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### Accounting Hall of Fame induction: Charles Arthur Bowsher; Accounting Hall of Fame induction: Donald James Kirk; Accounting Hall of Fame induction: William Henry Beaver

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Charles A. Bowsher

Paul Kolton

Donald James Kirk

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**Accounting Hall of Fame induction: Charles Arthur Bowsher; Accounting Hall of Fame induction: Donald James Kirk; Accounting Hall of Fame induction: William Henry Beaver**

**Authors**

Daniel L. Jensen, Charles A. Bowsher, Paul Kolton, Donald James Kirk, Charles T. Horngren, and William H. Beaver

## ACCOUNTING HALL OF FAME INDUCTION

August 15, 1996  
Chicago, Illinois

### Citation and Response

## CHARLES ARTHUR BOWSHER

Max M. Fisher College of Business  
THE OHIO STATE UNIVERSITY



### CITATION

*written by*

Daniel L. Jensen, Professor  
The Ohio State University

*read by*

Arthur R. Wyatt, Professor  
University of Illinois

Born an identical twin in Elkhart, Indiana, his father was from Chicago and his mother from Toronto, Canada. Following graduation from high school, he attended the University of Illinois where his interest in accounting was fostered by the excellent courses taught by Hall of Fame Member Robert K. Mautz, Arthur R. Wyatt, and other members of the Department of Accountancy. Upon completing his Bachelor of Science degree in accountancy, he served for two years in the U. S. Army, and upon discharge, enrolled at the University of Chicago where he earned an M.B.A. degree. He became a Certified Public Accountant and joined the firm of Arthur Andersen & Co. in 1956.

In 1967, he was appointed Assistant Secretary of the Navy for Financial Management, a post he held for four years. Re-

turning to Arthur Andersen & Co., he was instrumental in the firm's efforts to encourage public discussion on the need for sound financial reporting within the public sector. He headed a research project that reviewed financial reporting practices of the federal government and recommended preparation of consolidated financial statements. He also was responsible for engagements involving compliance with federal election laws and was the engagement partner when the firm was retained to assist the Treasury Department in dealing with New York City's financial crisis in the mid-1970s.

Appointed by President Reagan to a fifteen-year term as Comptroller General of the United States in 1981, he aggressively pursued the mandate of the General Accounting Office resulting in increased visibility and effectiveness for the agency. Under his leadership, the GAO became involved in major issues ranging from health care reform and the savings and loan crisis to the federal budget deficit and efforts to "reinvent government." In addition, as Comptroller General, he played a key role in helping to resolve the fiscal crises at Lockheed, Penn Central, the Chrysler Corporation, and Conrail. He was instrumental in Congress' passage of the Single Audit Act of 1984, requiring annual audits for state and local governments, and the Chief Financial Officers' Act of 1990, requiring federal department and agencies to prepare financial statements and to undergo annual financial audits. During his term, he testified before congressional committees over 200 times, and, under his direction, the GAO more than doubled the number of reports to Congress and greatly increased the frequency of congressional testimony by GAO officials.

Recently invited to be a trustee of the Financial Accounting Foundation, he has been an active contributor to many organizations, including the advisory councils of both the Financial Accounting Standards Board and the Governmental Accounting Standards Board. He chaired the Railroad Accounting Principles Board for three years and is one of the three principals of the Federal Accounting Standards Advisory Board. Under his chairmanship, the International Organization for Supreme Audit Institutions, an organization comprised of his counterparts from around the world, adopted international standards and guidelines for auditing, internal control, and accounting in governments. He holds five honorary doctorates and is the recipient of many other honors and awards.

His hobbies include reading and golf, and he resides with

his wife, the former Mary C. Mahoney of Chicago, in Bethesda, Maryland. They have two grown children, Kathryn and Stephen. He is the 57th member of the Accounting Hall of Fame, The Honorable Charles A. Bowsher.

