

# International Conference on Business and Economics - Hellenic Open University

Vol 1, No 1 (2021)

ICBE-HOU Proceedings 2021

ISSN: 2945-1132  
ISBN: 978-960-611-017-7



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*Mihail Diakomihalis*

doi: [10.12681/icbe-hou.5310](https://doi.org/10.12681/icbe-hou.5310)

## Proceedings of the International Conference on Business & Economics

HELLENIC OPEN UNIVERSITY

ICBE 2021

Edited by  
Dimitras Augustinos  
Peppas George  
Tsoumas Christos

### To cite this article:

Diakomihalis, M. (2023). Improvised and Self-taught Bookkeeping: Evidence from a WWII Captive's Diary. *International Conference on Business and Economics - Hellenic Open University*, 1(1). <https://doi.org/10.12681/icbe-hou.5310>

## **Improvised and Self-taught Bookkeeping: Evidence from a WWII Captive's Diary**

**Mihail Diakomihalis**  
**Department of Accounting and Finance**  
**University of Ioannina**  
**481 00 Preveza, Greece**  
**Hellenic Open University**  
**E-mail: diakom@uoi.gr**  
**diakomichalis.michail@ac.eap.gr \***

Professor

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### **Abstract**

This paper aims to contribute to the existing literature on the issue of the accounting utility not for business reasons but for non-accountants and from the point of view of everyday life financial needs and human survival. In addition, this paper aims to reveal conclusions from the application of accounting by an ordinary essentially illiterate person, including that self-taught accounting is connected to the principles of accounting and modern application experience.

Applying a qualitative-determinative analysis of a handwritten bookkeeping Diary, revealed that several accepted accounting principles were applied, even instinctively, by the illiterate young person.

The improvised bookkeeping suggests that basic accounting knowledge derives from the specific needs of the individual and is configured according to specific circumstances of time and place and to the ease of understanding basic accounting theory and skills. The choice to use accounting, and the sanctuary and therapeutic value of accounting as bulwark in the worst possible circumstances reveals another option of social dimension of accounting.

The accounting application as a means of finding structure and guidance in an unknown world and within a tragic environment helped extremely to turn the young refugee's disaster to a success story.

The few pages from the hand-written diary of an ex WWII captive is the quite unique and interesting material this paper is constructed on and consist an undoubtable original documentation, but at the same time the scarcity of the few saved pages comprises the main research limitation.

The elements considered by an "Illiterate" in the accounting field, most significant, as well as the way in which these principles were registered, should be considered in Accounting Education.

**EL Classifications:** D030, D100, M490

**Key words:** Accounting history, Bookkeeping, Accounting principles, Qualitative analysis

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## 1 Introduction

Accounting is considered a necessary essential part of business, but at the same time it is certain that each of us performs some kind of accounting work in our transactions and in our daily lives. Accounting can be used by ordinary people in a variety of ways, even without knowing it. The required skills are very practical and can be applied in many areas of life. Ordinary people are accustomed to using the practical application of accounting skills for their day-to-day transactions. For example, most people want to know how much money they have today, or how much they owe in various liabilities, which means that they regularly check their accounts and cash to verify these balances. Individuals in contemporary societies have become accustomed to talk in every-day life about assets, liabilities, resources and balances, referring to their personal situation and financial position, without being experts in accounting theory or practice (Hopwood, 1994).

Modern society though, is not contented with simple practice and common sense applied by each one of us. It needs more from professionals in the field, ie specialized accountants. The modern needs of accounting, along with the risks involved in financial transactions, require good knowledge and application of accounting and its legal expansion. At this level, the design and implementation of accounting science is beginning to play a role. The technical theoretical process and the strategic thinking that assimilates is of primary importance for people in society. The enrichment and evolution of accounting has no direct and automatic impact on social activity. The importance of the role of accounting must be highlighted, shaped, maintained and ultimately manageable, in a huge variety of other cultural and social practices and functions. Such a broader cultural understanding may contribute to the emergence of the phenomenon in other areas of accounting. The shift of emphasis to formal accounting rhetoric may be related to changing forms of rationalization and legitimation of knowledge. The formulation of accounting concepts and ways of understanding, discussing and questioning accounting could be examined in more detail.

The new forms of accounting development and implementation can be analyzed in comparison with the changes in current affairs and journalism, as well as the configuration obtained from public images and discussions. The appearance of the Annual Report and Accounts as a specific document has been little studied and may be related to both the evolution of text reproduction and the change in perceptions of the need for accountability. The growing distortion of computational methods of accounting representation can be approached both in terms of the changing elements of knowledge and the rise of a mentality for greater accuracy and control. As accounting becomes more influential in everyday affairs, it is important to have a better picture of the processes by which this influence is created and maintained. Attaching accounting to the realm of everyday life becomes an important space for study (Hopwood, 1994). Accounting is about almost every activity in our lives, whether we know it or not, although its importance can sometimes be overlooked. Everyone and everything ultimately need accounting.

