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ENCYCLOPEDIA OF ACCOUNTING AND FINANCE AS A TOOL FOR LIFELONG LEARNING

***Annotation.** This paper provides commentary on the two-volume Encyclopedia of Accounting and Finance (hereinafter Encyclopedia) composed by the authors and published in Estonia. The Encyclopedia presents information about accounting and finance in Estonia as well as in other countries, in context of historical and contemporary developments in the global business environment.*

***Key words:** accounting history, Estonia, finance history, special encyclopedia, theory of accounting.*

***Анотація.** Ця стаття містить коментарі до двотомної Енциклопедії бухгалтерського обліку та фінансів (далі Енциклопедія), складеної авторами та виданої в Естонії. Енциклопедія представляє інформацію про бухгалтерський облік і фінанси в Естонії, а також в інших країнах у контексті історичних і сучасних подій у глобальному бізнес-середовищі.*

***Ключові слова:** історія бухгалтерського обліку, Естонія, історія фінансів, спеціальна енциклопедія, теорія бухгалтерського обліку.*

Introduction. The history of accounting and finance is as old as civilization, key to important phases of history, among the most important professions in economics and business, and fascinating. Accountants and finance specialists invented writing, participated in the development of money and banking, invented double entry bookkeeping that fuelled the Italian Renaissance, saved many Industrial Revolution inventors and entrepreneurs from bankruptcy, helped develop the confidence in capital markets, and are central to the information revolution that is transforming the global economy.

Everyone needs information to make decisions, to answer questions, or to learn something new, and everyone wants that information to be accurate. When individuals need accurate information, their best avenue is to turn to reference resources whether they are in print or online.

Reference resources fall into various groups including encyclopedias, dictionaries, thesauri, atlases, indexes, handbooks and manuals, directories, bibliographies, and almanacs and miscellany. The most important reference tools are encyclopedias. An encyclopedia is a book that defines and explicates the words of a language or elaborates on the terms or features of a special subject. General encyclopedias offer a general overview of a wide range of topics while subject-specific encyclopedias offer in-depth information on specific topics. Many important branches have produced their own specialized encyclopedias. These encyclopedias give more in-depth information than those with general information on thousands of topics.

This paper provides commentary on the two-volume (1,405 pages) *Encyclopedia of Accounting and Finance* (hereinafter *Encyclopedia*) composed by the authors and published in Estonia [3; 4]. It is a complicated task to give a representative overview of our *Encyclopedia*. The concept of the *Encyclopedia* was developed and modified by us over the course of a decade. Numerous sources were examined, and topic headings selected after consulting the headings of other encyclopedias.

Specific attention was paid to the following comparable encyclopedic volumes: *Encyclopedic Dictionary of Accounting & Finance Terms* [21]; *Encyclopedia of*

Banking & Finance [16]; *The Blackwell Encyclopedic Dictionary of Accounting* [1]; *The Blackwell Encyclopedic Dictionary of Finance* [17]; *QFINANCE: The Ultimate Resource*TM [19]; *Encyclopedia of Finance* [14]; *The Complete Encyclopedia of Financial Accounting* [24].

Purpose and originality of the *Encyclopedia of Accounting and Finance*

Encyclopedias are collections of essays that provide concise, factual and accurate background information on a topic – the *Who, What, When, Where, Why*. There are two types of encyclopedias; general encyclopedias and specialized subject encyclopedias. While there have been plenty of special dictionaries in accounting and finance [10; 6; 11; 20; 23], there have been few specialized encyclopedias in accounting and finance. Some examples are as following: *The Encyclopedic Dictionary of Accounting & Finance Terms* [21]; *The Complete Encyclopedia of Financial Accounting* [24]; *The Routledge Companion to Accounting History* [13].

The primary purpose of the *Encyclopedia* is to serve as a research reference work. Its sheer comprehensiveness combined with the logical structure of the *Encyclopedia* also lends itself to use as a reference tool for accounting and finance courses. One feature of the *Encyclopedia* is its extensive network of cross-references. It can function as a quick reference source or guide for a wide range of basic definitions, concepts, themes, issues, methods, perspectives and institutions relevant to accounting and finance.

What makes an *Encyclopedia* scientific is the new and/or little-known information gathered there. To obtain this information, the authors have worked in archives, libraries, and collaborated with internationally known researchers. This is confirmed by

- the *Encyclopedia* authors' comments on the scientific concepts, theories and trends contained in the *Encyclopedia*;
- the correspondence with foreign top scientists;
- the interesting, often little-known information provided in the *Encyclopedia* articles;
- a list of used literature with 346 sources, plus 78 internet addresses.

The *Encyclopedia* appears to be unique, somewhat distinct from others in the field. It combines an explanatory specialist dictionary and an Estonian-English specialist dictionary. This approach consists of a micro-encyclopedic treatment with extensive cross-referencing, up-to-date institutional material and a level of exposition that attempts to combine a reasonable degree of academic rigor with brevity and practical relevance. In the writing process we placed major emphasis on content, fitness, meaning, and language (grammar, rhetoric and logic).

Content

The *Encyclopedia* is designed for people who are interested in accounting and business finance. It contains nearly 8,000 entries, which treat people, places, things, events, ideas and covers several aspects of accounting and business finance – accounting and finance history; historical development of accounting and finance theory and practice; financial accounting; managerial accounting; cost accounting and cost management; international accounting and financial reporting; financial statement analysis; accounting ethics; environmental accounting; social accounting; corporate finance; financial management.