**RESPONSE**

by

Charles A. Bowsher

I very much appreciate the honor of being elected to the Accounting Hall of Fame. When I read the names of outstanding individuals who have previously been elected, I feel very privileged to join such a famous group of leaders who have contributed so much to our nation and to the accounting profession.

Shortly after I began my freshman year in 1949 at the University of Illinois, I decided to major in accounting. One of the reasons that I and many others chose accounting as our major was the able and exciting trio of teaching assistants—Lou Matusiak, Jim Wade and Art Wyatt. Later, I was to have Professor Mautz and many other outstanding professors as teachers at the University of Illinois.

I also owe a big debt of gratitude to the University of Chicago Graduate School of Business where I received an M.B.A. in 1956 after completing my Army service.

I joined the Chicago office of Arthur Andersen and Co. 40 years ago, in the summer of 1956. It was the most exciting place that any young accountant could begin his career. Leonard Spacek was the leader and we worked very hard to successfully complete each audit and special assignment that was presented to us. After 2 years on the audit staff, I transferred to the systems staff. This was the unit that eventually became Andersen Consulting.

In 1967, I left the firm for a 4-year period to serve as Assistant Secretary of the Navy for Financial Management under Presidents Johnson and Nixon. Dr. Robert Anthony, a member of the Hall of Fame, was the Comptroller of the Defense Department when I first arrived at the Pentagon.

In 1971, I returned to Arthur Andersen and Co. and assumed the newly-created responsibility for the government services work on a firm-wide basis. In 1975, Harvey Kapnick, the managing partner of the firm, suggested we prepare a set of financial statements for the federal government as a research project. I headed this effort, and worked closely with the then Comptroller General, Elmer B. Staats, another member of the Hall of Fame.

Later in 1975, we were selected by the Secretary of the Treasury to represent him and the federal government in doing

a financial review of New York City. It was that work that disproved what many in government claimed—that government units were too big and unique to have annual financial audits.

It was also at that time that I became instrumental in Arthur Andersen's efforts to encourage public discussion on the need for sound financial reporting within the public sector. In a 1979 speech, I said that if we are to restore public confidence in the financial affairs of government, several things are necessary. First, we must have adequate accounting standards for the public sector; second, we need adequate financial management systems in the public sector; third, we need sound financial reporting; and finally, we need annual financial audits like those in the private sector.

In 1981, President Reagan selected me to be the sixth Comptroller General and the leader of the General Accounting Office. Improving the financial management of the government at all levels has been one of my priorities since taking office.

In the early 1980s, we did not make much progress at the federal level because of opposition from the Office of Management and Budget (OMB). We did make significant progress with state and local governments. Building on Elmer's earlier audit work, we were successful in having Congress pass the Single Audit Act of 1984, which mandated annual financial audits of all states and most cities of any size. GAO also played an important role in establishing the Governmental Accounting Standards Board (GASB) in 1984. Today, all major public entities at the state and local levels in the United States have an independent audit.

In 1990, the Congress passed the Chief Financial Officers Act. The Act established within the Office of Management and Budget a Chief Financial officer (CFO) for the federal government and created CFOs within major federal departments and agencies. The 24 largest federal agencies (comprising 95 percent of assets, revenues and costs) are required to have auditable financial statements for fiscal year 1996 and each year thereafter. A consolidated annual financial report will be audited and issued beginning with fiscal year 1997.

In 1933, Colonel Carter was able to persuade the Congress with one testimony to enact the basic legislation that required annual independent audits for all public corporations. It has taken me most of my 15-year term, many audits of the Internal Revenue Service, the Air Force, the Customs Service and other agencies, and well over 20 testimonies before Congressional

committees to achieve similar legislation for the public sector. I can only conclude that Colonel Carter was a more persuasive individual.

However, we now have a good legislative basis requiring annual audits at all levels of government in the United States. We still have much work to do to improve the systems, to make the annual financial reports more readable and useful, and to improve the standards. If we can make good progress in the United States in the next decade, I am confident we can have great impact throughout the rest of the world on improving financial reporting in the public sector.