The accountant calculates, collects and reports the financial information needed to help business and organization managers, owners, investors, government agencies and other users to make decisions. From this process we can understand the role of accounting and the way it shows how accounting is important in our lives. Professionally, all practitioners must carefully manage their money, cash inflows and outflows. Whether someone is a doctor or a simple office clerk, he or she will need to process the numbers associated with the cost of the goods and services used or have been used and provided to him or

her by another professional. The construction contractor must analyze the cost of his work and how much it will be sold in order to secure a profit from this work. He must monitor all his expenses and estimates in order not to be burdened with additional costs and charge the appropriate prices. All these calculations, in a simplified form, make up the accounting. If there is no proper estimate and accurate calculation of costs, expenses and consumptions, the contractors' business will not make a profit and will eventually go out of business. The same is true for large businesses, if they do not handle their cash flows accurately, they will not stay in the market for long. Increasingly today, employees such as secretaries and office workers are taught basic accounting practices, both to help accountants and to keep proper accounting books themselves. In this way, these employees can manage transactions of lesser importance to the company and leave the transactions of greater importance to the accountant, to analyze and interpret them in order to make the right decisions. Timely and accurate information about businesses is vital to success in an age of rapidly changing business environment, and the accountant is responsible for the important business function that indirectly affects our daily lives.

We can claim that accounting will help any person to ensure a better lifestyle. Managing and controlling personal funding is now a matter of paramount importance to people. In the world we live in today, it is a question of finding even one person living without even a single debt in his life. Debts ranging from credit cards, car bills, mortgages and so on, can be linked to financial hardships that in some cases ruin lives and have become a nightmare for many people.

Would not it be helpful to know exactly where our income and expenses come from and how they change for everyone? Of course, it would have been, to the extent of detail everyone thinks this is necessary. Many of us spend a lot of time thinking about the consequences of this practice. It is important to know the share of our expenses for basic needs and luxuries, but also to finally have the right balance between our expenses. Life is not as easy as driving on a safe road with traffic lights and signals along the way, but we still need financial signals in our lives, whether we are in a comfortable phase or in the emergency phase that requires help. Accounting can help people detect these risks. If it can't offer much, the least it can do is ensure that our debt is under control and manageable.

Managing all accounting calculations can be tiring and tedious, but it can make the difference for one's all financial affairs. We can strategically plan our future to save money for our retirement, for the capital needed to educate our children, or even for the acquisition of some luxury in our lives. We can see the importance of this concept by observing today the businesses whose activities are strictly limited to providing financial advice. We can conclude that in the age we live in today, families and retirees depend on the reliability of the financial report for their future and their means of subsistence. With so many economic pressures affecting and refer to the lives of many people, accounting is considered important in many ways, making it almost impossible to live without it.

It is after all well known that "everyone needs an accountant, otherwise needs to become his/her own accountant". In vast majority of cases people or legal entities should hire an accountant. Rarely, people may face a strong need to settle and arrange properly their meager assets but turning to a professional accountant is out of the question and trying to accomplish this task seems to be rather a joke.

The social transformation of accounting is a complex and reciprocal relationship with the practices and processes of everyday life itself. Just as accounting techniques and

terminology have penetrated the wider social function, both the operation of accounting books and the claims made on its behalf are determined and shaped by a multitude of everyday characteristics of the world in which we live, many of which are apparent - without being- away from accounting techniques.

To date, accounting studies have not highlighted the importance of a broader cultural and interpretive framework for both accounting and accountant. We have relatively few ideas about accounting and the broader cultural and social issues associated with the operation of accounting and its effectiveness. The changing representation of the accountant in society has been little explored. We know little about the processes of identity change and the roles they play in them, the conscious mobilization of activity and the general cultural transformations in the economic environment (Hopwood, 1994). The literature investigation did not reveal any similar case of the use of accounting in unprecedented, extremely difficult conditions, and by someone uneducated and unrelated to the subject of accounting. The present study, therefore, is offered for a one of a kind research on an important issue from a social and accounting point of view, for a period particularly burdensome for all humanity, that of WWII.

## 2 The story

The present work analyzes the notes and transactions register on the personal diary of a World War II prisoner after his release by the Russian troops in 1945, and during his temporary stay in Italy, until 1947, in order to remedy the problem of a leg amputation caused by injury by the Nazis. The diary records events, containment data, personal data on the issues of the former prisoner and later temporary resident of various refugee camps, as well as pages of Revenue and Expenditure Accounts. Given that the prisoner in question was the writer's father, and handed him over, before he passed away, both the original diary and the notebooks in which he relayed in greater detail his entire adventure, which was published in a book, the data and presumptions to be analyze, is sure to be real and true.

This study anticipates to highlight on one hand the need of an ordinary person to turn to accounting as a holder or even touchstone to his Calvary, and on the other the inspiration to apply the rules and principles that could be devised or preferred by a virtually "illiterate" accountant, any differences and choices of such a user of an improvised and self-taught method of recording his transactions and finally answered the question if this specific technique and accounting registry style stem more from business or academic perception.

The aim of this research is to investigate the accounting events recorded, to determine the extent to which they have followed the accounting principles applied today, which have been implemented decades after that incident, or other rules, as could be devised by a 22-year-old with limited education. The referred person had not even graduated elementary school, had a minimum knowledge of arithmetic, limited up to 4 basic operations (addition, subtraction, multiplication and division), with incomplete learning even of its mother tongue, due to the imposition of the teaching the language of the conquerors and administrators of Dodecanese, that is Italian. Ultimately, which elements are considered by an "Illiterate" in the accounting filed, most significant, as well as the

way of registered them, is an outcome aimed by this research. The methodology chosen is the Qualitative Survey of the former prisoner's handwritten Diary, with emphasis on the analysis of self-taught accounting spreadsheets, point by point, on the similarities or differences from the applicable accepted accounting principles.

The paper is structured as follows: The introduction is followed by the story details and the literature review focusing on the accounting history and evolution. In the methodology section the qualitative analysis is explained in detail, along with the reasons it has been selected for this study. In the research section we analyze all the data involved in the research, present the photos of the original handwritten diary with the translated text in all four of them. The final section summarises the main conclusions drawn from this research, revealing the contribution to the existing literature, followed by limitations and research implications.

