

A LETTER TO MY PROFESSION II:

Responsible Prosperity Needed to Fortify the Pillars of the Accounting Profession: People

"It is a stretch to expect integrity all the time from hungry mortals."

(One day someone will read my letters to my profession, not necessarily from my generation; and one day someone will act on the sentiments of these letters. My moral obligation is to write to my profession; and I see I am writing to posterity as this generation is preoccupied with anxieties of the times)



Christian Ekeigwe, FCA, CPA (Massachusetts)

Chairman

Audit Committee Institute Nigeria

September 9, 2019

Phone: +234 802 304-2385 (WhatsApp Only)

Email: chris.ekeigwe@acinigeria.org

Notes (*this page intentionally left blank*)

Dear Professional Colleagues:

Responsible Prosperity Needed to Fortify the Pillars of the Accounting Profession: People

It is with great pleasure and thought for the prosperity of the profession that I am writing you again. Accounting is great. It is one of the key facilitators of modern civilization. We ought to be proud to be part of this great profession despite occasional contretemps, such as the financial crises the blames for which are sometimes foisted on the profession for audit failures; these events could be seen as rumbling strips serving wakeup calls for a sleeping driver to wake up and be alert. Accounting lives because our civilization depends on it, but we should not take it for granted. We must compete on competence and maintain our relevance by creating values that meet society's needs. We should not exist simply because law and history created default business for the profession. Expertise (knowing and doing) is one of the critical pillars on which our profession stands and based on that even today's complex accounting, a staggering representation of abstraction, continues to impart information to society with "communal credibility" (Brewster, 2003).¹ The era of default entitled market for the accounting profession has come to an end because "all its basic assumptions and illusions have been exhausted." The sanctity of market territories created and protected by law and regulation is being desecrated by innovation and competition. Industry works are predicting that "the accounting profession will face significant changes in the next three decades, and professional organizations, their members, and educational institutions should respond."² Almost everyone now may nibble at our profession and eat our lunch - lawyers, computer scientists, engineers, economists and management consultants, anyone who can deconstruct market fundamentals and give users of financial information some alternative assurance, because accounting, like many other professions such as medicine, is no longer *sui generis*. A past survey (Harris, 1986)³ had found that users of audit services had started developing appetite for assurance from other sources. And a 2018 CFA Institute survey⁴ on use of alternative performance measures (APMs) in financial reporting showed that "a majority of respondents support the continued expansion of APMs." Add to the list the threat (if we do nothing or not enough) and opportunity (if we act wisely now) of technology. According to Susskind and Susskind (2013),⁵ "'increasingly capable systems' -- from telepresence to artificial intelligence -- will bring fundamental change in the way that the 'practical expertise' of specialists is made available in society." Their prediction is that technology will not "simply streamline and optimize [our] traditional approach, it actively displaces the work of traditional professionals." They also predict that the professions will decline as we mature the internet society in which "we will neither need nor want doctors, teachers, accountants, architects, the clergy, consultants, lawyers, and many others, to work as they did in the 20th century." This prospect of demise has caused "great deal of resistance" to change from the Luddites in the profession. Nevertheless, they express

¹ Brewster, M. (2003). *Unaccountable: How the accounting profession forfeited a public trust*. Hoboken, NJ: Wiley.

² Azizul Islam, M. (2017, February 10). Future of Accounting Profession: Three Major Changes and Implications for Teaching and Research. Retrieved from <https://www.ifac.org/global-knowledge-gateway/business-reporting/discussion/future-accounting-profession-three-major>

³ Harris, L., *A Survey of Perceptions, Knowledge, and Attitudes Toward CPAs and Accounting Profession*, conducted for AICPA by Louis Harris and Associates, Inc. (October 1986).

⁴ CFA INSTITUTE (2018), MEMBER SURVEY REPORT: Alternative Performance Measures—The Latest on Investor Use and Desire for Standardization

⁵ Susskind, R., & Susskind, D. (2017). *The future of the professions: how technology will transform the work of human experts*. Oxford, United Kingdom: Oxford University Press.

optimism that accounting will prevail as they note that “some of the most open minded institutions of people that we’ve spoken to are the accounting associations who very much see themselves having a role in this transformation.”⁶ This is quite remarkable as an index of accounting’s institutional resilience. Of course, the future is in our capable hands. In another pointer to the dangers that accounting is facing, Deloitte CEO, Mr. Joe Ucuzoglu, CPA, in a 2015 *Journal of Accountancy* interview, expressed concern for the growing significance of metrics that are not subject to audit coverage but which users of financial statements are increasingly depending on. According to Ucuzoglu, “those metrics are becoming a bigger and bigger percentage of the mix of information that investors are relying upon ... so there is potentially an appetite for auditors to become involved in such a way that we can provide assurance that those numbers that are being relied upon by the markets and are moving stock prices have been, in fact, subject to some form of audit testing.”⁷ He opined that it is necessary for the profession, regulators, preparers and investors to collaborate to determine the auditability of these new metrics and the standards to govern audit procedures for their assurance. The relevance of this to our profession is that if we fail to innovate, our market audience will shift reliance to alternative providers of assurance in a manner that will balkanize our market. And implicit in this is that accountants and auditors should broaden their knowledge and expertise so they can audit metrics that are not essentially financial in nature.