In closing, I would like to pay tribute to my wonderful wife, the former Mary C. Mahoney, who was willing to marry me some 33 years ago. She has been very supportive of my career moves going back and forth between the private and public sectors, even though some of those moves meant a smaller paycheck. She has been a terrific mother to our two children, both M.B.A. graduates of Stanford University, which is most appropriate since my fellow inductee today is Professor William Beaver of Stanford University. I would like to add my congratulations to both Bill and Don Kirk who were also honored by their election to the Accounting Hall of Fame this year.

You have honored me with this election to the Accounting Hall of Fame. I am grateful and I thank you.



## ACCOUNTING HALL OF FAME INDUCTION

October 19, 1996  
Chicago, Illinois

### Remarks, Citation, and Response

**DONALD  
JAMES  
KIRK**

Max M. Fisher College of Business  
THE OHIO STATE UNIVERSITY



### REMARKS

*by*

Paul Kolton  
Stamford, Connecticut

It's a pleasure to celebrate one of those human curios who brings distinction to everything he does and in the case today, to the Hall of Fame itself. Don Kirk has had a number of careers—accounting professional, corporate director, (top) civic official, executive in residence at Columbia University, leader of important not-for-profit organizations—and for fourteen astonishing and tumultuous years, an FASB Board member and for nine of those years, Chairman of the Financial Accounting Standards Board.

It was during that period as head of the Board's Advisory Council that I learned a great deal about standard setting but I learned a great deal more about Don Kirk. In the perspective of time I have come to think of him as a kind of historical accident. He has the brains, the patience, the eloquence, the high standards—that combination that one person rarely possesses—and he was in the right place and it was the right time. For the Board and for the idea that private people can effec-

tively and independently set their own standards, the Kirk years will be a kind of watershed, a golden age.

Without a lot of high drama, without more emotion that he needs and without rhetoric he went about the business of orchestrating change with three strikingly necessary characteristics:

- an *inflexible fidelity* to independence and high standards that serve a public purpose;
- an *irresistible insistence* that things move forward, that they get done openly, and get done right; and,
- finally, he developed a *heat resistant* shield that NASA should explore.

The result, I think, is that it will still be years before we appreciate what the FASB has become and what Don and his associates constructed. He also, as we learned, opened a door that was often closed. It is called “communications” and he showed us about the meaning of messages and how to read them. It is a complicated, continuing process.

Jack Benny once complained to a reporter that although he and George Burns were very close and had been so for years, he (Benny) could never—but never—communicate well enough with Burns to make him laugh. “Once, though,” he said, “I thought I had him. George called my hotel room from the lobby and said he was coming up. I got undressed, stood naked on a table, posing like a statue with a rose in my hand. I thought he’d come in the door; he’d have to laugh.” “So . . . . What happened?” the reporter said. “He sent the maid in first,” Benny replied.

And so the process goes on, but this special moment is for someone who by way of Ohio and Yale and Price Waterhouse came to the Board in its very early days under Marshall Armstrong, who over the years established the institution’s independence so that it is curiously rock-hard and fragile at the same time, who reached the high places the hard way, who had a sense of what the Board ought to be and made it that way. You look back and realize, as someone once described it, that nobody captured his colors and nobody silenced his drums.

## CITATION

*written by*

Daniel L. Jensen, Professor  
Fisher College of Business  
The Ohio State University

*read by*

Paul Kolton  
Stamford, Connecticut

This newest member of the Accounting Hall of Fame was born to a father who emigrated from Scotland at the age of 18 to become a self-educated C.P.A. and a mother born in Cleveland of parents who emigrated from Latvia. He put most of his teen-age energies into athletics, culminating in being captain of his Shaker Heights (Ohio) High School football, basketball, and golf teams. Encouraged by his father to pursue a liberal arts education, he enrolled at Yale. During his freshman year, injuries, and what he describes as limited skills, quickly ended his collegiate athletic career. Youthful indecision about a course of study coupled with a desire for independence caused him to leave Yale for the Naval Aviation Cadet Program in 1953 at the end of his sophomore year. Eighteen months later, he received his wings and commission and was assigned to an aircraft-carrier-based squadron. During a long stint at sea, he restarted his education by taking a correspondence course in introductory accounting offered by the University of Maryland. He discovered that he preferred working accounting problems to playing gin rummy in the pilots' ready room.