### 3 Literature review

Accounting history can be traced back thousands of years to the cradle of civilization in Mesopotamia and is said to have developed alongside writing, counting and money. 7000 years ago, humans recorded in clay with various symbols the production and their commercial transactions. The most precocious ancient accounting system of world was presented in Mesopotamia (Friedlob, et al, 1996; Henio, 1992). The early Egyptians and Babylonians created auditing systems, while the Romans collated detailed financial information (Brown, 2006; New York State Society of CPAs, 2003; Oldroyd, 1995). Some of the first accountants were employed around 300 BC in Iran, where tokens and bookkeeping scripts were discovered. Around the first millennium the Phoenicians invented an alphabetic system for bookkeeping, while the ancient Egyptians may have even assigned someone the role of comptroller (Brown, 2006). The father of modern accounting is Italian Luca Pacioli, who in 1494 first described the system of double-entry bookkeeping used by Venetian merchants in his *Summa de Arithmetica, Geometria, Proportioni et Proportionalita*. While he was not the inventor of accounting, Pacioli was the first to describe the system of debits and credits in journals and ledgers that is still the basis of today's accounting systems (Kalantonis et al, 2014).

The growth of Accountancy contributed decisively in the profitability and in the wealth of enterprises during the Italian art movement via which was supported and was elected the cultural blossoming that was marked at the 16th-century High Renaissance, with the financing of excellent and unique work of art and the featuring of leading authors, artists and scientists (Gleeson-White, 2013). In the Industrial era of 18th and 19th centuries the application of the double entry accounting system along with the cost accounting, contributed, via the financing from the enterprises' profits, to a great degree in the development of research, art and sciences (Soll, 2014). The modern accounting profession has its roots in Scotland in the mid-1800s. The industrial revolution in Britain was well underway and London was considered the world's financial center. The rapid growth of commercial and industrial companies and the increasing scale of manufacturing units has expanded the companies to gigantic sizes (Micklethwait and

Wooldridge, 2014), with increasing demand for more accountants and technically proficient more capable of handling especially the growingly complex world of global transactions. The increasing importance of accountants helped to transform accounting into a profession, first in the UK and then in the US. In 1904, the London Association of Accountants has been established to open the profession to a wider audience of people and to attract more prospective accountants.

As early as the Middle Ages, Latin language schools taught accounting to boys, who would later enter the market as trainees. Latin language schools, echoing the old educational model of Italy and the Netherlands, trained boys both for university and for commercial activities. As the industry expanded, so did the demand for accounting specialization, as a result of a healthy growth cycle. Accounting was considered increasingly necessary for the ruling class, which valued commerce. In the 18th century, Josiah Wedgwood not only created detailed costing that allowed him to manage production costs, labor and pricing, but also created accounting theories. His writings on costing are among the most fundamental in the history of finance. He created a cost classification or classification to predict the likely cost (Mc-Kendrick, 1970). Scotland was the center of this mix of classical and commercial teaching. In 1727, John Mair (1765) was appointed a teacher of arithmetic, accounting and other sciences at the Latin School of Ayr, writing in English one of the most important accounting books of all time, *The Bookkeeping Method* (1736), which was reissued 9 times until 1772 and was the most distinguished 18th-century accounting manual in North America. Along with the Latin schools, the accounting schools or the "writing academies", as they were called, since accountants and administrators had to learn to write clearly, they taught accounting even to those students who would go to Cambridge and Oxford, because they may need it later for a career in the Navy or in government. From the second half of the 18th century, accounting and even double-entry accounting, were common in English society due to an unprecedeted increase in accounting schools. By 1740, there were over 11 accounting academies in Britain, and by the end of the 18th century there were over two hundred (Soll, 2014).

Among the cases of application and use of Accounting, there are recorded in the existing literature researches focusing on different subjects but relative to social life. In his work "How to Keep a Home Account: A Family Account Manual" Haskins (1903), used a long history of accounting to prove that accounting was applied to both the "daily life of the household" and the "economy and administration" (Haskins, 1904; referred by Soll, 2014).

Interesting case is the reciprocal interaction of accounting with practices and processes of daily life in a rigid patriarchal socio-cultural and juridical context (Bernal, et al, 2019). The role of accounting as a means of certifying the value of women's heritage and the means to facilitate their recovery in this society, where women had an almost cosmetic role, overturned the prevailing social situation where women valued themselves only as a means to allocation and redistribution of assets between two families. Despite the ignorance of women and their lack of involvement in accounting and household management, they have shown confidence in accounting as a way of informing and supervising their assets. However, the inability of women to use accounting practices to

protect their interests strengthened male dominance and maintained the view that women would remain in a decorative role and needed a good and decent husband.

The study “Accounting and theology, an introduction: Initiating a dialogue between immediacy and eternity,” (McPhail and Cordery, 2019) argues that historical and current structures can limit the manner in which accounting research uses theological perspectives. Indeed, the concerns that the contemporary economic and knowledge system is in crisis and alternative ways of questioning are required to understand and respond to this system, remain.

Hopwood (1994) in “Accounting in Everyday Life: An introduction” describes the significance of accounting in our financial life, and what accounting may pertain to in everyday life to people who are not professional accountants, without even knowing about it.