People, members of the profession, are a critical pillar of accounting. Part of the solution is for the profession to compete on competence of its people by deepening our core differentiators based on unique skillset that sets us apart and creates “unfair advantage” that captivates the market while discouraging predatory competition from alternative assurance providers. To compete on competence we need to develop what Newport (2012)⁸ called “craftman’s mindset” which he described as “focused on what you can offer the world ... creating something meaningful and then presenting it to the world ... obsessive focus on the quality of what you produce is the rule in professional [work, *emphasis mine*] ... it trumps your appearance, your equipment, your personality, and your connections ...” He was describing how to compete on competence with “career capital” that makes you “*So Good They Can't Ignore You.*” The combination of our integrity, expertise (knowing and doing, competence and integrity) and steadfastness in attending to society’s need is the linchpin of the profession and the currency in which we lend credibility and trust to capitalism and its system of principal/agent stewardship relationships. It is unarguable that if accountants and auditors become physically, intellectually and morally famished, flaccid and shaky, so too will the profession and modern civilization pine away and decline because the alternative assurance offered is not built up on the hallowed ideal of public trust and therefore does not have the affordances of accounting and auditing that the market has come to rely upon. The ideals of accounting are so strong that even when reduced by circumstances its residual inherent assurance still provides the market with sufficient basis for a high level of

⁶ Harbison, A. (2017, July 25). The end of the accounting profession as we know it?: News. Retrieved August 26, 2019, from <https://www.icas.com/ca-today-news/the-end-of-the-accounting-profession-as-we-know-it>

⁷ Tysiac, K. (2015, August 3). Can auditors expand assurance to meet investors' needs? Retrieved August 26, 2019, from <https://www.journalofaccountancy.com/news/2015/aug/audit-assurance-needs-201512741.html>

⁸ Newport, C. (2012). *So Good They Can't Ignore You: Why Skills Trump Passion in the Quest for Work You Love*. New York, NY: Hachette Book Group.

communal credibility on which the market depends. These are what make accounting, albeit imperfect, so good the market cannot ignore it. Nevertheless, I continue to warn that accounting should not take its perch in the market for granted because one of the rules of the new knowledge economy is that there are no untouchable hallowed places in the market any more. A strong reactance may challenge settled positions.

Recall that in my first letter I reminded us that the accounting profession benefitted from the reputation established by such menschs and consummate minds as Mr. Akintola Williams, Chief Arthur Mbanefo, and others whose professional and moral force field shaped public perception of the accountant, auditor, the Institute and the profession in Nigeria. In my own case, as I have said for the umpteenth time, it is their integrity and professionalism that attracted me to accounting; and by divine providence I ended up being wonderfully trained in the firm Akintola Williams & Co (later renamed Akintiola Williams Deloitte), for which I am very proud and beholden to the firm. As I was concluding this letter, my attention was drawn to a link featuring an article written by Ray Ekpu (2019)⁹ in the Nigerian Guardian describing Mr. Akintola Williams' life of integrity thus: "Mr. Williams has demonstrated beyond the symbolism of a suit and tie that he should be trusted. I have heard of no financial scandal involving his company or his person in his many years of practice. Those who know him closely say he is a bastion of integrity, simplicity, and modesty and that the respect he commands is not merely on account of his age but principally because he has acquitted himself creditably in those departments." Ekpu then asked a question that reveals the huge vacuum his legacy will create in the accounting profession: "By the way, where has Accountancy been in the scheme of things in Nigeria? Has Accountancy made the Nigerian world more beautiful or simply made it coldly imperfect? Or has Accountancy been weighed down so heavily by the pressures of politics, corruption, and conformity that it has failed to contribute significantly to making Nigeria a better country?" Sadly, the brand Akintola Williams has been allowed to be relegated to obscurity as globalization is foisted on the Nigerian market and it got swallowed by the Deloitte brand. But it lives in my heart and the heart of all those who were fully instructed in the values of Mr. Akintola Williams. Akintola Williams & Co gave me opportunity that I otherwise might not have without formal education and took me to the pinnacle of the profession (I still vividly remember one night I was working late at Akintola Williams Deloitte office in Owerri and Mr. Akintola Williams and Ma Oye his beautiful wife walked in at about midnight with Chief Bob Ogbuagu. He asked, "Why are you working so late, youngman? I saw the light on inside the building and decided to see what is going on." I answered that I needed to complete the typing and binding of the financial statements of a client holding its Board meeting the next morning. To which he said, "I noticed you type fast, are you the secretary? I said no sir, I am the branch manager. He looked at Ma Oye and Chief Ogbuagu each of whom smiled at me. Instantly his countenance changed with unmeasured palpable approval, like Jesus approving of the faithful slave for being on duty when he the master returned. He brought out his diary, asked my name, I told him and he made a note of my name in it. Perhaps that day I was noticed at the topmost echelon of the firm and penned down for promotions that followed until I was selected to go the United States of America on

⁹ Ekpu, Ray (2019, August 27). What is Williams doing right? Retrieved August 27, 2019, from <https://guardian.ng/features/media/what-is-williams-doing-right/>

international exchange program for the best and brightest. Next to my Godly devotion, it is because of Mr Akintola Williams and Mr Godwin Oporum (a stickler for uprightness who would even insist that pictures hanging on the wall should align properly), that I made a commitment to flawless integrity during the exchange program in Boston, Massachusetts. I said to myself I owe it to them not to bring home shame. That fear ruled my monastic life during exchange program, and continues to influence my commitment to responsible prosperity. It is my hope that one day posterity will have the intellectual and moral courage to recognize the categorical imperative to do the right thing and ensure that the native brand “Akintola Williams” is restored in the African accounting market; I keep giving it racy thoughts and will like to be part of that future, in which history is respectfully restored, by contributing my discretionary energy. Mr. Akintola Williams is an accounting mensch; many are his proteges. Of these I am one and I feel privileged that I was considered worthy of the opportunity. I am deeply beholden to him and to his partners at the firm of Akintola Williams & Co, such as Mr. Godwin Oporum, (my director mentor) who made sacrifices so that our generation would survive and prosper. Accounting will prosper if we imbibe and practice and live the values that Mr. Akintola Williams espoused, indeed and in deed.