In 1957, he returned to Yale determined to be a history major. He also decided to take the two accounting courses offered by the economics department. The first course was taught by a professor who was also a practicing C.P.A., for whom he worked several afternoon a week. The second was taught by a professor who was recognized as one of the leading accounting scholars of the time. The last two years at Yale were paid for with money from the G.I. Bill and part-time work and with money earned and rent saved by living on the third floor of a funeral home for which he answered night-time calls from distraught friends and relatives of the deceased or from pranksters. "I learned diplomacy from that job," he says, "and there was a bar just around the corner that did a booming business on the nights of Irish wakes; so I also learned to prefer Irish wakes over Italian ones." In 1959, he was graduated from Yale

with a major in history, but he interviewed only public accounting firms.

He started his professional career with Price Waterhouse in 1959. In 1961, he completed an M.B.A. degree at New York University, and in 1963, he became a C.P.A. in the State of New York. After only eight years with Price Waterhouse, he was promoted to partner in 1967.

The Financial Accounting Foundation appointed him as one of the first seven members of the Financial Accounting Standards Board when it was formed in 1973. At the end of 1977, when the original Chairman of the Board retired, the Foundation named him Chairman. He served as Chairman for the next nine years, which together with his earlier service was as long as the bylaws allowed.

During his chairmanship, he guided the Board through the transition from the closed and confidential meetings, to which Board members had been accustomed, to open and public meetings. Observers of these meetings invariably remark at his impressive mastery of the issues under discussion, no matter how complex, and his consummate skill in keeping the conduct of a Board meeting under control, no matter how strongly Board members presented their conflicting views.

From the Board's earliest days, he was recognized as a leader in addressing complex accounting issues, not always winning agreement among his colleagues but always an intellectual force to be reckoned with. Further, the added responsibilities of Chairman did not diminish that leadership. His intellectual capability, personal integrity, poise and self-confidence, dedication to the Board and its mission, effectiveness as a spokesman, and remarkable capacity for work commanded the utmost respect of all who worked with him, even those who may have strongly disagreed with his positions or with the Board's decisions.

Despite the extraordinary demands of leading an organization that faced controversy and criticism at every turn, somehow he found the time and energy to serve his home town of Greenwich, Connecticut, for twelve years as an elected member of its Board of Estimate and Taxation. Strongly committed to public service, he continues to give time and energy to both professional and community organizations. In 1987, he became Professor of Accounting at Columbia University's School of Business, serving in that capacity until 1995 when he became Executive-in-Residence at the School. He is a member of the

Public Oversight Board, a governor of the National Association of Securities Dealers, chairman of the National Arts Stabilization Fund, and chairman-elect of the Greenwich Hospital Association. In addition, he serves as a director and audit committee chairman for several major corporations.

He has published forty articles in professional and academic journals and has served as a contributing editor for *Accounting Horizons*. In addition, he has frequently testified before Congress and government agencies on matters related to accounting reporting and regulation. His many honors and awards include the AICPA's Gold Medal for Distinguished Service and an honorary doctorate from Lycoming College.

He resides in Greenwich, Connecticut, near his children and granddaughter, who are all very much part of his life. He is the 58th member of the Accounting Hall of Fame, Donald James Kirk.

## RESPONSE

by

Donald James Kirk

I am joining an accomplished group of predecessors, 57 in number. Having worked with twenty of them and read the writings of many more, I have first-hand knowledge of their many accomplishments. Vanity tells me to accept my place among those giants of our profession as an equal. Well, why not—for at least a day? Reality will soon enough put me in my proper place.

