

Book review

Accounting History

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Accounting, Capitalism and the Revealed Religions: A study of Christianity, Judaism and Islam, Basingstoke:

Palgrave Macmillan, 2017, 174 pp.: 9783319323329

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There is growing interest in accounting, religion and theology, with publications focusing on accounting history comprising mainly case studies rather than theoretical topics (Cordery, 2015). This book tackles a challenging topic and is a contribution to theoretical discussions on accounting concepts and possible antecedents within religious traditions. As such, it is likely to spur responses from researchers interested in this topic. Furthermore, this book's theoretical analysis of accounting and religion not only focuses on Christian traditions (Roman Catholic and Protestant) but also extends its analysis to Judaism and Islam.

This book draws mainly on accounting literature, with its seven chapters covering three different aspects of accounting and religion. First, it proposes linkages between accounting, religion and capitalism, and second, it includes a literature review of the sacred secular divide and accountability. The third section discusses accounting and control within religious institutions through a case study of the Salvation Army. This case study provides a practical example of the prior sections' theorisations.

Despite linking religion and accounting, the book progresses in a rather different manner than the title suggests. This is because analysis of capitalism (which dominates chapters 2 and 3) is only very occasionally referred to in later chapters and because the empirical research and most of the literature utilised in these later chapters focus almost exclusively on Christianity rather than also including Judaism and Islam.

The introductory chapter (chapter 1) defines (1) accounting and accountability and (2) religion as an individual, community and doctrinal concept. To gain a full understanding of later chapters, a reader would need a working knowledge of at least one of these research streams. The book chooses not to define capitalism, in order to develop arguments to link different capitalisms to different religions. The author allows ambiguities in the definition of 'capitalism' and 'The Book' (in title chapters), to encourage debate.

Chapter 2 makes the argument that accounting is a moral practice impacted by religious thought/faith and that accounting also records capitalistic operations. As capitalism differs 'across cultures, space and time', the aim of this chapter is to 'understand how religion has positioned itself vis-à-vis the spread of capitalism' (p. 17). This is an ambitious task which, to be effective, would require an in-depth discussion of each religion over different periods of time and a teasing out of the different capitalisms. The author takes these religions' internal discussions on capitalism/wealth and links them to others' conceptualisations of capitalism. Unfortunately, the use of broad generalisations distracts the reader and makes it tempting to discredit the argument¹ particularly because at some points it was unclear whether statements were quotes from historical sources or the author's opinions.

Furthermore, the book discusses the chosen religions only since the reformation. It builds from Calvinistic Protestantism, the inspiration for Weber's *Protestant Ethic and the Spirit of Capitalism* which is a central text. However, continuing to analyse these religions through a (Calvinistic-styled) predestination lens fails to reflect twenty-first century mainstream theology. This chapter concludes with conjectures on the different types of capitalism developed and discussed within each of the four different religions.

In chapter 3, four figures show 'accounting for ...' each religion/denomination and a fifth figure to cover accounting for Sharia law at a theoretical level. On the 'debit' (left-hand) side, I was surprised not to find 'study of Holy Scripture' (through which God is revealed). Furthermore, in listing other 'debits', the author focuses more on these religions' expectations of (good) deeds than money. Philanthropy is strongly encouraged by the teachings of Judaism, Christianity and Islam (Eckel and Grossman, 2004), with the Torah requiring three tithes:² Levitical (to fund the priestly class – Leviticus 27: 30–33), Festival (Numbers 14: 22–26) and the three-yearly Poor tithe (Deuteronomy 14: 27–29).³ Parallels to the Jewish tithe are observed in Christianity (Eckel and Grossman, 2004) as well as in one of Islam's five pillars – almsgiving or *zakat* – the calculation of which, Zaid (2004) argues, was the reason accounting was required from the earliest days of Muslim society (as also noted by the author). Yet, errors in the text (e.g. listing the Christian sacraments incorrectly) are distracting. Curiously, the 'credit' (right-hand) side of each 'ledger' is very similar across each religion/denomination, and these ledgers would benefit from being balanced by more than just 'Faith in God' or 'Soul'. In Figure 3.4 (Sharia transaction accounting), the author decides to focus on bad deeds rather than good. This is a curious (and arguably insensitive) way to recognise that (as noted by Hidayah (2014)), actions are deemed lawful and permissible under Shariah law unless they are prohibited.

Chapter 4 turns from capitalism to focus on accounting and religion in an attempt 'to re-dress accounting with clothes from the four religions' (p. 54). The author's hypotheses are summarised in Figure 4.1 for each religion. For example, he hypothesises that Roman Catholicism's 'accounting for souls' means that this Christian denomination has historically developed concepts on accounting for intangibles. More could have been done to extend the discussion and provide evidence (from the current day or history) of these hypotheses. Notwithstanding, the author encourages discussions of accounting's concepts from different angles, including those informed by religion. He does not propose how this might occur, but, using relevant literature, does suggest topics for these discussions, including corporate accountability and ethics.

Chapter 5 comprises a literature review that critiques the sacred secular divide drawing on Cordery (2015) and Joannidès and Berland (2013). Cordery (2015) calls for 'alternative framings of the tension between mission and resources' (p. 439) and the concepts developed earlier in the book represent such framings. This chapter expands the discussions of Joannidès and Berland (2013) about the accounting researcher network. It does so by labelling specific researchers as 'outsiders' or 'insiders'. Yet, the author states that he tries to 'reflect as fairly as possible what [the author's] initial intent was at the time of their own studies' (p. vii). This labelling of 'insider' and 'outsider' does not sit well with the notion 'that faithfulness ... cannot be known, measured or valued' (p. 54) and is a private matter.

In chapter 6, a case study of the Salvation Army is used to show how accounting, spirituality and practice can be described through double-entry bookkeeping. This example of one Protestant denomination and the author's experience across three different countries provides flesh for one hypothesis from chapter 3. Based on accountability, it provides examples showing that, while individuals may feel accountable to God 'Actually, church leaders, members, stakeholders and the self, demand accounts in lieu of Him' (Her?) (p. 143).

Chapter 7 completes the book with summary statements on accountability and a proposed research agenda. It calls for more academic work on religious entities that are not Christian (Protestant or Roman Catholic) and I trust this call is heeded by researchers. Case studies and critiques will further develop concepts of accounting and capitalism, as well as accountability and religion. This book provides summaries of extant knowledge and steps to develop further arguments that should enrich knowledge of the challenging topic of religion and accounting, history and capitalism.

Notes

1. There are also contested statements, such as ‘The Protestant ethic then consists of thanking God for His blessings and of paying Him back by funding one’s church’ (p. 20). I believe that this latter underlined statement is a misconstruction of the notion of giving to God through the church.
2. With thanks to Rev. Dr Michael Branscombe for this clarification.
3. Some may also see the jubilee as a monetary obligation, although Moerman (2008) notes disparity in the understandings of this concept.

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