History shows that it is unarguable that without the affordances of accounting and auditing, individuals, institutions and nations would pine away and decline; even if they do not die, they would not be strong and prosperous as otherwise they would be with the benefits of the profession. History lends much credence to that assertion.

Our millennia of experience shows that accounting has nurtured civilizations, from ancient farmers south of river Nile in Africa to Persia, Asia, Europe and the Americas. In the *The Reckoning*, Soll (2014)¹⁰ observed that whether building a road or fighting a war, “leaders from ancient Mesopotamia to the present have relied on financial accounting to track their state's assets and guide its policies.” Accounting (book-keeping, as it was called early in its history) helped stimulate commerce during the Renaissance by helping leaders and merchants “keep a tab on the things that matter.” Accounting philosophy and the accounting tools and techniques used in the quantification, recording and reporting of economic events, and the oversight function of auditing, Soll continued, “form the basis of modern capitalism and the nation-state. Yet our appreciation for accounting and its formative role throughout history remains minimal at best - and we remain ignorant at our peril.” The 2008 financial crisis is only the most recent example of how poor or risky [accounting] practices *can shake, and even bring down, entire societies* (Brooks, 2018).¹¹ Yet, even in the midst of financial crisis, leaders and society continued to repose confidence in auditing and accounting, hopefully not because there is no alternative. One example of this was expressed by President George Bush (the advocate in chief of the “Ownership society” philosophy) in the middle of the Enron crisis when he spoke to an economic forum at Baylor University. The conference was motivated by his concerns “about the impact a string of corporate scandals appear to be having on investor confidence.” He wanted to reassure the market of the

¹⁰ Soll, J. (2014). *The Reckoning: Financial Accountability and the Rise and Fall of Nations*. Basic Books: New York, NY

¹¹ Brooks, R. (2018). *Bean counters: The triumph of the accountants and how they broke capitalism*. London: Atlantic Books.

enduring “role of government ... not to create wealth, but an environment in which the economy can grow ... our economy was hit by corporate scandals. But I'm certain of this, we won't let fear undermine our economy and we're not going to let fraud undermine (it) either.”¹² As reported by CNN, President Bush vowed to deal with corporate executives involved in the financial frauds that triggered the “lackluster economic growth and a rocky stock market.” He said: “We're confident in the long-term health of this economy.”¹³ Considering that this period in 2002 was filled with the din of accounting scandals, it is surprising that Bush ended that forum without suggesting any doubts about the ability of auditing and accounting to continue to support our form of capitalism. Instead he signed into law the Sarbanes-Oxley Act to correct the accounting profession and ensure it contributes to improving accountability of stewards and investor confidence in financial reporting. President Bush described the law as “the most far-reaching reforms of American business practices since the time of Franklin Delano Roosevelt.”¹⁴ SOX, as the law came to be known, strongly addressed the conflict of interest which had been an under-reported risk flying below all oversight radar. According to Ekeigwe (2017) “Conflict of Interest is the most dangerous low-visibility governance vulnerability. It is primal, predatory, and implacable. Actively insidious, it contuses the systemic governance dynamics on which the prosperity of the organization depends. Wrapped in collusive code of silence, it corrodes the ideals of governance, traumatizes and evades conventional controls, weakens the audit function and unleashes indeterminate vulnerabilities as it “normalizes” anomie in the organization, turning people (important control elements) to acquiescent sheeple. For good reasons it has been called “THE MOTHER OF GOVERNANCE VULNERABILITIES.” Put simply, conflict of interest is a prescription for governance failure and value erosion.”¹⁵ Then in 2016, a global institution, the World Bank yet expressed confidence in accounting. In its effort to alleviate poverty and promote co-creating and sharing of prosperity, the World Bank has found it needs to involve the accounting profession in order to meaningfully address its goals. The enduring affordances of accounting and auditing will ensure “strong financial management ... crucial in paving the way for more accountable and transparent institutions ... enhanced public financial management (PFM) ... essential to delivering sustainable and high-quality public services, as well as minimize fraud and corruption. Improved public sector reporting equips citizens with more information and paints a clearer picture of a government’s ability to meet its obligations.”¹⁶ That President Bush chose to sign a law meant to bolster accounting, reassert its primacy and significance in capitalism, and not to diminish it, and the World Bank holding it in so high esteem, simply shows the profound of society’s

¹² Bureau, K. W. (n.d.). Bush, Cheney tout economy; Dems criticize. Retrieved December 25, 2018, from <http://www.cnn.com/2002/ALLPOLITICS/08/07/wh.economy/index.html>

¹³ Bush hosts economic forum. (n.d.). Retrieved December 25, 2018, from <http://www.cnn.com/2002/ALLPOLITICS/08/13/economic.forum/index.html>

¹⁴ Bumiller, E. (2002, July 31). Bush Signs Bill Aimed at Fraud In Corporations. Retrieved from <https://www.nytimes.com/2002/07/31/business/corporate-conduct-the-president-bush-signs-bill-aimed-at-fraud-in-corporations.html>