What is considered important to be included in a daily transactions diary and how these entries are made? What accounting method does the entry-registry style selected look like? What is the significance given to Revenue and what to Expenses? Is there any application of accounting principles by the user without him having such knowledge at all? What criteria ultimately influence someone who lives with the conditions of that particular young person, who tries to deal with the specific problems of survival and social acceptance and integration, to turn to Accounting? Are the conditions that can lead one to become self-taught in an object he does not know, neither theoretically, nor practically, that he has not been taught or read? Since there is complete ignorance of accounting science and the practice of bookkeeping, how close to the rules of accounting and the recording of financial events and transactions can the attempt of anyone irrelevant to the subject of accounting be? Are there specific social criteria that encourage someone to turn to accounting to solve their problems? And for what kind of problems can Accounting be used by an illiterate, in unprecedently difficult conditions, without specific resources for survival, recently released from the NAZI concentration camp where being held captive, with amputated leg, and temporarily residing in an Italian refugee camp?

The need to devise an accounting approach comes first from the primary goal, the ability to finance the construction of an artificial leg, secondarily from securing money for his return home and of course for his survival until then, in a foreign country, all alone, young but greatly altered by his adventure from his capture as a prisoner until his release in 1945. The use of accounting by someone illiterate and unrelated to the subject and the practical application of, with which elements and criteria is selected?

#### 4 Sample and Methodology

Qualitative research has been of great interest in recent years and has been applied in many cases to qualitative research in all aspects and areas of the social sciences. However, its application and its characteristics as a sociological method are considered complex due to the lack of clear terminology in the literature referring to qualitative research (Morse & Richards, 2007; Weis & Fine, 2000). Therefore, different approaches emerge from practitioners, different theoretical directions, and ultimately different

definitions for qualitative research (Denzin & Lincoln (1994, 2005).

The role and purpose of qualitative research has been determined during its evolution in accordance with the ever-changing perceptions of its nature and its temporal applications. Qualitative research can be seen as a situated activity, comprising a set of interpretative and material practices, through which the observer "sees" what is happening around them and the changes that take place. This is accomplished through self-representations, field notes, interviews, conversations, photographs, tape recordings and notes in diaries.

Qualitative research involves an interpretative, naturalistic approach through the study of things in their natural context, attempting to give meaning and interpret phenomena as every human being would interpret and understand (Denzin & Lincoln, 2005:3; Henwood & Pidgeon, 1994). Hayes (1997) states that qualitative research is one that is carried out without the use of numerical data and mathematical calculations, a position agreed by Strauss and Corbin (1990), while Parker (1995) considers that quantitative approaches are appropriate for research in artificial, experimentally controlled conditions, while qualitative research is conducted in real-world conditions and is suitable for the study of people in the "real world". Willing (2001) argues that qualitative research is the research that is concerned with meaning, the way people experience events and not their behavior, although Hayes (1997) believes that there are qualitative approaches that focus on describing behavior, while others (Lund, 2005) focus primarily on some internal structures. Qualitative research uses verbal and visual data (observations, interviews, oral narratives, photographs, films, videos, etc.), in contrast to quantitative research, which is mainly based on the exploitation of numerical data (Lund, 2005). The most important techniques for collecting qualitative data are observation, interviewing and focus groups.

There are various classifications and categorizations of qualitative research in the literature. The most prominent is Renata Tesch's (1990), which distinguished 28 approaches that were categorized based on the main focus of interest into four main types, of which the present research falls into the category of approaches with a focus on understanding of the meaning of the text or action. This category includes phenomenological research, existential-phenomenological psychology, empirical phenomenology, interactive phenomenology, experiential phenomenology, case analysis, life stories, and interpretive research. In the field of education, D. F. Lancy (1993) distinguished seven qualitative approaches: anthropological approaches, sociological approaches, biological approaches, case studies, personal accounts, cognitive studies, and historical research.

The application of a quality-determinative analysis is followed in the present research. The survey data are analyzed consequently.

## 5 The research

The scientific "naturalistic example" consists of the following photos 1 - 4, consisting of handwritten notes by a former Nazi prisoner and subsequent refugee, who resided in Italian refugee camps, where he recorded his financial transactions.

The survey data are:

The subject who recorded his financial transactions and characteristics: A 22-year-old Greek man who speaks Greek and Italian to a satisfactory degree. Education, graduate of the 5th grade of the Greek Elementary School. Level of education, arithmetic knowledge of the four operations. Not any knowledge of finance or accounting.

The object in which the financial transactions are recorded: A notebook, personal diary format, manuscript (Photos 1-4).

Time and place of recording financial transactions: The years 1945 and 1946. After his release from the German concentration camp in 1945 and his crossing from Italy in order to restore the leg amputated. The recording was mainly made while on the refugee camp in Bologna.

Type of record: The entries show Year, Month, Day, Amount and Currency.

Analytic registration of Expenses. More descriptive registration of Revenues, which occurred less frequently and came from a specific source.

Additional registration of events that are not an accounting event.

All mathematical operations were done by memory, as there was no other way or any help. Hence various errors in additions.

Sub-Total and Transfer amount to the next period or calendar page, are used.