It was forty years ago that a correspondence course in accounting set the direction of my life, first as a student, then as a practitioner, standard setter, teacher and now as an overseer. The seeds for my interest in accounting were the teachings of Professors Paul R. Berney and Ralph C. Jones at Yale and the textbooks of William A. Paton. Paton was among the first group inducted into the Hall of Fame when it was established in 1950.

Also among that first group was George O. May, long-time senior partner of Price Waterhouse. In a rather usual way, George O. May was an influential factor in my career choice. While at Yale—in a large lecture hall filled with awe-struck students of an applause-inspiring historian—the stature of George O. May was indelibly planted in my memory. In two successive lectures, John Morton Blum, one of those teachers you never forget, mentioned George O. May's role in improving financial reporting following the 1929 stock market crash. If the work of a CPA warranted mention by Professor Blum, it had to be a profession worth joining.

Thirteen years later another senior partner Of Price Waterhouse, John C. Biegler, gave direction to my career when he suggested that I should consider leaving the firm. Fortunately, he accompanied that suggestion with the possibility of my taking a position at a new organization in the process of formation—the Financial Accounting Standards Board. Shortly after, when officially offered a board membership, I accepted without a question or hesitation. I was eager to take on the challenges of that new venture.

That was the start of a fourteen year stint at the FASB and close and rewarding associations with a talented, dedicated staff and over that period of time, with sixteen board members, all of whom were independent and strong-minded (even if at times a few were wrong-headed). Four of those board members

are also members of the Hall of Fame—Marshall A. Armstrong, John W. Queenan, Oscar S. Gellein and Robert T. (Bob) Sprouse.

For what I was able to contribute to that organization I owe particular thanks, first, to Bob Sprouse for a thirteen-year education in clear thinking and his support as vice-chairman; and, second, I owe thanks to two directors of research, Michael O. Alexander and James J. Leisenring and to the Chairman of the Advisory Council, Paul Kolton, for their wise counsel during my chairmanship.

I am a great believer in the importance of both accountability and independence in the role of standard setters and in the role of overseers in corporate governance. I commend the AICPA for its support of the recent changes in the governance structure of the Financial Accounting Foundation, the overseer of the FASB. Public trust in the FASB and its overseers depends in the long run on the integrity, objectivity and independence of the entire process. The change in governance to include more trustees not affiliated with the sponsoring organizations is a positive step in achieving that public trust.

The FASB seemed to be a perfect job for me and it offered me experiences that were unique. So unique in fact that one executive recruiter I consulted with when leaving the Board could not think of a single full-time business position I was qualified for! He proved to be correct. Fourteen years at the FASB was the longest I ever held a full-time job and lately all I can find is part-time work.

Fortunately, when I left the FASB John C. (Sandy) Burton, a frequent critic of the FASB and then Dean of the Graduate School of Business at Columbia University, came to my rescue. He offered me a teaching position and assured me I had a bright future by telling me that those that cannot do, teach, and those that cannot teach, dean. If you believe that adage, I must have been a good teacher for I never became a dean. The truth, however, is I learned more than I taught, gained great respect for my colleagues in academia and now continue to enjoy the fellowship of my Columbia associates and interaction with students while free of the need to prepare and grade examinations.

I have benefitted immensely from my various associations with the profession and the opportunities it has given me. I look forward to many more years of serving the profession to help ensure that we do not forget our special, public responsi-

bility and that we retain the public's confidence in our integrity, objectivity and independence.

I am indeed grateful for this recognition and am pleased that it is taking place at the annual meeting of the AICPA. Thank you Paul and thank you to the electors of the Accounting Hall of Fame.

