
Editorial

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1 Introduction

Getting to know an accounting system is much easier to be done through a research project when being able to place it among other systems rather than when you must approach it on an individual basis [Mustata, (2008), p.55]. This was also the reasoning behind this special issue being dedicated to the Romanian accounting system and Romanian accounting in general. Moreover, the low number of papers approaching Romanian accounting particularities that were previously published in English and in journals with international visibility also encouraged us in developing this project which we believe responds to real needs of international accounting readers. Initiated in October 2008, this project back then seemed a hard to achieve desideratum, being the first of this kind taking place within the Romanian accounting environment.

As previously mentioned, only a few papers being already published in international journals approach some aspects related to Romanian accounting. One of these is McClure's (1983) study offering an overview of the Romanian accounting system as at the beginning of the '80s. McClure (1983) develops a detailed analysis on Romanian accounting's characteristics by considering a short period of time. Richard (1995) and Dutia (1995) also perform similar studies by considering the relatively short period of five years following the 1989 Revolution in Romania. The originality of these two studies consisted in analysing the restructuring of the whole Romanian accounting system after the fall of the communist regime. Richard (1995) also develops a substantive comparative analysis between the Romanian accounting environment and that of Russia. The efforts being made within the Romanian accounting environment in order to become compatible with other national accounting systems while also adapting to the requirements of a financial market is presented by Darmant (1999). King et al. (2001) perform a comparison between the Romanian accounting system and other accounting systems during a period of four years, therefore, accomplishing a connection of the national accounting environment to the international context. Zelinschi (2009) develops an analysis of the Romanian accounting profession at the beginning of the 20th century (1900 to 1916). This study actually comes to give us an image on the beginnings of the Romanian accounting profession.

Beyond papers analysing the historical development of the Romanian national accounting systems, accounting literature also comprises a series of studies that develop

rather pragmatic and technical analysis of Romanian accounting. Such an issue can be considered the adoption of the standards being issued by the International Accounting Standards Board, and more precisely the costs characterising this complex process. Two such studies must be mentioned. Barbu (2002) develops an empirical analysis by considering 100 Romanian companies through a comparative approach with 100 French companies, with the purpose of identifying the problems and costs related to IAS/IFRS adoption. Ionascu et al. (2007) identify and dimension the costs of harmonising the Romanian accounting system with the international accounting regulation (more precisely with the EU Directives and IAS/IFRS). This study comes to offer a pertinent analysis of some technical aspects related to Romanian accounting until recent times. The issue of accounting harmonisation within the Romanian accounting environment is also approached by Deaconu and Buiga (2010).

Another more narrow accounting issue being approached from the Romanian accounting environment's perspective is that of financial instruments and fair value. First, Bonaci et al. (2008) develop an empirical analysis on financial reporting paradigms for financial instruments by comparing the case of Czech Republic and Romania. The comparative analysis between the two countries is further developed by Matis et al. (2008) while this time considering the accounting regulation process in the field of financial instruments. While on this chapter we should also mention Strouhal et al. (2009) who approach the matter of fair value accounting for financial instruments within a research note that also mentions some national particularities.

In order to complete this overview on studies dealing with Romanian accounting particularities, we must mention two more recent publications dealing with the value relevance of earnings, namely Filip and Raffournier (2010) and Filip (2010).

The five papers being comprised in this special issue contribute to the scientific accounting literature being published in high quality international journals. The following part of the editorial will present a brief summary of the contributions being brought through each paper of this special issue.

In order to truly complete our overview on studies dealing with Romanian accounting we should also mention that some papers are still in the stage of working papers, but have already been presented in well-known international conferences. With the hope that we did not miss any relevant study for the Romanian accounting environment, any error being due to the author, we will further continue synthesising the contributions brought through the papers being comprised in this special issues dedicated to Romanian accounting.

2 A longitudinal overview on Romanian accounting

A longitudinal approach in analysing a national accounting system is meant to offer an overview on its development, therefore, also creating the opportunity of identifying critical points in the evolution of that accounting system. On the other hand, it is also interesting to observe how influences and determinant factors in the development of such a system manifest, especially from the perspective of their proven longevity and intensity. It is relatively simpler to study a phenomenon or an evolution through the perspective of a group of determinant elements rather than through individual analysis of each distinctive element [Mustata, (2008), p.47], even if studying the components of a system has its own reasoning.