¹⁵ Ekeigwe, C. C. (2017) Welcome Address at the 2017 Audit Committee Conference “Safeguarding Governance and Wealth from Conflict of Interest,” July 11-12, 2017, Audit Committee Institute Nigeria, Lagos, Nigeria

¹⁶ Blood, B., & Poirier, J. (2016, September 2). The Role of Accounting in Powering Economic Prosperity in Asia. Retrieved September 2, 2019, from <https://www.ifac.org/global-knowledge-gateway/finance-leadership-development/discussion/role-accounting-powering-economic>

confidence in accounting and auditing as instrumentality for creating “an environment in which the economy can grow.” To accounting I say, this is a profound societal responsibility laid on us. If something could bring down entire societies as Brooks (2018)¹⁷ noted, then that thing is critically strategic; and if something is critically strategic, then it should be given profound solemn governance attention to ensure its enduring efficacy – history dictates that accounting and auditing be recognized as critically strategic to the survival and progress of modern civilization. Accounting and auditing survive and continue to enjoy societal confidence because of the relevant competence of accountants and auditors. For this reason the competence and integrity of auditors are critical to the future relevance of the profession and the future of our civilization. If the competence of auditors is being blindsided by advancements in society it behooves us who are interested in the relevance of the profession to bridge the knowing-doing gaps that arise; more importantly, it is in public interest that we do so. It is also in public interest that our expertise is responsibly rewarded to maintain our responsible interest in the public trust and give us the economic security we need to withstand temptations of hedonism and spasms of corruption. Having accountants on starvation income constrains their ability to maintain their gatekeeping responsibilities. When accounting and accountants fail, so does trust in society wane, precipitating economic slough. History tells of two contrastive testimonies of the role of accounting in society. According to Soll (2014),¹⁸ “The Medici family of 15th century Florence used the double-entry method to win the loyalty of their clients, but eventually began to misrepresent their accounts, ultimately contributing to the economic decline of the Florentine state itself. ... When transparent accounting finally took hold in the 19th century, the practice helped England establish a global empire.”

When auditors are sufficiently professional, honed with relevant skills and capable of austere independence, and “well fed” in carrying out their assignment they compel management to become transparently accountable. Such a position makes the auditor unpopular with management though, but it is what Doty (2013),¹⁹ speaking at the 2018 Aileen Beattie Memorial Lecture, called the “moral choice, [that] makes the free market possible.” By so building a basis for market confidence in the reported financial information, “auditors reduce financing costs, and contribute to an efficient allocation of capital to fuel economic growth.” According to Doty, these are the motives, the principles, underlying Aileen Beattie's work. She understood the requirements for a just and prosperous society. In my opinion, a strong accounting profession was such primal requirement, as acknowledged by Sombart (1902),²⁰ who wrote that “double-entry book-keeping [read accounting] was born out of the same spirits as the systems of Galileo and Newton ... it [accounting] discloses to us the cosmos of the economic world.” A character in Goethe's

¹⁷ *ibid*

¹⁸ *ibid*

¹⁹ Doty, J. R. (2013, April 18). (Former Chairman [2011-2018] of the Public Company Accounting Oversight Board) The Role of the Audit in the Global Economy, speech given at the Aileen Beattie Memorial Lecture, sponsored by the Institute of Chartered Accountants of Scotland, held April 18, 2018 at the Stationers’ Hall, London, England (https://pcaobus.org/News/Speech/Pages/04182013_ICAS.aspx. Retrieved eptember 3, 2019, from https://pcaobus.org/News/Speech/Pages/04182013_ICAS.aspx

²⁰ Sombart, W. (1902). *Der moderne Kapitalismus*. Leipzig: Duncker & Humblot.

Wilhelm Meister²¹ said of book-keeping [accounting]: "It is among the finest inventions of the human mind; every prudent master of a house should introduce it into his economy." Chatfield and Vangermeersch (2014)²² echoed this view when they pointed out that accounting has served societies in various and increasingly complex capacities. Accounting was praised early in the history of capitalism for its affordances, among which is "the immense advantages the merchants derived from the system of book-keeping," and because good accountants, not benighted by the knowing-doing gap, would "bring everything to a certainty which before now floated in the mind indefinitely."²³ These expressions of confidence elicited the dependence of society on accounting for promoting accountability, through which "the financial and the moral meet in the twinned precepts of economic efficiency and ethical practice."²⁴ Bovens, et al (2014)²⁵ assert that "the idea of accountability is historically rooted in the practice of book-keeping and in the discipline of accounting" through telling stories of transactions "based on some obligation and with some consequence in view ... in a context of social power relation within which enforcement of standards and the fulfillment of obligations is a reasonable expectation." All this historical eloquence acclaim accounting and auditing without the accountant and the auditor, namely, without answering a question an accountant or auditor might ask thus, "what is in it for me?" or WIIFM. History is replete with evidence that accounting has helped modern society prosper. It is time to ensure that individual hardworking members of the profession are not left behind, for any reason.

In my first letter I made a reference to what I called "**Responsible Prosperity.**" I have since received comments asking me to explain what it means and why I believe that responsible prosperity is necessary for accountants to have the courage to be different – our profession always requires us to be courageously different in our advocacy for integrity. When I explain, I am further asked whether responsible prosperity is possible given the contagion of social anomie in human society. So the purpose of this second letter is to answer, as much as I can now do, the questions raised regarding responsible prosperity and its necessity in the accounting profession, but only after I had affirmed the primacy of the role of accounting in human civilization. In this letter I will use the words accounting/accountant and auditing/auditor interchangeably.

