Academic freedom and a critique of ‘top quality’ accounting research

Bruce Committe
Lakewood, Ohio 44107, USA
Email: becommitte@hotmail.com

Abstract: The retraction of articles, suspected to be fraudulent in their nature, in so-called ‘top quality’ accounting research journals is a reason the quality of accounting research should not be judged, and never should have been judged, by the mere reputation of the journal in which the published article appears. Instead, accounting research articles should be judged, and always should have been judged, by the content of the article published regardless of where it is published. Judging the quality of research by mere reference to the journal in which it is published is irrational. And, more importantly, making faculty personnel decisions based, at least in part, on the judged ‘quality’ of someone’s research, much less on the mere ‘quality’ of the journal in which it is published, is a denial of the academic freedom to which all faculty are entitled in their research and teaching.

Keywords: James Hunton; Robert Libby; academic freedom; academic fraud; accounting research; research fraud; accounting fraud; top quality.

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Biographical notes: Bruce Committe attended Vanderbilt University (1970 to 1972). He attended and received his BA in Accounting from The University of West Florida in 1974, MA and PhD both in Accounting from the University of Alabama in 1978 and 1983 respectively, and JD Law degree from the Cleveland State University in 1987 while serving there as a faculty member in the Department of Accounting. After serving as a faculty member at Birmingham-Southern College (USA) (1979–1980), he began practising law full time in 1992 and retired from that in 2014. His law practice included representing individual human beings against government, in criminal defence and police misconduct civil right cases, and against corporations, in employee rights and consumer rights cases.

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1 Introduction

“The constant streaming in of the thoughts of others must confine and suppress our own; and in the long run paralyze the power of thought....” [Arthur Schopenhauer, II, 254: Essays, ‘Books and reading’; Counsels and Maxims, p.21 cited in Durant (1926)]

Recent retractions by three of the so-called ‘top quality’ accounting research journals are events which reveal the defects in the foundation of the accounting research fiefdom known today as ‘top quality’ accounting research. See sixth paragraph below for the list of the retracted articles by these three so-called ‘top quality’ accounting research journals. See items one to 11 in that paragraph. The three journals are The Accounting Review (AR), Contemporary Accounting Research (CAR), and Journal of Accounting Research (JAR). These retractions give occasion to critique the undeserved and irrational ‘top quality’ characterisation of these journals and the irrational quality characterisations of all other accounting research journals. The retractions make obvious the error in using where the journal in which a research article is published as the method for judging the ‘quality’ of the research published in that journal.

The alleged offending author, or co-author, of the alleged fraudulent articles which is the subject of this paper is Professor of Accounting James E. Hunton, formerly, and at the time of the original article publications that have been retracted later, a professor of accounting at Bentley University in the USA. Most of the articles have co-authors, but an investigation by his employer states it found no evidence of any misconduct by his co-authors: ‘Report of Judith A. Malone, Bentley University Ethics Officer, Concerning Dr. James E. Hunton’ (hereinafter the Malone Report) as well as the accompanying addendum Bentley University subsequent Report, the latter dated 20 January 2015 – https://www.bentley.edu/files/Hunton%20report%20July21.pdf) (the report and its addendum are hereinafter the Malone Report). The current whereabouts of the Professor are unknown. During the 12 years he was on the Bentley faculty he published approximately 50 research articles. See p.5 of the Malone Report. The Malone Report and subsequent report are published on the Bentley University website.

A note of caution, however, is in order: Professor Hunton, to the best of this author’s knowledge, has not been convicted of the crime of fraud or even of simple misrepresentation in the writing and publishing of the suspect articles. He, to the best of this author’s knowledge, has not been found by a court of law in even a civil case as having committed the alleged fraud which has been alleged against him by an ethics investigation (the Bentley investigation) performed by his former long time employer Bentley University. After being confronted by a university investigator, the Malone Report states, he left the university. See the Malone Report.