The study being developed by Elena M. Barbu, Nicoleta Farcane and Adina Popa represents a complex, well grounded analysis on the evolution of the Romanian accounting system over the 20th century. Beyond the analysis itself, the authors formulate a series of explanations for this evolution, focusing their research on two main periods – the communist period and the post-communist period. The authors make use of the theoretical neo-institutional framework in order to determine normative, coercive and mimetic elements that affected the national accounting system through the pass of a century. Their option for the neo-institutional theory is based on it actually explaining homogeneity elements, unlike the modern organisation theory explaining variations of such situations. Barbu et al. chose the homogeneity's perspective due to the complex process of international accounting harmonisation that characterises the Romanian accounting system.

A significant contribution of their study is given by their analysis on the correlation between institutional influences and significant historical events that related with the Romanian accounting system in its assembly. The political system and the institutional framework are two dimensions seen by Barbu et al. as representing key points in the evolution and development of Romanian accounting.

The study being developed by Adela Deaconu brings significant contribution to analysing determinant factors in the evolution of the Romanian accounting system. This time the analysis considers a broader period in time, starting right after the 1989 Romanian Revolution and advancing to current, nowadays aspects.

Moreover, Deaconu's study provides a critical analysis on national accounting systems, their dimensions, and also the influences and interferences among them. An adequate space is being dedicated to dominant accounting models or systems in the history of international accounting.

Deaconu's research results document the existence of a reciprocal relationship between accounting and its environment, more precisely between an accounting system and the environment to which it belongs. The major contribution being brought through this study is found in the critical analysis on determinant factors in the evolution of the Romanian accounting system, as well as on the manner in which they actually affected the development of Romanian accounting culture and practice.

Both studies being above presented asses and synthesise the effect of a certain number of determinant factors. Barbu et al. underline the following elements as representing major factors with significant influences on the evolution of Romanian accounting: the rate of industrial development, the evolution of commerce, the economic autonomy, available capital, the financing system, the system of managing enterprises, and the various political factors. On the other hand, Deaconu first identifies three major categories of previous studies analysing determinant factors in the evolution of a national accounting system. Through her study the author only stops at two such major factors, namely the main stakeholders and the type of financial reporting system. The common characteristic of the two studies is due to the fact that they both position institutional factors in the centre of the analysis being developed. It is therefore possible to further establish a clear relationship between the institutional evolution of the economic, social and political Romanian environment and accounting's and the national accounting system's evolution in time.

Another common interest point of the two studies deals with establishing certain periods in the evolution of Romanian accounting. First, Barbu et al. approach a major

period that covers more than a century, therefore allowing them to subdivide it in three periods as follows:

- 1 prior to 1950, a capitalistic period before the arrival of the communist regime
- 2 from 1950 to 1989, under the communist pressure
- 3 after 1990, the post-revolutionary period and the search for a Romanian accounting identity.

Deaconu only approaches the period following the Romanian 1989 Revolution, therefore analysing the end of the 20th century and the beginning of the 21st. Summing up the periods being considered through the two studies, we can state that Barbu et al. focus their attention on a part of the period also being considered by Deaconu, while both also offering a subdividing for the evolutions taking place after the Romanian 1989 Revolution.

Analysing the two approaches we notice that even if not identical they present a series of common elements when documenting the proposed subdivisions such as: the transition from the accounting system characterising the communist period to a new accounting system that ought to be compatible with a market economy, the process of harmonising the Romanian accounting system with the two internationally recognised accounting set of regulations (IAS/IFRS and EU Directives), and also the process of making the Romanian accounting system compatible with accounting regulations and practices within EU, while considering the perspective of a member state. The same approach also applies to the study being developed by Calu et al. in their paper analysing the issue of national accounting language and practices.

Both studies being discussed above make reference to regulatory changes taking place in the recent history of the Romanian accounting system, catching changes in the option of making the national accounting system compatible with the EU and IASB regulations. Even if we can identify at least four such changes of mind during the last decade (2000 to 2010), having a close eye on the situation and also making reference to the two studies, we consider that the true purpose was always connected to making our national accounting system compatible with the spirit of the accounting regulations as issued by the IASB, while *de jure* the two above mentioned sets of accounting regulations were adopted alternatively in a continuous historical game.