I will give both good and bad examples with me (my firm) in order not to give the appearance of sanctimony and to have the freeness of speech that I need to write this letter. In the first letter I modestly said that many of us in the accounting profession are ready to subject to public scrutiny of our prosperity because we decidedly, intently conduct our affairs in a manner that ensures there is no corruption in our prosperity – we can explain how we

²¹ Goethe, J. W. (1924). *Wilhelm Meisters apprenticeship and travels* .. C. Scribners Sons.

²² Chatfield, M., & Vangermeersch, R. G. (2014). *The history of accounting: An international encyclopedia*. London: Routledge.

²³ McCloskey, D. N. (2017). *Bourgeois equality: How ideas, not capital or institutions, enriched the world*. Chicago: The University of Chicago Press.

²⁴ Strathern, M. (2005). *Audit cultures: Anthropological studies in accountability, ethics and the academy*. London: Routledge.

²⁵ Bovens, M., Goodin, R. E., & Schillemans, T. (2014). Public Accountability. In Mark Bovens, Robert E. Goodin, and Thomas Schillemans (Eds.), pp, 1-20. *The Oxford handbook of public accountability*. Oxford: Oxford University Press.

earned every penny that we possess. That fact has not changed and it is no puffery for accountants to say that. In my case I lived up to my family and professional upbringing of integrity. My parents insisted on it (“don’t bring in this family any illicit money,” they warned us constantly); at Akintola Williams & Co. it was our refrain, thus reinforcing my family’s values. I also had the privilege of meeting and being molded by such unapologetically ethical, ascetic and unchangeable man, Rev. Nkem Ezediario, the monastic Finance Director of BAT Industries Plc in Nigeria of whose unassailable integrity Chief Akintunde Asalu, the racy shareholder activist said, “if every Finance Director is like him, shareholders would be unworried and the Nigerian economy would flourish.” Rev. Ezediario had zero tolerance for corruption; he knew only responsible prosperity and lived as one of the finest men you could ever meet; even in difficult times he would tell me that just like Job, he would maintain his integrity to death and he did - (Job 27:5),²⁶ “Until I die, I will not renounce my integrity!” So he lived - a life that was prescinded from the din of corruption. All these influences helped etch integrity in me; when I retrodict about my life course I say to myself, “Integrity is a decision,” it doesn’t happen unless it is decidedly cultivated, nurtured, and protected, sometimes at great costs. I humbly recognize that I am one little person out of the many in the profession who do not have corruption in their prosperity and we are ready to subjected to public scrutiny in defense of our profession. I am very proud of you, my professional colleagues. Unfortunately, the few bad cases get over-reported with sensational salience that makes it seem there are no more good women and men in the profession as the good news about the good ones will not make news that captivates the media consuming audience. One of the strategic institutional responsibilities of a profession is to control the narrative of its existence not allowing its image and that of its members to be solely shaped by unexamined media. On the negative side I also allow that being an entrepreneur in a frontier economy as Nigeria with its many dysfunctions I and my firm, while not causing or aggravating the endemic systemic vulnerabilities of society, have benefitted from it and for this I personally feel that there is “categorical imperative” (= binding in all circumstances and is not conditional) placed on me, and certainly on my generation, to look back and commit to healing the vulnerabilities of our community in any way that we can, starting with exemplary life. Therefore, I have always endeavored to give back to my community in genuine ways that heal and requite my obligation, not out a sense of moral compensation redressing moral turpitude. I am happy that many of the young people that I had the honor to train in my firm EDP and taught the values of Mr. Akintola Williams have lived up to his principles. Among them are Richard Opara, CPA (California) (Cleveland Clinic), Ikechukwu Adinde, PhD, Administrator, Digital Bridge Institute, Nigeria, Justus Ekeigwe (Charles Schwabs), Seun Talabi (Morgan Stanley), Emeka Eboegbune, CIO, First City Monument Bank, Ebenezer Oladimeji PhD (Raytheon), Olugbenga Ogunsaki (Gigamon), to mention just a few. I am so proud of their decided resolute integrity. Look, these are “Nigerians indeed in whom there is no guile.” With morally courageous young men like these who say there are no honest Nigerians? They are not perfect humans, though; but, yet please examine and put them to the test of integrity. I am honoured to be part of cultivating their rectitude.

²⁶ New World Translation of the Holy Scriptures Bible (2013 ed), Retrieved August 31, 2019, from <https://www.jw.org/en/publications/bible/nwt/books/job/27/>

The purpose of this letter is not retribution but progress and prosperity, and above all, learning, instruction and responsiveness. If errors were what God looks on in humans, no one will stand - (Psalm 130:3):²⁷ "If errors were what you watch, O Jah, Then who, O Jehovah, could stand?" If we wait to find a righteous man or woman among us to write on issues that need improvement in our profession we will not progress because no man is perfectly righteous. I know that many of us are skittish about coming out publicly to contribute to difficult conversations because someone somewhere will attack our integrity for some past error. To that I say enough, because even such puritans are not perfect. I am not perfect but that will not stop me from contributing to the difficult conversations that bring progress in my profession. The sanctimonious can wait for their perfect leaders to be born in heaven. Please bear with me if I sound imperious anywhere in this letter as it is not my purpose or style. Perhaps the national accounting bodies should coalesce and establish a Think Tank that will help our "fallen" members rehabilitate their reputation in the market to allow them bring their intellectual energy to the benefit of the profession instead of yielding to fear of attack on them for past errors if they should stand up in public.