The overall policy of the *Encyclopedia* was to include terms in general use by accountants and finance specialists and others who use financial information. Some terms relating to specialized areas such as taxation, insurance and other fields have been included wherever these terms have become part of the everyday language of accountants and finance specialists. In its range of subjects, the *Encyclopedia* provides extensive coverage of terms commonly used in various areas of accounting and finance. The entries extend beyond basic definitions to provide in-depth explanations and examples.

The *Encyclopedia* as a biographical and historical reference book

Part of the *Encyclopedia* is a biographical reference book. More than 900 entries introduce individuals who have influenced accounting and business finance. These entries include researchers, academics, business practitioners and investors. In addition to accounting and finance gurus, we considered it necessary to include in the *Encyclopedia* information about such well-known persons who have gained fame in

other fields, but in one way or another left a mark on the development of accounting or business finance.

Among accounting practitioners and accounting academics there is growing interest in the history of accounting. Thomas Lee, a Scottish scholar, has written: «Modern accounting did not emerge overnight. It is a product of centuries of thought, action, convention, custom, and habit» [15]. That is, why such sources as *A History of Financial Accounting* [12]; *The History of Accounting: An International Encyclopedia* [9]; *A History of Accountancy in the United States: The Cultural Significance of Accounting* [18]; *A History of Accounting and Accountants* [7]; *Financial Reporting and Global Capital Markets: A History of the International Accounting Standards Committee 1973–2000* [8]; *The Routledge Companion to Accounting History* [13]; *История русской бухгалтерии* [25]; *История бухгалтерского учета* [27] have been used in the compilation of the *Encyclopedia*.

The entries are based on several different types of sources. In addition to those included in the list of references, archival documents and different online sources in English, Estonian, Finnish, French, German, Italian and Russian have been used.

One feature of the book is its extensive network of cross-references. These cross-references have been selected with a view to anticipating the terms for which users of the *Encyclopedia* might wish to have additional information; the cross-reference will lead to a relevant entry elsewhere in the *Encyclopedia*, where that topic is treated as part of a larger entry. We have used many sources to cross-check entries both to avoid glaring omissions and to validate definitions considering accepted standards. Hundreds of cross-references guide the reader to a subject or to information that may be a part of another entry, or which may appear as an alternative entry. Cross-references are used in the *Encyclopedia* to link terms that are closely related or to expand information given in the current entry. Cross-references from main entries are given whenever useful information can be found in related entries.

The *Encyclopedia* as the Estonian-English Specialized Dictionary

The *Encyclopedia* appears to be somewhat different from the other encyclopedias we reviewed. We have tried to combine a specialized explanatory dictionary and an Estonian-English specialized dictionary by providing English equivalents to most of the Estonian terms. In doing so, British and American terms are distinguished by using specialized dictionaries [2; 22]. This should enable a reader to carry out more detailed searches for the meaning of terms or concepts by consulting the reference sources available in English. The names of persons of Russian origin are also presented in Russian. Among the publications indicated in personal articles, there are publications in the author's native language as well as in widely used foreign languages (English, German). All this helps an interested person, who does not speak Estonian, to get an overview of what is presented in the *Encyclopedia* and to evaluate its value.

The development of precise terminology with clear meaning is essential, especially for understanding a technical subject. The business language that is used in the western world today is commonly developed based on English, largely influenced by the American version of English (including its jargon and idioms).

Users

The *Encyclopedia* is composed for a variety of readers:

- It will prove useful to accounting and finance students at both the undergraduate and graduate levels, because it presents a sound overview of the most important areas in these fields.
- It will also be valuable to scholars and professors, especially for areas in which they are not specialists.
- It might also satisfy an audience of academic accountants who are interested in a historical background related to the complexities of achieving accounting harmonization in an age of globalization.
- It should also be of interest to professional readers and general management because it focuses on the techniques of preparing and analyzing financial statements.
- In addition, it should prove useful to some businesspeople and members of the general public.

- Academic and special libraries will find the *Encyclopedia* a useful addition to their accounting and finance collections.

Concluding remarks

During the compilation of the encyclopedia, it was necessary to communicate with many colleagues from Estonia as well as top researchers from abroad, from top universities such as New York University, Harvard University, Stanford University, Rice University, Université Paris-Dauphine, Moscow State University, St. Petersburg State University, Parma University, etc. In the opinion of several top scientists in the world, the *Encyclopedia* is unique in its content and structure not only in Estonia, but also in the whole world. This is confirmed by the fact that several of the world's top scientists have wanted to have an Estonian *Encyclopedia* as a rarity in their collection. It should be emphasized that the case when there is such serious interest in a scientific publication published in Estonian is very rare. Hence the conclusion that the scientific level of a publication is primarily determined by the content, not the language.

Finally, some facts:

- The authors have drawn up for the *Encyclopedia* an extensive Bibliography on writings in English (200 sources), Estonian (98 sources) and Russian (48 sources). In addition to those, archival documents and different online sources in English, Estonian, Finnish, French, German, Italian and Russian have been used.

- The *Encyclopedia* contains nearly 8,000 entries, which treat people, places, things, events, and ideas. More than 900 entries introduce individuals who have influenced accounting and business finance.

- The *Encyclopedia of Accounting and Finance* is a nominee of the *Estonian National Research Award*.

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