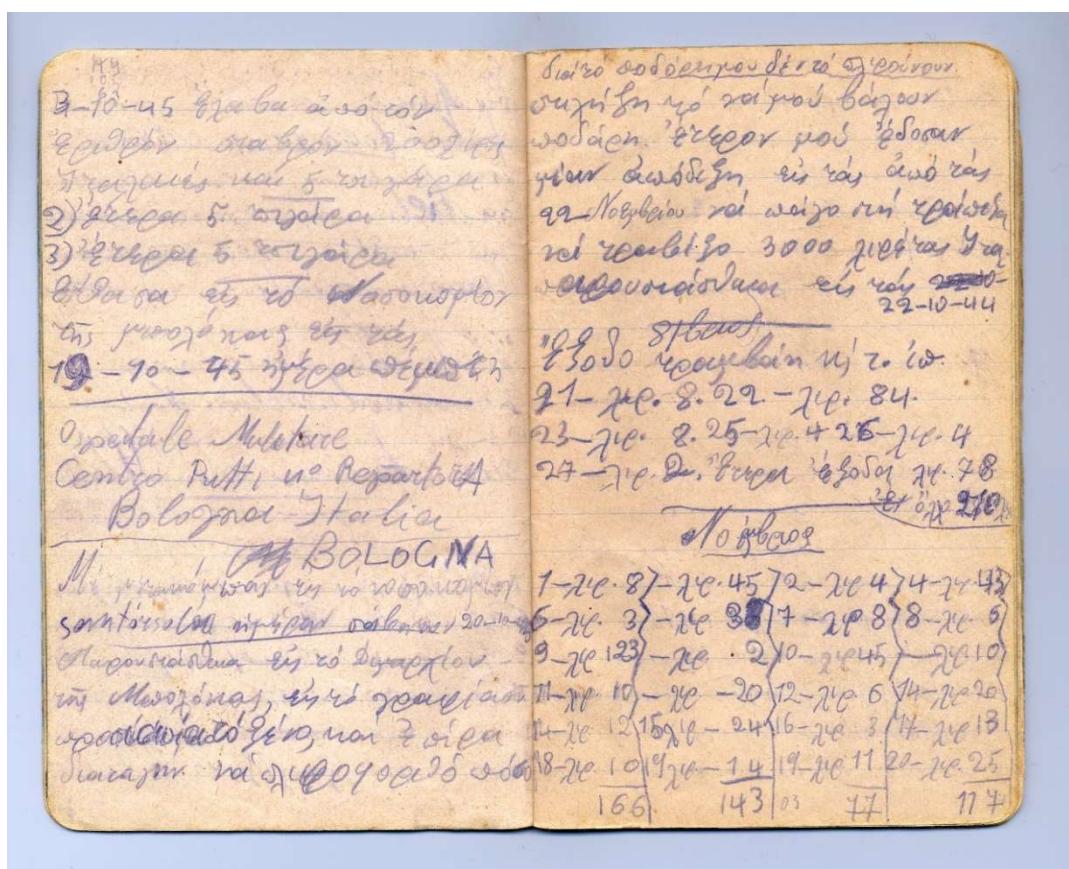


Photo 1.

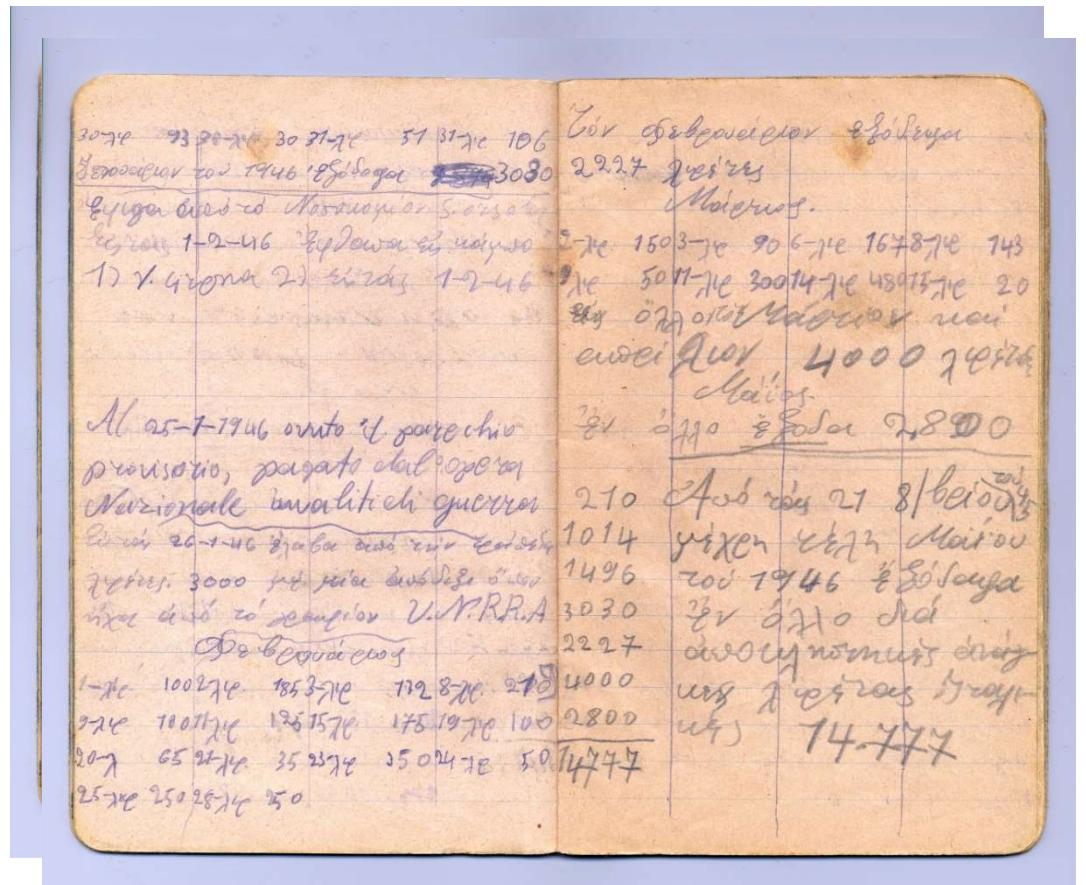
1.	3-10-45, I collected from Red Cross 200 Italian Liretes and 5 cigarettes.
2.	2) Another 5 cigarettes
3.	3) Another 5 cigarettes

