounting school of Cluj.

Because of the economic situation of Transylvania, as well as because of the status of the Romanians from this part of the country, the Transylvanian economic journalism was more active, more oriented towards the promotion of the market economy principles. Many ideas and theories expressed at that time in the field of economics and accounting are still actual.

The professors of the Cluj Academy (moved to Brasov in 1940) showed a special interest in the scientific research in the field of accounting. Most of these works, made of articles, chronicles and reviews, were published in the journal of the Academy of High Commercial and Industrial Studies, called "Observatorul social-economic". This journal was founded in 1930 and was functional until 1947.

During the Brasov period, when the Academy carried out its activity in Brasov, an important number of works in the field of accounting was written, especially in the field of financial accounting. These works represent the manifestation of accounting maturity in the evolution of accounting on the territory of our country. These are basic

works, which present the principles used today in the field of accounting.

This is not a complete work, as the study may be continued for the years when the Academy functioned in Cluj, but this analysis might represent the subject of a future work. At the same time, we should analyze the works published in the "Annals of the Academy of High Commercial and Industrial Studies".

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