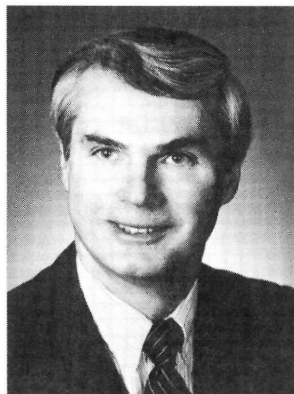


## ACCOUNTING HALL OF FAME INDUCTION

August 15, 1996  
Chicago, Illinois

### Citation and Response

### WILLIAM HENRY BEAVER



Max M. Fisher College of Business  
THE OHIO STATE UNIVERSITY

### REMARKS

*by*

Charles T. Horngren, Professor  
Stanford University  
Hall of Fame Member

This occasion is a special honor and treat for me. I have known Bill Beaver since 1963, when he was a superlative doctoral student at the University of Chicago. The middle 1960s were heady years for the doctoral program there. Among its students in accounting and finance were many individuals who have made noteworthy contributions to the scholarly literature and practice. Consider such names as Beaver, Demski, Ball, Brown, Watts, Fama, Mike Jensen, Roll, and Scholes.

I have watched Bill grow from a bright, leading doctoral student to become the leading researcher in financial accounting in the entire world. Along the way, Bill and I and our wives have become close friends. Bill and his wife, Sue, have an exceedingly close marriage. Outside of school, you rarely see one without the other. Sue has been a fantastic supporter and partner.

Bill Beaver is a superb role model for academicians. For nearly thirty years, he has been on the forefront of research. He was a trailblazer in empirical research regarding relationships between accounting and security prices. His amazing productivity and sophistication continue to flourish.

Bill is not merely a researcher. He is an educator in the broadest sense. His teaching has been outstanding. For example, Stanford's MBA students have given him their annual award for distinguished teaching. Moreover, if there were a similar award for Ph.D. teaching and guidance, would have gained that too. He has a long list of admiring doctoral students, including many Beaver co-authors. His monograph, *Financial Reporting: An Accounting Revolution*, is a splendid example of educational innovation.

## CITATION

*written by*

Daniel L. Jensen, Professor  
The Ohio State University

*read by*

Charles T. Horngren, Professor  
Stanford University  
Hall of Fame Member

Born in 1940 in Peoria, Illinois, he is the only child of a father who rose—through hard work and correspondence study—from coal miner to civil engineer and residential contractor and a mother who worked from an early age to support her four brothers and sisters. He spent his early childhood in Gary, Indiana, moving to Hammond at the age of 12. In high school he was student body president, valedictorian and a National Merit Scholar. As a member of a Catholic family, he applied to only one university—the University of Notre Dame. He was the first member of his family to attend college.

A member of the Notre Dame debate team, he studied business administration and graduated *magna cum laude*. He remembers one of his professors, “Paul Conway, who was an excellent teacher and who cared about his students,” as one of first to suggest that he enter academe and, later, as a role model for his thinking about an academic career. Having received a university fellowship and, being unable to decide which company to work for, he decided to enroll in the MBA program at The University of Chicago.

Two weeks after graduation from Notre Dame, he began evening courses at the downtown campus. This enabled him to work for a mortgage company during the day and help support his parents in their retirement. By the end of his first year, he transferred to the doctoral program with a Ford Foundation Fellowship. His dissertation was chaired by George Sorter. Hall of Fame member, Charles Horngren, was a member of the dissertation committee. His thinking about accounting education and research was strongly influenced by other Chicago faculty during this period, including Hall of Fame member, Sid Davidson, Nick Dopuch, and David Green, among others, and by his contemporaries in the accounting and finance doctoral programs. Completing the doctoral program three years after graduating from Notre Dame, he received both MBA and Ph.D. degrees at the same ceremony, separated by a thirty-minute

interval. When asked how long it took him to receive his Ph.D., he sometimes jokingly responds that it took thirty minutes.

After graduating, he remained at The University of Chicago as an assistant professor for four years. During this time, his early published papers were on accounting measures as financial predictors of failure. His security price research has opened the door to empirical work for accounting researchers. In 1969, he accepted an associate professor position in the Graduate School of Business at Stanford University, where he remains today as the Joan E. Horngren Professor of Accounting. He has published over 60 papers and two editions of the widely read book, *Financial Reporting: An Accounting Revolution*. For over thirty years, his insight, energy, and enthusiasm for accounting research have been a powerful influence in both accounting academe and practice.

