

CAANZ and AFAANZ Insight Series, Webinar Panel, 25 August 2021 on “COVID-19 and accounting education: The state of play and what lies ahead”

Opening comments by Garry Carnegie, Emeritus Professor of RMIT University (Panel Moderator)

COVID-19 continues to have major impacts on all of us; it is changing the world and the way we think and act. Australian public universities have been heavily impacted to date, particularly commerce disciplines and especially accounting.

In our discipline, there has been a growing number of academics who have focussed their research and other innovative academic endeavour on accounting education. This is a typically enthusiastic community.

While there has been much consideration of issues in accounting education, especially during the past 10-15 years, now is the time for the “rubber to hit the road”. In my view, the wheels have been spinning mid-air. The tyres need to gain traction to allow this vehicle to “take off”.

COVID-19 and its impacts has brought this perceived need into prominence. Let’s start with a key question!

What is accounting today? How we define “accounting” guides or directs what we teach in accounting programs and what is learnt by our students.

A new definition of accounting was proposed for discussion and debate in November 2020, it states:

“Accounting is a technical, social and moral practice concerned with the sustainable utilisation of resources and proper accountability to stakeholders to enable the flourishing of organisations, people and nature” (Carnegie, Parker and Tsahuridu, 2020/*Australian Accounting Review*, 2021/IFAC Knowledge Gateway).

(Retrieved 25 August 2021: AAR <https://onlinelibrary.wiley.com/doi/epdf/10.1111/auar.12325> and IFAC <https://www.ifac.org/knowledge-gateway/preparing-future-ready-professionals/discussion/redefining-accounting-tomorrow>)

“Accounting is not a mere neutral, benign, technical practice” (Carnegie et al., 2020, p. 72). Whether we teach accounting specifically in this way is another matter.

Accounting is a pervasive, enabling and disabling phenomenon in society and economy. These are the true features of accounting. Accounting is more than influential; it is a powerful device, which impacts organisational and social

functioning and development. It is globally impactful. Therefore, never dismiss the importance of accounting in organisations, societies, communities, nature, and the natural environment, which sustains us all.

To this end, could we please avoid using definitions of accounting along the following lines, which infiltrate the internet: Accounting is “... the art of recording, classifying, and summarizing in a significant manner and in terms of money, transactions and events which are, in part at least, of a financial character, and interpreting the results thereof” (American Institute of Accountants 1953, p. 9; as first adopted in 1941).

Can we please think more critically before using the motto “accounting is the language of business”, which seems to spring from most accounting texts and other sets of educational materials? Is the language of “business” the only language of accounting? Is accounting not concerned with speaking the language of nature, the natural environment and of the planet?

Collectively, the full potential of accounting in helping to shape a better world has yet to be reached. The future of accounting is to be created and shaped. This is indeed a great opportunity for all of us!

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