3 The language of accounting

By the end of the 20th century and the beginning of the 21st, accounting started to enjoy a new image that is totally different from the one we knew from a few centuries ago. The essence of these changes can be captured through Delesalle and Delesalle's (2003, p.16) observation saying that 'accounting became an economic weapon'. Accounting language brings the possibility of enhancing accounting's ability of generating economic benefits within a global accounting environment. Starting with 1973, for price of about three decades, the international arena hosts a continuous fight in order to reach that general accepted accounting language. The next step involved the two major players of the accounting regulation process joining forces through the process they call convergence.¹ It is interesting how history teaches us that at one point in time we might be fighting individually, while having similar desideratum, but repeated failures might make us face

the necessity of a common battle that will of course bring its own difficulties and compromises. Still, in terms of accounting language we consider that the evolution towards a general acceptance of such a language can only be reached as a result of having the main actors of the accounting regulation process in the international arena joining their efforts and forces for the sake of potential future benefits.

Of course that when discussing the internationalisation of accounting language we must also consider the necessity of certain national differences maintenance, although these differences should actually be transparently expressed and as a consequence easy to reconcile [Collett et al., (2001), p.175]. Meanwhile, we must once again also consider political and economic perspectives that appear when developing and issuing accounting standards that wish to address global level [Lehman and Tinker, (1978), p.509; Graham and Neu, (2003), p.453]. Furthermore, a significant aspect that must be considered in the context of such a complex process refers to the assembly of causes and processes that lead to the disappearance of an accounting concept or practice. The existence of such a phenomenon is as normal as the appearance and disappearance of life. When the process of developing the global accounting language becomes *larger than life* such a phenomenon becomes inevitable. Daniela Artemisa Calu, Lavinia Olimid, Madalina Dumitru and Viorel Avram call this phenomenon *thanatogenesis*, and their study deals with its defining and dimensioning.

Calu et al. borrow the concept of thanatogenesis from pathophysiology and apply it in the field of accounting, more precisely in analysing the issue of accounting language and practices that characterise a national accounting system.

The authors analyse the signs, causes and nature of the disappearance of a number of accounting concepts within our national accounting system. Their analysis is also documented based on the opinion of several specialists in the field of accounting belonging to the academic environment. The results of their study forecast how certain concepts within the Romanian accounting system are meant to slowly disappear, first being excluded from accounting regulations and later also from accounting practice. Moreover, the authors conclude that existent divergences between accounting concepts and practices actually represent a sign for the future disappearance of those practices or concepts.

4 Romanian accounting profession

The study being developed by Dumitru Matis, Kieran James, Razvan V. Mustata and Carmen Giorgiana Bonaci focuses on the Romanian accounting profession by using an approach that relies on the *dialectical theory of Hegel and Marx*. According to this theory, present times are continuously changing, or in other words A is always in the process of becoming not-A. The major objective of their study is to observe and analyse how changes in the political ideology and of other determinant factors have induced significant changes for the three dimensions being approached within their research: accounting, the accounting system and the accounting profession. The entire analysis is positioned starting with the first paper being written in the field of accounting (1792) up until nowadays.

Matis et al. offers a pertinent analysis being developed in the area of accounting history, considering a conceptual approach and the realities of Romanian history.

Furthermore the study develops towards a critical analysis of history by considering the actors being involved within the Romanian accounting profession, pointing its birth, separation, fight for supremacy, current uncertainties and the perspective of disappearance in some cases.

In direct connection with the above mentioned actors, as well as with the accounting profession itself, Matis et al. formulate a natural question: *does the system for educating and continuously training accounting professionals in Romania has the capacity of creating changes in the national accounting environment?* In their attempt to also identify the corresponding response, the authors critically analyse the system for educating and continuously training accounting professionals in Romania. Moving forward, the authors develop an analysis upon the ability of a national accounting environment in general, and then the Romanian's in particular, to contribute to the development of the so called *global accounting standards*. Their results show that the Romanian accounting environment's and in particular the national accounting profession's contribution to the development of accounting regulation being issued by IASB can only be considered as insignificant.

5 Research in accounting

Up until this point, all the above discussed papers have been focused on analysing accounting history, considering different moments and periods in its evolution, the accounting language and its valences and the accounting profession as a distinct dimension of the national accounting environment. The study being developed by Nadia Albu and Cătălin Nicolae Albu offers a different perspective on the environment under analysis, namely that referring to Romanian accounting research. The authors pose an interesting question: *How to Perform in the Field of Accounting Research?* And then dimension a response by analysing the Romanian case.

The authors develop their research with the assumption that currently universities, departments and academics are in search for performance, and meanwhile for a more comfortable hierarchical positioning. Elements such as performance measurement, academic hierarchy and research assessment represent essential aspects being approached by Albu and Albu. The study is also developed based on the academic experience of the authors, on the assembly of publicly available information, as well as on information being obtained through the use of a questionnaire that was administered within the Romanian academic environment.