A CPA, he is a an award-winning teacher whose service contributions to his profession include consultant to the Financial Accounting Standards Board, SEC Advisory Committee, trustee of the Financial Accounting Foundation, and extensive service on editorial review boards. He has been president of the American Accounting Association, three-time winner of the AAA-AICPA Outstanding Contribution to Accounting Literature Award, AAA's Distinguished International Visiting Lecturer, recipient of the Outstanding Educator Award, and recipient of the Seminal Contribution to Accounting Literature Award. He is the only person to have received all five AAA honors.

A dedicated family man, he and his wife, Suzanne, who have been married for over thirty years, have three children—two daughters, Marie and Sarah, and one son, David. At age 56, the fifty-sixth member of The Accounting Hall of Fame is William Henry Beaver.

## RESPONSE

by  
William H. Beaver

I feel both happy and lucky to be here this morning. I spent my first thirty years in the Chicago area, and it is like returning home. I will briefly touch on three themes: learning versus teaching, looking forward vs. looking to the past, and my hall of fame.

### *Learning versus Teaching*

With respect to learning versus teaching, one of the great attributes of being an educator is that you can actively pursue a process of lifelong learning. This is evident from the ability to conduct research, to learn from that research, and to inform others in the process. The learning process inherently involves learning from others. For me, these have included, most obviously, my teachers, but also my colleagues, my students, and, most of all, my family. Hence, these remarks are about other people.

Paul Conway at Notre Dame was the first to suggest that I consider an academic career. From Paul I learned what dedication to students means. At the time, I ignored Paul's advice and, upon graduation from Notre Dame, entered Chicago's MBA program without the slightest intention of pursuing an academic career.

Being at the University of Chicago in the mid-1960's was classic case of being "in the right place at the right time." From George Sorter, I learned an enthusiasm for trying to resolve challenging puzzles about the role of accounting. George is not only one of the most enthusiastic, but also one of the most creative teachers I have known. From others at Chicago, Sid Davidson, Nick Dopuch, and David Green, among others, I learned the value of rigorous, clear thinking in the development of one's ideas, the value of empirical research, and a no-compromise attitude in trying to make your research be absolutely first-rate. The energy level and commitment to intellectual issues were contagious. The Chicago accounting workshops generated considerable heat and often considerable light.

On the Chicago faculty, of course, was Chuck Horngren, who is also my colleague at Stanford. I have known Chuck for over thirty years. At each stage in my career, I have sought and

received valuable advice from Chuck. Among his many qualities, two of the strongest are his perspective and his fairness. In addition to Chuck's professional knowledge, the Horngren family has been a role model for the Beaver Family. It is with considerable pride that I hold the Joan E. Horngren Professorship in Accounting. It is a small measure of the debt I owe to Chuck that I asked him to present the citation.

The University of Chicago crowd also included an exceptional group of doctoral students. Besides the finance doctoral students, the accounting students included Ross Archibald, Ray Ball, Philip Brown, Mel Greenball, Jack Kennelly, Fred Neumann, Bill Voss, and Ross Watts, among others. Included in that talented group is Joel Demski, who also became my colleague at Stanford. Joel and I shared many learning experiences, including starting the doctoral seminar series, initiating the Stanford Summer Research (Camp) Series, and co-authoring research. Our respective analytical and empirical approaches to research were complementary. I learned an enormous amount from Joel and owe an enormous debt to him.

On a grim February day in 1969, when we hadn't seen the sun in Chicago for weeks, Sue and I were invited to visit Stanford. I joined the Stanford faculty in September and began a long association with another group from whom I have learned much—the Stanford doctoral students. These include: Mary Barth, Bob Bowen, Jerry Bowman, Michael van Breda, Andrew Christie, Michael Clement, Pete Dukes, Ellen Engel, George Foster, Peter Joos, Wayne Landsman, Larry Lookabill, Jim Manegold, Mary Lea McAnally, Dale Morse, Stephen Ryan, D. Shores, Terry Shevlin, Chris Stinson, and Gary Sundem, among others.