The idea of responsible prosperity came to me as I was writing the first letter and needed to clarify that my assertion that the demonstration of integrity according to the calling of our profession does not mean or even suggest that accountants are supposed to be poor people – the motto of the Institute of Chartered Accountants of Nigeria ICAN, "Accuracy & Integrity," for example, is compatible with responsible prosperity. I want to make it clear that it is necessary for accountants to have a measure of economic security but that it should come from wealth that is earned in a responsible manner, i.e., without hurting the earth, without deceit, with effort unless it is a gift, and without breaching the right of others in society. If I have to formalize this description into a definition, I would put it as follows:

responsible prosperity is prosperity that is built with the discipline of boundary, without corruption, achieved without wittingly creating, exploiting or aggravating the vulnerabilities of society, people, the planet, clients, employees, fellow employees, employers and trading partners.

I am sure I will change this definition very soon as I exercise my mind on the issue. You have not heard the last of this definition, until my professional contemporaries critique it by peer review, which should yield further refinement. But I know that whatever the definition refines to it will be agreeable to the notion that the correlative of prosperity must not be the hurting of other beneficiaries of the planet. It will also recognize that when each one of us lives within the boundaries of our legitimate share of resources and income we will not "spend other people's money" without their permission; doing so is simply another name for corruption.

²⁷ Psalms 130:3, *New World translation of the Holy Scriptures: Rendered from the original languages.* (2013). Brooklyn, NY: Watchtower Bible and Tract Society of New York.

Therefore, the phrase “responsible prosperity” means wealth that is not tainted with corruption that the owner is aware of; and the owner is inclined and eager to eradicate any blemish of corruption that comes to his notice. This part of eagerly eradicating corruption is important because I realize the possibility that one may have wealth tainted with corruption that one is not aware of. For example, I ordered mundane kitchen equipment from overseas for my wife. When it arrived at the airport cargo unit someone called me saying he is a clearing agent. I admired his diligence to get new business so I engaged him to clear the item, without any due diligence to verify him (I considered the amount immaterial for such effort). He billed me for the total cost of the clearing which included payment of the customs duty. To my surprise, months later my name appeared on the Customs Department’s list of duty evaders. When I called him he apologized and said he would “sort out the matter,” which to me is a euphemism for corruption. So what I did is ask another agency to pick up the Customs bill so I will pay the pittance (less than N5,000). It is for cases like this that the Psalmist said at Psalm 19:12 “Who can discern mistakes? Pronounce me innocent from sins I am unaware of.”²⁸ You can see that my thinking like an accountant that the amount is immaterial proved to be a misleading bias because materiality is not considered when dealing with crime, and duty evasion, I am told, could be a crime. Now that duty evasion, a crime, has arisen one can see how significant the decision was not to verify the agent. By proxy I would have committed a crime, unwittingly. Who can discern such mistakes all the time? In fact, it is the experience of this case that led me to rethink the definition of responsible prosperity and to include the word “wittingly” so that part of the definition now reads “without wittingly ... exploiting ... the vulnerabilities of society, ...”

The stygian atmosphere of corruption in the Augean Stables of our community has proved most actively benighting, contagious and corrosive that one wonders whether we still have a few good women and men – to be sure, we do, and that is very comforting. Some of our professional colleagues who have engaged me on the issue of responsible prosperity as I have progressively defined it worry that the definition is morally too elevated to be humanly achievable, that it may be difficult to live strictly at such standards. They feel the definition will condemn all of us because, according to them, it is not possible for humans living in Nigeria where one easily gets entangled, unwittingly and unwillingly, in the din of corruption, to remain innocent by the standards implicit in my definition of responsible prosperity. My answer is that integrity needs one to have “courage to be different,” integrity needs a soldier. My definition already allowed that unwitting mistakes not be held against us. But “unwilling” mistakes are a different breed. I vaguely remember reading cases of people convicted of war crime even after they pleaded that they “unwillingly” carried out Hitler’s order to commit the crime. Unwitting and unwilling are not quite the same. There has been some persuasive studies showing that unwillingness may be overridden by some coercion (Milgram, 2019),²⁹ of some authority or set of circumstances and therefore “people who give orders should perhaps be held more responsible for the actions and outcomes of those they coerce.” However, what does one say about a soldier

²⁸ Psalms 19:12, *New World translation of the Holy Scriptures: Rendered from the original languages*. (2013). Brooklyn, NY: Watchtower Bible and Tract Society of New York.

²⁹ Milgram, S. (2019). *Obedience to authority: An experimental view*. New York, NY: Harper Perennial Modern Thought.

who kills indiscriminately after his mind has been dinned with sounds of war weapons in action. I know from my childhood experience during the Biafra war that the din of bombs and heavy artillery, like the din of corruption, are capable of making humans distraught such that they cannot think clearly. In that state of radical psychosis with suspended reality, accountability for one's actions is lost. Would it be morally responsible to hold people accountable for their actions when in such a state? The Bible says that "oppression can drive the wise one into madness, and a bribe corrupts the heart."³⁰ A good man oppressed to insanity under which state he becomes distraught and takes bribes is an example to think about; yet one needs to be careful not to drift into rationalization with cases like this and risk condoning what is wrong. The truth is that one of the consequences of corruption is that it traumatizes good women and men to a state where their behavior becomes indeterminate. As I was writing this letter, I recollected reading a story in the Punch newspaper (Saturday, February 25, 2017) with the headline "Danger as Psychiatrists Reveal Rising Mental Illness in Nigeria."³¹ The story linked the rise in mental health crisis to the "disturbing trend to [economic] hardship, distress ... anxiety." Surely, deviant behavior will rise in our time, not abate, due to the din of corruption, and economic hardship, sweeping in its tide even good people. Even the Scriptures warned that in the last days (who knows what these days are?), there will be "critical times hard to deal with"³² in which psychopaths will make things difficult for many as they greedily plunder with "grievous evil ... riches being hoarded"³³ but to their own "hurt." In this atmosphere of feral markets and psychopathy accountants and auditors who traditionally act as governance gatekeepers should not be subjected to traumatizing privation such that their moral fiber pines away.