The novelty of the study is due to analysing the Romanian contextual hierarchy of academic institutions and publications, as well as academics' evaluation. Moreover, the *performativity and alienation in the case of the Romanian accounting academic* is being analysed. The obtained results show how the quantitative approach used in establishing the criteria for Romanian academic's promotion inevitably lead to the rush for quick publishing of their research activity results, and to the fight for publishing in international journals, even non-ISI only with the purpose of developing a certain international visibility in a considered field of expertise or interest. The authors then conclude that all these circumstances only create the premises for the development of *the perpetual 'submitter' to international accounting journals, while colleagues who have found 'happiness in the establishment' (in the sense of Marcuse) are viewed as successful according by the internal systems*. The low level scientific performance of the Romanian

academic environment is one of the most painful consequences. Another interesting aspect is that *performitivity* has been started to be considered within the Romanian context, while *research is subject to commodification, even if the significance and the implications of the phenomena in Romania are different from those manifesting in more research-oriented environments.*

Considering the obtained results as well as the performed analysis, we consider that Albu and Albu's study brings major contributions to accounting literature, offering new innovative perspectives for some issues that characterise international accounting research.

6 Conclusions

Based on Barbu et al., we can conclude that the beginning of the 20th century represents the proof for the Romanian accounting system becoming more mature, as well as for its orientation towards the international perspective and experience in the field of accounting. Moreover, starting with the second half of the 20th century up until the 1989 Revolution the Romanian accounting system was under the clear influence of the Soviet domination. After this historical point in time two major influences can be observed. The first is that of the continental European accounting culture (until year 2000) and the second the Anglo-Saxon culture (after year 2000). All these influences left relevant fingerprints on the development of the Romanian accounting system.

Moreover, Barbu et al. offer an overview on Romania's history and therefore, provide a historical perspective that goes beyond the field of accounting. Deaconu comes to add some new insights to the historical evolution of the Romanian accounting system after 1989. The two studies analysing the end of the 20th century and the beginning of the 21st therefore offer a complete and opportune radiography on the development of the Romanian accounting system.

Moving closer to the field of accounting, more precisely to financial reporting and financial-accounting information, Calu et al.'s results suggest that a change of accounting concepts within accounting regulation generates an impact on accounting practice only after a certain period in time, usually a few years. We can therefore conclude that changes of concepts and regulations being issued by IASB when considering the financial crisis will only become current reality of accounting practice after the crisis will have passed.

Matis et al. focus on the Romanian accounting profession while considering the connection between the educational environment and practitioners in the field of accounting, the first offering basic education and continuous training to practitioners and the latter undertaking the responsibility for the functioning of the Romanian accounting system, as well as for the implementing of new accounting regulations. The connection between regulatory bodies in the field of accounting and the educational environment is also considered. Through out all the above mentioned aspects being analysed, the authors document information asymmetry as characterising the considered environment together with a lack of correlation between the involved costs and benefits. Another conclusion based on the above mentioned analysis is that *the stewardship for developing the Romanian accounting environment goes to all three parties.*

On the other hand, Matis et al. document a certain lack of responsibility when considering the educational process characterising the Romanian accounting environment and the lack of a reward system that should be based on actual performance and added educational value. This state of facts leads to the dilution of the national accounting profession's position, respect and general status.

Beyond the results being documented by Matis et al. when analysing the accounting profession within the Romanian environment together with its major dimensions, their study comes to offer a critical perspective upon the evolution of Romanian accounting. We can therefore consider that the study also comes to complete the picture described by Barbu et al., Deaconu and Calu et al.

Referring to the particular issue of accounting research, Albu and Albu conclude that academic performance has rather become a fashionable topic than a necessity imposed by the development of an academic system per se. Moreover, the authors analyse *the structural inconsistencies characterising the accounting academic environment in our country, and suggest means to 'escape the trap'*.

Studies being comprised within this special issue of the *International Journal of Critical Accounting* contribute to the literature by trying to offer a reflection of the Romanian accounting history, starting with the first publication in this field (1792) and with the development of the first Romanian economic schools (1913, Bucharest and 1920, Cluj-Napoca).

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Notes

- 1 The so-called Norwalk Agreement of September 2002, renewed by a FASB-IASB Memorandum of Understanding in February 2006.