2 The Bentley investigation and Malone Report

The Bentley investigation and Malone Report were conducted and written, respectively, by employees of the University charged with doing the investigation and writing the report. Thus, everything that has been said about Professor Hunton does not come from a neutral and independent judge or fact finder but from one of Professor Hunton’s alleged victims, Bentley University – emphasis on the word ‘alleged’. Professor Hunton may
have reasons, other than the one implied in the Malone Report, for leaving the university. This writer does not know the general or specific reason why he left the university.

The second paragraph above this one states negative assurance as to whether claims of the alleged wrongdoing have been made in a court of law. This writer does not know whether claims have been made in a court of law, and can only state that he is unaware of any such claims. And this same sort of negative assurance is what the Malone Report, p.5, states about the alleged non-participation in the alleged fraud of all of Professor Hunton’s many co-authors (see their names in the below citations): “The investigation failed to reveal any evidence that the co-authors of Fraud Brainstorming [article 10 below] or Tone at the Top [article 11 below] were aware of, much less complicit in, any research misconduct in either of those papers” (Id. p.5); and apparently the investigation did not look for any such co-authorship evidence, or at least those efforts, if any, have not been reported. Without a doubt the Malone Report is an injury to Professor Hunton’s reputation, to that of his co-authors, and to that of the respective retracting journals.

The Malone Report – an out of court investigation of claims that two of Professor Hunton’s published articles (numbers 10 and 11 listed below) allegedly were frauds in that the extensive field work data underlying the research was faked by the professor – states that Professor Hunton fabricated the data underlying research Professor Hunton and his co-authors published. And this conclusion appears, in part, to be based on Professor Hunton’s stated reasons for not voluntarily providing to the Bentley investigators proof of the bona fides of the data behind his research as well as a forensic examination, by an expert hired by the university, of the university server Professor Hunton is believed to have used in making communications to others about his research and the now-in-question data. Anyone interested in this subject must read the above referenced Malone Report to obtain a complete understanding of the fraud allegations and the alleged1 and limited investigation thereof by Bentley University. To repeat, Bentley’s apparent focus in its investigation was on its own employee Professor Hunton and not on his co-authors.

3 Accounting research article rejections

*The Accounting Review* is just one of the accounting research journals published by the American Accounting Association (AAA). The Association publishes approximately 17 other accounting research journals, and those journals together recently have retracted approximately 17 other articles authored, in part (he has co-authors on most of these other articles in the other journals), by the alleged offending author, or, if not authored by him, are research articles which relied on Professor Hunton’s articles. The Canadian Academic Accounting Association (CAAAA), which published one of the retracted articles listed below, publishes *Contemporary Accounting Research* and the Accounting Research Center at the University of Chicago Booth School of Business publishes *The Journal of Accounting Research* which published another one of the below retracted articles. Below are the citations to articles retracted in just the three so-called ‘top quality’ accounting research journals:
Hunton and McEwen (1997)
Tan et al. (2002)
Bhojraj and Libby (2005)
Libby et al. (2006)
Hunton et al. (2006)
Libby et al. (2006)
Hunton et al. (2008)
Libby et al. (2008)
Seybert (2010)
Hunton and Gold (2010)
Hunton et al. (2011); Steven Saterio was Editor-in-Chief of Contemporary Accounting Research 2010 to 2013.

The reason for the retractions is the alleged findings in the Malone Report that “Dr. Hunton engaged in research misconduct by fabricating the data underlying Fraud Brainstorming and Tone at the Top” which are the published research papers listed above as numbers 10 and 11. See Malone Report p.2. The journals themselves did not investigate; instead they relied on the Malone Report. The other retractions listed above occurred because the discovery regarding these two articles made all of Dr. Hunton’s (and his co-authors’) published papers (most co-authored) suspect as to their reliability in the minds of the journal editors (and anybody who participated in the decision).