When I began my career, I also thought I would measure my accomplishments by my list of publications. I was wrong. I now realize the doctoral students with whom I have had the privilege of being associated are of far greater value. These former students over the years have established outstanding contributions to accounting education. Many have become my co-authors, my friends, my colleagues, and my teachers.

The set of rich resources at Stanford also include my colleagues on the faculty. Over the years, they have included, Joel Demski, Gerry Feltham, Paul Griffin, Chuck Horngren, Steve Huddart, Ron Kasznik, Mark Lang, Russ Lundholm, Maureen McNichols, Nahum Melumad, David Ng, Jim Patell, Rich Samuelson, Bob Sprouse, Bob Swieringa, Pete Wilson, Mark

Wolfson, and Bill Wright. A special group are Stanford graduates, who have returned as faculty: Mary Barth, Srikant Datar, George Foster, and Rick Lambert.

### *Looking Forward versus Looking to the Past*

I now turn to the second theme: looking forward versus looking to the past. The past versus the future is a major theme in accounting. It is natural that you reflect on those who have enriched your life. However, it is important to maintain a proper balance between the past and the future. This is especially important to me since I receive this honor at what I consider to be the midpoint of my career.

Looking forward, I expect enjoyment and a sense of accomplishment to come from the continued achievements of my former students. For example, George Foster's many accomplishments are an entire speech onto themselves. Later today, Wayne Landsman will be inducted as president of the Financial Reporting Section. On Saturday morning, Mary Barth, who earlier this year won the MBA Distinguished Teaching Award in her first year at Stanford, will receive the Wildman Award for her research and other outstanding contributions to accounting.

Moreover, this is just the beginning-not only for Mary and Wayne but for the rest of us as well. Now is an exciting time at Stanford. We now have the nucleus of a financial accounting research faculty that is unprecedented.

### *My Hall of Fame*

I now turn to the third theme: my hall of fame, which is of course, my family. Most of all, I have learned from my family. The key event of my Notre Dame years was meeting Sue, who changed my life forever. I met Sue thirty-four years ago. We met at a dance, and shortly thereafter we went to dinner to celebrate my twenty-second birthday. Sue gave me a ceramic beaver. She won my heart, and I knew this was the woman for me. It was the start of our beaver collection, now numbering over two hundred, and much more. Last May we celebrated our thirty-first wedding anniversary in Spain. We have three children, Marie, Sarah, and David.

Sue is a graduate of the Holy Cross School of Nursing in South Bend. Father Hesberg would often tell stories of Notre Dame students that met their wives while at Notre Dame. I

never imagined Sue and I would become one of those stories. After we were married, Sue also received her bachelor's degree in English and her MBA from College of Notre Dame. Currently, Sue is the vice-president for research of the Museum of American Heritage in Palo Alto.

Marie, a creative writing major from Stanford, lives in Fairbanks, Alaska, and is a wilderness guide. Sarah, has a masters in art history from the University of Chicago, worked at the Art Institute of Chicago before joining the American Institutes for Research in Menlo Park, California. David, is about to start his second year in the masters in jazz studies program at Indiana University and will begin teaching his first classes this September.

From Sue, I learned many things, but most of all about love, compassion, and understanding. From Marie, I learned you can live in the middle of the Alaska Bush for nine months and survive fifty below zero weather and bear attacks. From Sarah, I learned a love of art. Sarah's paintings enrich our home and my office and are a daily source of joy. From David, I learned a love of music-particularly jazz. David has a great sense of humor and is a constant reminder that everything is not as serious as I sometimes think it is.

The family has always been a battery recharger. My family is my life. They have always been my "Hall of Fame" and they always will be.

According to legend, King Croesus is said to have arrayed all his wealth in one place, and asked Solon, a visiting statesman, who he thought was the happiest man in the world. Solon replied, "No living man can be called happy, but only lucky." This morning surrounded by all my wealth, Solon's admonition notwithstanding, I feel both happy and lucky. My family and I thank you for this honor.