4.	I arrive in Bologna Hospital on 18/10/1045, Thursday		
5.	Military Hospital Putti, (Ospidale Militare Centro Putti no regiatro) Bologna Italia		
6.	I have been transferred to Santo Orsola Hospital, on Saturday, 20-10-1945		
7.	I showed up at the Bologna City Hall (1) at the Bureau of Foreign Affairs and received an order to find out how much it would cost to make an artificial leg. I was given a voucher dated November 22, 1945, to go to the bank to draw 3,000 Italian Lire. They reply that they don't pay for the artificial leg in total.		
(1)	I showed up on 22-10-1945.		
8.	October		
9.	Expenses, Bank, etc.		
10.	21- lirete 8	22- lirete 84	
11.	23- lirete 8	25- lirete 4	26- lirete 4
12.	27- lirete 2		
13.	Other miscellaneous expenses, lirete 78		
14.	*		
15.	In total 210		
16.	November		
17.	1- lirete 8,	lirete 45,	2- lirete 4,
18.	6- lirete 3,	lirete 38,	7 - lirete 8,
19.	9- lirete 123,	lirete 2,	10- lirete 45,
20.	11- lirete 10,	lirete 20,	12- lirete 6,
21.	14- lirete 12,	15- lirete 24	14- lirete 20
22.	18- lirete 10,	19- lirete 14	16- lirete 3,
23.	166	143	19- lirete 11,
			20-lirete 25
			117
* [omitted expenses registration 22 lirete]			

**Photo 2.**

1.	166	143	77	117
2.	20- lirete 14	21-lirete 25	22- lirete 14	22-lirete 6
3.	23- lirete 48	23-lirete 33	26- lirete 56	27-lirete 12
4.	<u>29- lirete 3</u>	<u>30-lirete 18</u>	<u>30- lirete 22</u>	<u>-- lirete 60</u>
	231	219	169	195
5.	In November I have spent 814 lirete (231 + 219 + 169 + 195)			
6.	Other 200 lirete	200	= <b>1.014 lirete</b>	
7.	I have received from the Bank lirete 3.000 with the voucher from Bologna City Hall, on 23-11-1945			
8.	December			
9.	3- lirete 32	4- lirete 3	5- lirete 70	5- lirete 150
10.	6- lirete 60	7- lirete 6	8- lirete 24	9- lirete 12
11.	10- lirete 32	-- lirete 6	11- lirete 18	12- lirete 39
12.	12- lirete 80	12-lirete 1	13- lirete 102	16- lirete 32
13.	17- lirete 14	18-lirete 52	18- lirete 32	19-lirete 32
14.	20-lirete 60	21-lirete 7	22-lirete 6	22-lirete 90
15.	278	74	252	355
16.	I have received from the Bank lirete 3.000 with the voucher from Bologna City Hall, the UNRRA office, on 22-12-1945			
17.	24- lirete 52	24- lirete 37	25- lirete 131	27-lirete 40
18.	27- lirete 46	28- lirete 125	<u>29- lirete 53</u>	<u>30-lirete 21</u>
19.	<u>30- lirete 20</u>	<u>31- lirete 12</u>		
20.	396	348	436	416
21.	(In December I collected a package from English Red Cross, on 23-12-1945)			
22.	**			
23.	Expenses in Total <b>1.495</b>			
24.	January 1946			
25.	1- lirete 40	2- lirete 100	2- lirete 16	3-lirete 40
26.	5- lirete 35	7- lirete 200	7- lirete 140	8-lirete 28
27.	9-lirete 130	10-lirete 300	11-lirete 240	11- lirete 15
28.	12-lirete 64	12-lirete 225	13-lirete 30	14-lirete 80
29.	15-lirete 50	16-lirete 40	17- lirete 20	18-lirete 90
30.	19-lirete 64	20-lirete 150	20-lirete 15	21-lirete 65
31.	23-lirete 50	24-lirete 40	25-lirete 80	25-lirete 15
32.	<u>26-lirete 22</u>	<u>27-lirete 90</u>	<u>28-lirete 63</u>	<u>29-lirete 86</u>
33.	455	1.145	604	419

\*\* [sum of expenses = 1.497. Expenses' re-calculation = 1.495. Error in expenses calculation 2 lirete]