All of the articles referenced above and retracted in full are co-authored, and among these the names James E. Hunton and Robert Libby appear the most. The one single authored article by neither Hunton nor Libby was not fully retracted, just partly retracted. Hunton appears as co-author on nine of the above 11 articles and Libby appears as co-author on six of them. Yet, Hunton is the only one which the Malone Report states engaged in the alleged data fraud behind the only two articles it investigated which are articles listed as 10 and 11 above. Libby is not the co-author on either 10 or 11, and remember that the retractions of all the other articles other than 10 and 11 occurred not because an investigation of them showed them to include fabrications but solely because these other articles are co-authored by Hunton or based on research where Hunton is the author or is a co-author. It is important to note that all of the retractions are based solely on the Bentley investigation and its Malone Report which report has not been subject to critical review and was not the result of an advocacy hearing where a defence, if any, of Professor Hunton was presented.

It is possible that all of the other articles authored and co-authored by Hunton may not be fraudulent, but Professor Hunton appears to be the only one (so far) who knows for sure; and he is nowhere to be found. Only his co-authors know what they know. It would be helpful for these authors publically to describe what they know and the details of their participation as co-authors. Had Professor Hunton’s articles routinely been subjected to the integrity review process proposed below, it is likely that articles 10 and 11 would not have been published if the allegations against him regarding them are true.
But it is also true that items 10 and 11 may not be based on fraudulent data and thus that the two articles are not fraudulent. The only word we have on this is the Malone Report allegedly supported by the alleged investigation, employing publicly unknown processes and procedures, by employees of Bentley University. Whether the Malone Report is truthful or fully informed this author does not know because he was not a participant in the investigation, and the details of the investigation have not been reported. This writer merely has read the Malone Report and the mentioned above retractions. He has not examined any documents which are evidence in support of the Malone Report, if any such evidence exists. For the integrity of AR, JAR, CAR and other journals, and for accounting academe and the profession of accounting, it would be best to have an authoritative ruling (legal or other public and transparent investigation and hearing) which follows an advocacy hearing where both a complaint and defence of the claim of fraud occurred. Again, all we have at the time of the retractions is the one-sided Malone Report.

4 More thorough investigation needed

The retracting journals place a lot of faith in the Malone Report. Some of the co-authors of Professor Hunton requested, or acquiesced in the decision to make, the retractions. The Malone Report itself suggested that the retractions should occur. It would be more helpful if the report were more detailed as to the evidence it obtained and who obtained it as well as more detailed as to the work of the individual investigators for Bentley University. The Malone Report (each retraction references it) was the result of a one sided ethics investigation by a party allegedly harmed by the alleged misconduct (Bentley University), not a criminal or civil wrong legal investigation. The Bentley investigation began with a claim communicated to Bentley University by a person the Malone Report simply refers to as a ‘reporter’ who reported Professor Hunton’s alleged research fraud to his university. The Malone Report does not name the reporting person.

The content of the preceding paragraph is why a criminal investigation should be occurring in this case, if legally sufficient evidence to make such an investigation is found first. And this writer is not saying that there is such evidence because he does not know. If there is, a criminal or civil trial proceeding would help make clear whether the allegation of fraud being made in the Malone Report is warranted in the first case (criminal case) beyond a reasonable doubt and in the second case (civil case) by a preponderance of the evidence (more likely than not the allegations are true). These legal standards for making a finding are US standards. The Malone Report, however, does not state the standard (level of proof) which it used in reaching its conclusions, and this is just one of the reasons why the public report of a private investigation is not preferred, and is quite dangerous to the civil rights of Professor Malone and to all citizens accused in the way Bentley University publicly has accused Professor Hunton.

One could well argue that since there is no criminal investigation started by government authorities that that fact is an indication that there is insufficient evidence to begin one. Everyone, even Professor Hunton, is innocent in the eyes of the law in the USA until guilt has been proven beyond a reasonable doubt in a court process which is highly regulated for fairness to the accused; that is, due process. And in a civil suit a judgement in favour of Professor Hunton and against the university, or against whomever
brought the civil claim, would clear Professor Hunton of the alleged wrongdoing in the minds of those who have wrongfully already convicted him in their minds.