In our time things have got so bad with corruption that auditors are known to have succumbed to pressure to pay bribes on audit fees, that most solemn and hallowed of all incomes in capitalism. It is the most brazen assault of corruption on decency that I have ever seen; one should tremble when thinking about asking an auditor for a bribe. Why is it significant to mention this temerity in this letter? It is because it reflects the withering away of the auditor today due to economic insecurity. The auditors and the profession must have lost that aura of respect that hedged thwm against ravenous corruption in a feral society. It is just like a woman losing her natural social defenses making her easily approachable and vulnerable to obscene jesting by even the most worthless character in the community. Economic poverty is the root cause of that loss of respect that affords the jackals in the market the temerity to ask an auditor to pay bribes out of audit fee, a hallowed income, in order to retain the engagement. It is not only economic poverty, but also intellectual poverty. I do not know how many people would have the audacity to stand up without tottering to ask Mr. Akintola Williams, with his moral force field at the apogee of his professional life, to

³⁰ Ecclesiastes 7:7, *New World translation of the Holy Scriptures: Rendered from the original languages*. (2013). Brooklyn, NY: Watchtower Bible and Tract Society of New York.

³¹ Featured. (2017, February 25). Danger as psychiatrists reveal rising mental illness cases in Nigeria. Retrieved August 16, 2019, from <https://punchng.com/danger-as-psychiatrists-reveal-rising-mental-illness-cases-in-nigeria/>

³² 2 Timothy 3:1-5. *New World translation of the Holy Scriptures: Rendered from the original languages*. (2013). Brooklyn, NY: Watchtower Bible and Tract Society of New York.

³³ Ecclesiastes 5:13. *New American Standard Bible*. (1995). La Habra, Calif: The Lockman Foundation.

pay them bribe out of audit fees payable to his firm. Even the thought of that would make the most impudent tremble to obscurity. As the Igbo say, “ihu dike chara acha na anyu nma nko,” meaning that the brilliant face (that is moral, professional, intellectual brilliance) of a mighty mensch blunts the sword. One of the morals learned from the folklore of the Igbo is that “ukwu jie agu ele na mgbada abia ya ugwo,” which translates to “when the lion is sick or disabled even its preys, like the lamb and gazelle, would come donning for debt and exacting spoils, even bucking the prerogatives of the king of the forest.” Socially speaking, it simply means that there are things someone would not discuss with you if he has reverential awe for you and perceives moral strength in your character. The words accounting, accountant, auditing and auditor used to have such powerful moral force field that repulsed unethical suggestions. Accounting is built on a strong foundation of ethics and moral cognition and these are part of the “external measure by which the profession can maintain a virtuous image” (Ponemon, 1994).³⁴ When visible to the market this moral force field repels suggestions of deviant behavior. In my early days as a trainee accountant in Akintola Williams & Co. (pardon my pride in repeating this great name so many times) I remember that client staff would not even try obscene jesting in our presence. If they were goofing around and loitering our solemn presence brought everyone to order, and I was only a trainee then. That early experience resonates with me so much that with deep thoughts and many more years of experience I came to realize, by retrodiction, that solemn presence is the ground zero of control activity; but that presence needs to have intense moral force field in its orbit to exert subliminal control on the audience. An accountant’s presence used to have sublime aura that exacted reverential awe, with power to exert subliminal influence on everyone within its radius. And that is because the accountant was decorated with reputation for accuracy and integrity, intrepidity, intellectual prowess and astuteness for discerning and dispelling deviant behavior. These qualities, including the discipline called self-regulation, are part of what society relied upon in granting a franchise to accounting for determining the veracity of financial statements. Accounting is a gatekeeping profession that protects the wealth of society and has established an enduring legacy of serving the public interest. It is important that gatekeepers are not left famished. In a discussion on NTA Goodmorning Nigeria programme with myself and others, Dr Obadiah Mailafia (former Deputy Governor of the Central Bank of Nigeria) talked about an Igbo proverb which says that “you don’t ask a goat to guard your yam barn,” because the consequences are obvious, namely, that the goat will eat the yam. That fear is based on the knowledge that goats naturally eat yam. But based on my native experience growing up in the bucolic villages of Mbaise (you cannot have experience in a passive manner), I countered that naturally goats primarily eat straw and foliage, and that if the farmer should provide sufficient straw and foliage for the goat to feed to repletion, the goat will not be motivated by hunger to eat the yam. This evoked laughter among the discussants which included Mr Tunde Lemo, FCA (also a former Deputy Governor of the Central Bank of Nigeria) who was linked by Skype while in Scotland at the time. I might rephrase Dr. Mailafia’s proverb as follows: “you should not ask a **hungry goat** to guard your yam barn.” The sentiment of this redacted proverb is that it is necessary to satisfy man’s basic needs before entrusting him with valuable assets and imposing a proportionate level of accountability on him – a sentiment that

³⁴ Ponemon, L., (1994), *Ethical Reasoning Research in the Accounting and Auditing Professions*, in Rest, J. R., & Narváez, D. (Ed.), *Moral development in the professions: Psychology and applied ethics*. Hillsdale, NJ: L. Erlbaum Associates.