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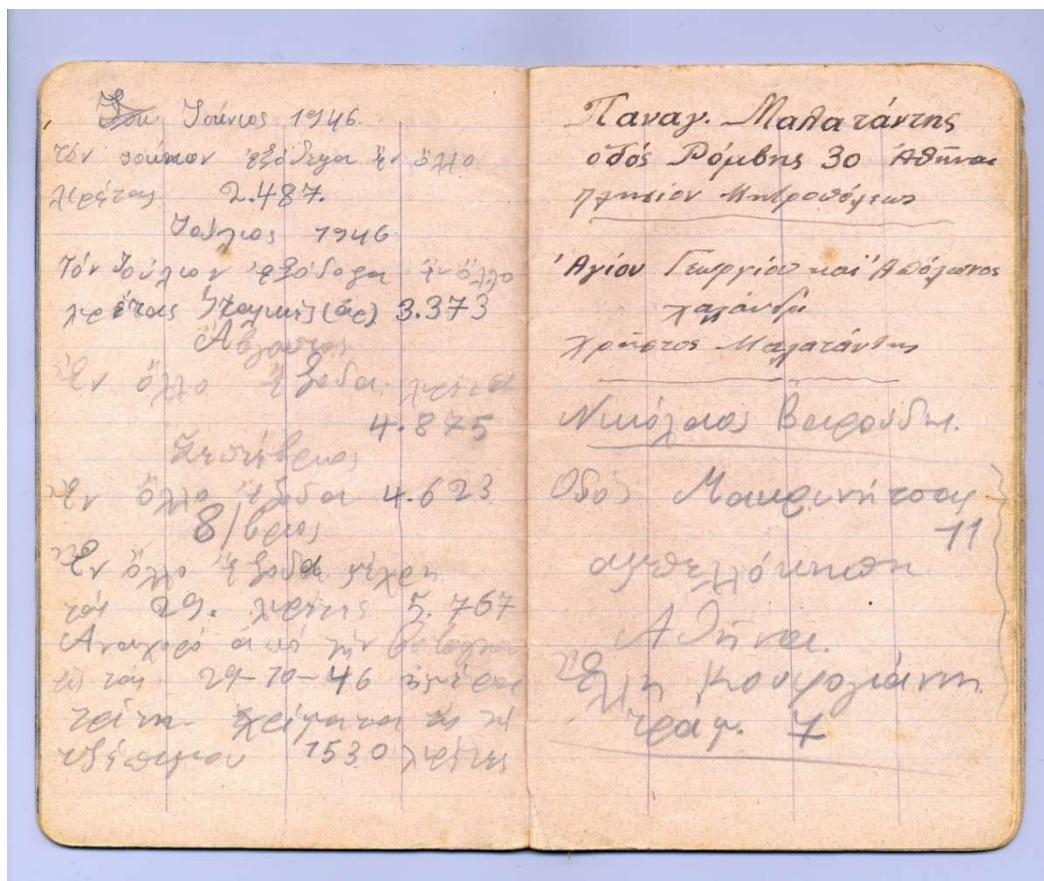
### Photo 3.

1. 30- lirete 93   30-lirete 30   31-lirete 51   31-lirete 106  
2. \*\*\*  
3. In January 1946 have spent **3.030**  
4. I left from Santa Orsola hospital on 1-2-1946  
5. I have arrived in the Refugee Camp V.Cerna, or Cirena (???) on 1-2-1946  
6. 26-01-1946 I received from the bank lirete 3.000 with the voucher from the UNRRA office.  
7. February 1946  
8. 1- lirete 100      2- lirete 185      3- lirete 132      8- lirete 210  
9. 9- lirete 100      11- lirete 125      15- lirete 175      19- lirete 100  
10. 20- lirete 65      21- lirete 35      23- lirete 350      24- lirete 50  
11. 25 – lirete 250      28- lirete 250  
12. \*\*\*\*  
13. On February I have spent **2.227**  
14. March 1946  
15. 2- lirete 150      3- lirete 90      6-lirete 167      8- lirete 143  
16. 9- lirete 50      11- lirete 300      14- lirete 480      15- lirete 20  
17. In total, March and April expenses 4.000 lirete  
18. May, total expenses 2.800  
19. 210  
20. 1014  
21. 1496

22.	3030
23.	2227
24.	4000
25.	<u>2800</u>
26.	14.777
27.	From 21 October 1945 to the end of May 1946 I have spent in total for personal needs Italian lirete 14.777

\*\*\* [Sum of expenses = 2.903. Expenses' re-calculation = 3.030. Error in expenses calculation, omitted expenses registration of 127 lirete]

\*\*\*\* [Sum of expenses = 2.127. Expenses' re-calculation = 2.227. Error in expenses calculation, omitted expenses registration of 100 lirete]



#### Photo 4.

1.	June 1946
2.	On June I have spent in total Italian lirete 2.487
3.	July 1946
4.	On July I have spent in total Italian lirete 3.373
5.	August
6.	Expenses in total lirete 4.875
7.	September
8.	Expenses in total 4.623
9.	October
10.	Expenses in total till October 29, lirete 5.767
11.	I leave Bologna on 29/10/46, Tuesday, with cash in my pocket 1.530 lirete.

## 6 Results

According to Mills (1994:84), credit and credit transfer must have acted not only as a stimuli for the development of recording techniques of trade and even primitive exchanges, but up to some time it was considered the only important enough aspect of a transaction worth to be recorded. Besides, several writers make their connection of the pedagogues' influence upon accounting in early Renaissance through "new textuality" the internal re-writing of the text into accounts and the double writing of money, which would later eventuate into double-entry and after the process was taken farthest by those who dealt most fully with the sophisticated money instruments" (Hoskin and Macve, 1986: 114 and 120). From the new textuality technique, new accounting systems for recording purposes and accounts keeping, are eventually developing or supporting such systematic examinations of incoming written statements (Kalantonis et al, 2014).

From the analysis of this research it is found that the "Accounting" application in the registration of financial transactions is mainly limited to the single-entry method and is inspired by the need to "arrange" the financial and consequently accounting transactions. The rules and accounting principles that appear do not seem to be imprinted in the Accounting-Diary-book but rather as a choice of writing style. It is obvious that the Diary-Bookkeeping has registered only Cash transactions and in a Single-Entry method. All entries registered in the Diary-Bookkeeping are made in the current value of the Italian currency which was the Lireta. Since cash receives are very rare and few, the Diary emphasizes on cash expenses which are certain and frequent. Receives are also registered, but in a more descriptive way. The most valuable "material" asset, the "Artificial Leg", has been mentioned, but not recorded. This is so because it is not financed by the UNRRA, neither could be paid by the handicapped. Besides, the exact cost of it was not known.