The kind of evidence employed during a criminal or civil trial would be based on many years of courts’ experiences identifying trustworthy and untrustworthy evidence – allowing the former and excluding the latter from the trial. For instance, the Malone Report makes a point about the fact that Professor Hunton refused to give evidence; he stopped talking to the university investigators after an initial meeting with them. He soon thereafter, says the Malone Report, cleaned out his office and left to parts unknown. See the Report. The legal system in the USA provides that no person charged with a crime has to testify in a case against themselves, and that it is reversible error (a guilty verdict will be reversed) in the criminal process to make an accused testify or for the government to even suggest that a party’s failure to testify is evidence of guilt; the failure to testify cannot even be mentioned to the jury because of every US citizen’s, and other parties’, right not to have to testify in a criminal case against oneself.

5 An AAA investigation needed

A civil case for fraud brought by the AAA would be very expensive and cut into the budget of the non-profit AAA probably for several years, and the result of the trial one way or the other would not be certain until it ended. The retractions by the several accounting research journals do not directly allege fraud; they instead state that the retractions are made based on the content of the Malone Report. Bentley University would have similar legal expenses if it brought a civil case to court for wrongdoing by Professor Hunton. These entities apparently are satisfied, respectively, to have Professor Hunton no longer on the Bentley faculty and to have published the retractions without any expensive court proceedings following; that is good enough for them both entities appear to conclude. But the obligations of the academic accounting profession to itself and to society demand that it cause a full investigation to be made, and it should occur in a court of law where rights of all can be protected and the reliability of results given the proper respect.

Regardless of any of the above mentioned possible investigations, the AAA, an organisation which has assumed the leadership of the academic accounting association in the USA, or at least that is its reputation, should conduct its own initial investigation of all of the Hunton articles published in all of the AAA accounting research journals; this would be the appropriate response to Bentley University’s internet publication of the Malone Report. And then, the AAA should decide whether to proceed further from there. As the self proclaimed leader of the profession, it has an obligation to do that, or else it should give up its leadership role. Of course, it is the AAA leadership persons who decide what the AAA will and will not investigate. So far, those persons have chosen not to investigate. Hear no evil, see no evil, speak no evil should not be the policy of the AAA in this matter. And the investigation recommended is not for the purpose of concluding whether a crime or civil wrong occurred, but should occur instead for the purpose of gaining information to be used in improving the reliability of the accounting research that the accounting academic profession publishes.

The AAA investigation effort would be massive and should be transparent, provide information to the public, especially to all profession members, and include along the
way hearings with video and transcription where anyone can give input and ideas on a record that will be maintained by the profession. Copies of the entire record of the investigation should be distributed to depositories throughout the USA and abroad. The integrity of accounting academic research depends on such an AAA investigation (or non-investigation if the preliminary investigation does not support going any further).

6 The integrity review

Journals should require that each article submitted to research journals in the future be subjected to an integrity review. When each of the journals receives an article submission let the initial evaluation (whether it is the sort of item that journal might like to publish) of it be by three members of the editorial board. Although article reviewers receive their assignment articles blind, they should be required to report whether they believe they know the author, and if so, should withdraw from the assignment and a new reviewer substituted – likewise if the reviewer finds his or her name listed in any of the article citations. Let the reviewer sign off on this check.

Then, let the three assigned reviewers make an initial evaluation of the article’s content and let them assume the citations and data for any empirical research are truthful and accurate. The reviewers will write their review of the article, and that writing eventually will be made public so all can judge the quality of the review. The editor will make a tentative decision, not disclosed to the author, whether they will publish the article.

At this point, two persons will independently check all citations in the article for accuracy and truthfulness. If the article is empirical with use of data, let two persons working together review the initial record of raw data gathering to verify the raw data. Let these reviewers contact the sources of the raw data whether it is human or otherwise. There may be video to review in the case of experiments.

If there is anything blocking independent access of the sources of any raw data (not just to the data), the article is rejected for publication. Let authors be aware in advance of this standard so they will take care to preserve access to the raw data. As of the time the article is submitted, let the author provide all access information needed to perform the integrity review (names of contact persons, phone numbers, e-mail addresses, street addresses, work schedules, etc.). Enough information should be provided so that the article reviewers do not have to contact the authors of the article. The author of the article should anticipate this integrity review, and then inform the sources of the raw data that they likely will be contracted to verify data imputed by the researcher. If rejected, the author can let another journal consider it, or can publish the research himself or herself.