Consequently, we culminate that the science present in Accounting is not the element that determines how events and transactions are recorded. The use of "Accounting" is purely superficial and is limited to recording and partial reporting. There is no link to related objects such as Financial Analysis or Auditing, or Cost Accounting. Nevertheless, the writing and registration method chosen by the 22-year-old former captive and subsequent refugee, with no education and training in economics and accounting, proves that Accounting is an important tool for "capturing" and displaying financial transactions, personally evaluated important or even crucial by an irrelevant and "illiterate" in the subject.

Our conclusion is partially in parallel line with the finding of the Kalantonis et al (2014) study regarding the nature of double entry as a technique of business or academic affairs. They concluded that each one of the different forms of recording entry's expression through time reflect the needs upon which social functions (entrepreneurship, administration, and occasionally scholarship) placed emphasis and gave them recording (memorizing) priority.

It is obvious that double dimension of the exchange transaction and the eventually realized necessity to monitor the accounting of both parties involved in a transaction, requires the double entry accounting. Even though our evidence of analysis is not a double entry accounting book, but a rather single-entry book-diary, this necessity was realized as we attempted to illustrate in the credit transfer practices of the daily transactions. In the diary under examination, the place, the month, the contributor (money payer), the sub-total and the total are considered of highest importance for the

“illiterate” self-taught accountant and have been clearly register.

It can be discerned that academia never had accounting under its auspices while entrepreneurship, on the other hand, had always in accounting and its development a keen interest, natural and indisputable (Kalantonis et al, 2014). Anyway, it is well accepted that science is knowledge arising from purposeful (and not accidental) research (Gaffikin, 1984:12).

## 7 Conclusions

The conclusion is that basic accounting knowledge, enough to record simple daily transactions, may derive from the needs of the individual, and be configured according to specific environment and circumstances. The evidence of this study is displaced in the unique handwritten Diary-Book of transactions and the existing literature review on similar subjects. The choice and the sanctuary of accounting as bulwark in the worst possible circumstances reveals another option of social dimension of accounting. The choice of this style of registry daily transactions shows that the method of selection is related on one hand to the specific needs of the accounting user, and on the other to the easiness of understanding basic accounting theory and skills.

Juxtaposing the four photos of the Diary with the main accounting principles and guidelines applied in modern accounting (IAS and US GAAP), it is obvious and rather surprising that seven principles are applied even instinctively, three do not show any application at all, and two show partial application. An in deep investigation of the circumstances, the place of residence, the general conditions of the mentioned person, who is a former captive in Nazi’s concentration camp and later a refugee, struggling to survive and contrive a way to his repatriation to Greece, may explain even more details in his Accounting-Diary. For example, recording the collection of 5 cigarettes it is believed by anyone as non-materiality transaction. Could this be confessed by somebody having gone through all the hardship and suffering as the 22- year old ex captive?

Accordingly, it is evidently that the expenses, even the smallest amounts, are recorded analytically but as single entries, while the revenues, which are fewer, but larger amounts are not merely recorded but rather described more analytically, and attempting more to provide the information of double entries, with more detailed description. The impossibility of registering transactions in a double entry system is obvious but also justified since and special training is required, in addition to theoretical training. In general, therefore, both theoretical and practical assimilation of double entry require and require scientific and professional training, unthinkable skills for an illiterate former prisoner and now a refugee.

The importance of the receipts which are rare, as well as the significance of the expenses which are almost daily, are recorded with the commensurate anxiety for the future. This is reflected in the agony for the essential “artificial leg”, with the cost of its production being unreachable. Comparing the “personal accounting” of the ex-captive and later refugee struggling to survive and rehabilitate his amputee leg, with the accounting of a simple business, we might consider the “artificial leg” as the most valuable “fixed asset” for his physical and psychological “balance”. Among other inferences from the detailed analysis of the prototype handwritten transactions data, might be the way “accounting principles” have been understood and used by an “illiterate” young man. Regarding to the rules and

principles of “Qualitative characteristics of financial statements” in accordance to accounting principles detected in the handwritten bookkeeping records of the capture’s diary, it is revealed that to some way, the following principles; Understanding, Relevance Significance / importance / substance, Reliability (Fair presentation), Substance over type, Faithful presentation, Neutrality, Prudence, Completeness, Comparability; are even to a minimum level accepted and followed.

The way of understanding and assessing the significance, might be used in academic teaching and educating students in accounting subjects, as a preferred and efficient learning means, following the same easiness the “illiterate” refugee showed, and the specific necessity applicable by case.

The epilogue of the “story” is that the young refugee managed to collect the amount required to acquire the most valuable “asset” for him, the “artificial leg”. He has also managed to save the amount of money for his tickets to Greece. Besides, realizing that his disability would not allow him to practice a manually occupation, he foreseen to follow the vocation of a merchant, managed to return to his country with two suitcases full of sundries that would have been his first merchandise. All this success which followed his disaster in the WWII, is attributed to the accounting application as a means of guidance in an unknown world and within a tragic environment.

The few saved pages with accounting entries, and the missing explanations of the reasons behind the specific preferences in registering daily transactions, are some but significant limitations of the present study

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