The raw data reviewers will follow the data through summaries thereof all the way through final data analysis. All calculations should be recalculated by the reviewers to reach the reported numbers that the author reached. The article authors should anticipate and prepare for this citation and raw data review and data analysis review prior to submitting the article for review. Where further information must be obtained by the reviewers such questions will be communicated by persons other than the reviewers who seek the information. These reviewers too will sign off at the end of their work, and their names will be referenced in the published article as persons taking responsibility for the integrity review.
The above review procedures will require a lot of time and effort. The author’s planning for, and preparation in advance of, the review can significantly reduce the time and effort of the reviewers. The authors will provide a description of how to access all that the integrity reviewers will need to access. The initial assessment of the article may cause the editor to conclude that the value of the article is not worth the time and effort the integrity review will take, which will be cause for the article to be rejected. The article reviewers will require their employers to acknowledge the work in their work assignments which should allow for the extra work they now must do as a result of the new integrity review process in support of the profession’s research integrity.

Co-authors of empirical research must provide, with the article submission, a detailed description of the contribution of each co-author and the knowledge each co-author has of each phase of the research; and each co-author must do whatever is necessary to have knowledge of the data no less than the extent that the integrity reviewers will have after they perform their review. Co-authors may choose not to be a co-author if this required level of involvement is more than they want to have.

7 A hit to the academic accounting profession in the USA

At this point in time, the reputation of these three journals should be kaput, and the same should apply to those journal quality rankings used to ‘quality’ rank all accounting oriented research journals. But what should be is not always what is or what will be. The original label of ‘top quality’ attributed to these journals based on opinion surveys and reports of citation counts was irrational in the first place, and even more so was the abuse of these rankings to make judgements about the research contained in them. It may be that the reputations of these journals has in fact not tanked. There is no reason to suspect that the irrationality that created these rankings, and supported their misuse and abuse, has died. No, it is more reasonable to believe that those who created, supported, and misused the rankings, so that such users of the rankings might benefit from them, would want such use of the rankings to continue. And in point of fact that appears to be what is happening. See no evil, hear no evil, speak no evil appears to be the policy response to the alleged fraud.

8 Lessons learned and not learned

All of the articles published in the retracting journals now are suspect as to their reliability (just as all articles published by Professor Hunton are suspect), not just the articles authored or co-authored by, or based on the research of, Professor Hunton. Since these retracting journals’ editors and article reviewers were unable to detect the alleged fraud in the two articles co-authored by Professor Hunton and allegedly investigated by his employer and reported in the Malone Report to be evidence of academic misconduct, it is reasonable to believe that the journals’ editors and article reviewers could not detect other frauds and misconduct in the research of the other articles they have published over the years–regardless of authorship. And thus all of the articles ever published in these ‘top quality’ journals by anyone are suspect as to their reliability; and thus all of the articles in these journals (thus the journals themselves) should be ‘retracted’ for the
similar reason that all of Professor Hunton’s articles were retracted; that is, misconduct allegedly discovered in a subset of a journal’s published articles taints the reliability of all articles ever published in that journal in the past as well as all articles to be published in the future if future articles are not subject to an integrity review.

The lack of a major investigation into the alleged frauds by the journals’ publishers (the AAA, the CAAA, and The Accounting Research Center at the University of Chicago Booth School of Business), and more importantly into how these articles were able to get by the editors of the respective journals, is an indication that the seriousness of what has happened is being ignored. The problem may be that these journals are accounting research journals of the North American Accounting establishment, and members of that Establishment have too much of their careers invested in these journals to want to determine the truth. Again – hear no evil, see no evil, speak no evil appears to be the policy in managing the US academic accounting profession.

These journals, however, are forever tainted with being publishers of alleged fraudulent accounting research or of research that is authored or co-authored by a person who allegedly has engaged in fraudulent research and by co-authors who, at best, were not sufficiently involved in the research to be aware of the data fraud. Other than the two retractions based on the Malone Report misconduct findings, and the other retractions based on the same alleged misconduct author being a co-author on the other retracted articles, these journals’ editors and the publishers of the journals printing the retractions have not engaged in any significant effort to learn what occurred, how it occurred, much less what should be done significantly to decrease the risk of publishing fraudulent research in the future.

It is always, and always has been, irrational decision making to label specific accounting research as either ‘top quality’ or not ‘top quality’ based on the irrational quality ranking of the journal in which an article is published. All such labelling has the impact of denying accounting researchers academic freedom because faculty search committees and other academic administrators will use and abuse such labelling (as has occurred) to make irrational faculty personnel decisions which have the impact of denying academic freedom to the faculty member whose research is being evaluated. This author believes no one is qualified to make such judgements, and those who think they are so qualified are in matter of point the most unqualified to be making such judgements, especially for academic personnel decision making.

The US Constitution, via the First Amendment Free Speech clause as applied to all state entities (including state and other government universities) through the liberty clause of the 14th Amendment, protects a public university faculty member’s academic freedom (which is a species of free speech). Private universities have written policies with the purpose of protecting faculty members’ academic freedom. Free speech gets such protection because creating and expressing ideas is an inalienable attribute of being a human being, and engaging in such speech is especially important to faculty members at universities where ideas, especially new ones, should be king and queen-censorship of any kind in the generation of ideas is anathema to the purpose of an academic institution (college of university).

Academically speaking, allowing faculty to engage in research of their own choosing in a manner of their own choosing and publishing it in a journal of their own choosing, without penalty for these choices, is the best way to produce and promote new ideas manufacture. That is, thinking that is unfettered and thus without limits or censure imposed by others, including colleagues, is the best means of producing new ideas and
new knowledge which is the sine qua non of innovative research. For sure, this freedom results in many ideas that do not find traction or productivity, but this freedom enhances the probability that novel, innovative ideas once germinated will find the light of day and thereby have a chance to blossom into a strain of human progress. Without this freedom, the probability of new ideas germinating and finding the light of day is much lower than it would be otherwise. Academic freedom trumps all perceived needs for administrative control, and the US Constitution recognises that by stating its guarantee of speech free that is free from government employee control. Public universities in the USA are operated by government employees; their professors are government employees. Private universities, on the other hand, have adopted policies which protect free inquiry.

Unfortunately, US state universities and US private universities, as a matter of common practice, violate academic freedom in research (and teaching) on a continuing basis; and the designation of certain accounting research journals as ‘top quality’ and others as ‘not top quality’ is just one of the means of doing so.

9 Conclusions

No accounting researcher has the right to impose his or her view of what is ‘top quality’ on other accounting researchers. No faculty member is qualified to do that. Let each researcher find and choose an outlet or journal for publishing his or her research. Using opinion surveys and citation frequency counts to judge which accounting research oriented journals are ‘top quality’ is irrational, and then using that designation alone or in part to judge the quality of specific research articles published in that journal is more irrational. Finally, to make accounting faculty personnel decisions based on these irrational labels is not only irrational but also a denial of academic freedom to those faculty, and would-be faculty, members.

At this writing, Professor James E. Hunton is as not guilty of academic fraud or of any academic misconduct whatsoever, notwithstanding the Malone Report, because no court of law has found him to be so and the Malone Report is the result of a one-sided investigation and is a one sided report of that investigation. The accounting research profession, on the other hand, is guilty of denying accounting academic freedom to a large number of accounting researchers by irrationally judging the quality of a professor’s research based merely on the journal in which it is published, and then using that irrational judgement to make accounting faculty personnel decisions. The academic accounting profession’s failure to engage in profession-wide lesson learning from the Hunton affair is gross accounting academic profession failure.

References


**Notes**

1 As far as the investigation goes, this author only has the representations stated in the report that such an investigation did occur. This author did not participate in that investigation and does not have any personal knowledge that it even occurred. The ‘Report of Judith A. Malone...’ describes in detail the conduct of the investigation the results of which she is reporting.