equally applies to auditors. If the hungry goat should eat the yam the responsibility should lie with the farmer who left the goat hungry, not the goat. Maintaining integrity requires economic security. A person who is subjected to a desperate situation is a definite control risk and cannot be relied upon to fill a gatekeeping role. There is a Hebrew proverb that says “where there is no bread there will be no Bible.” If the Bible in this Hebrew proverb represents laws, rules, regulations, controls and standard operating procedures (SOPs) in an organization or society, what the sentiment of the proverb is communicating is that without economic security the “Bible of rules and regulations” will not be complied with. In this case what quantity or quality of bread should be considered reasonable to get the gatekeeper to behave responsibly? In my opinion, it depends on the environment; an affluent environment would definitely create more social pressure for the gatekeeper than a less affluent one. That is not to say that the primary reason an accountant should be responsibly enriched is to discourage him from stealing. Not at all. The primary reason is that the accountant works hard and should be well paid according to the prevailing economic environment. Before now accountants were trained to pursue less wealth, be ascetic more or less, and puritanical, in the hope that such monastic living would guarantee they maintained integrity in connection with other people’s money with which they are involved, or entrusted with. It is like the medieval practice of employing eunuchs to work in the king’s palace in the hope that the females will be safe and the royal genealogy protected from sperm competition of the servants. That is not necessarily true. In fact, it is an extreme form of control overload.

Accounting and audit work sit in gatekeeping positions in which a lot of judgment is made about resources and accountability. We are brought up to ratiocinate meditatively, to deliberately avoid all mental and physical impediments to ratiocination in our work. Judgment and decision making in accounting and auditing are as important as they are in the judiciary. They both have a lot in common. The most important common element is people - people exercising judgment over and about other people, their behavior and transactional involvements and then try to quantify - make decisions about - what these economic events represent. Accounting and law also share commonality on evidence - making judgment about the competence of evidence for its admissibility in forming opinion and making decisions as we do in auditing and court cases. We have learned from recent research that expert decision making may be affected by extraneous variables such as hunger. Dazinger, Levav, Avnaim-Pessoa (2011)³⁵ found that the decisions of judges (read accountants and auditors, *emphasis mine*) are affected by whether they were well fed or not. Projecting that finding into the economic life of accountants and auditors (and even regulators and tax agency employees) as gatekeepers constantly exercising judgment one immediately perceives the profound risk of subjecting them to economic privation and hopelessness. Hopelessness triggers the innate self-protection mechanism of the individual, a natural automatic reaction that is beyond the control of the individual in whom it is activated. From personal observations in my years working as an accountant I have determined that whenever people, including our professional colleagues, are in desperate situations their susceptibility to control suggestions significantly diminishes and their behavior become indeterminate. This is

³⁵ Danziger S, Levav J, Avnaim-Pessoa L., Extraneous Factors in Judicial Decisions. Proc Natl Acad Sci USA. 2011;108:6889–92.

because desperation puts them in “heightened state of arousal” making them “passion’s slave” and unless that arousal is tamed (e.g., by responsible prosperity) they most certainly “act rashly” (Rosenthal, 2013)³⁶ which manifests in various forms of corruption rationalized as self-protection. These research findings are profoundly instructive that decision makers like auditors should not be subject to privation but tamed by the ambience of a fair society and just culture in which they are allowed to be reasonably, responsibly prosperous, fairly rewarded for the work they do and allowed to become responsibly rich in the society like other members of society. Their professional calling should not inhibit their “untrammelled pursuit of happiness” as generally guaranteed in national constitutions as long as doing so does not violate the rights of others, e.g., by breaching boundaries of wealth ownership.

One does not need to go far back in history to see the need for accountants to have a measure of economic security. The last few years have seen phenomenal increase in corruption. This correlates with the degree of irresponsibility in dealing with human resources and rewarding them in organizations, particularly the public sector. We are all aware of the cases of workers owed salaries for months and pensioners fainting while on queues to collect arrears of their “starvation” pensions. These are people with family needs that bear unremitting pressure on them – children to feed, school fees to pay, rents to pay (owning a home is a luxury), healthcare issues, lives to live, etc. When they are denied salaries for months and they are coping and smiling, living well and looking well, I would be worried about **“how they are making up”** since they have no alternative income but from their work environment. The tragedy is that those governments and their agencies paid twice. First the workers through illicit means took (or borrowed, as usual as the first step in the cycle of fraud) unauthorized money from the government to maintain their lives, and then eventually the government paid the arrears, but upon which the workers did not refund the “borrowed” money to the government; it simply changes phase to corruption. It reminds me of a part in a Tom Skerritt’s movie, *Red King, White Knight*, that I watched in the 1990s, in which he asked a woman in the Soviet era Russia how they were coping, and the woman answered, “they pretend to be paying us and we pretend to be working.”³⁷ Auditors, accountants and accounting must not be oppressed to degenerate into that unfortunate, retrograde, unproductive state that smacks of malaise of indifference and despondency devoid of compulsion for the public trust. They need to see and feel a just culture that confers freedom for pursuit of responsible prosperity. Such freedom will generate optimism that motivates individuals to exert discretionary energy in doing their work; that would be protective for the society.

The accounting profession recognizes the need for economic security, even though we do not apply that recognition to ourselves. In auditing when we do risk analysis of the control environment, one of the things we look out for is where there is a mismatch between the value of assets an individual is entrusted with and the individual’s position

³⁶ Rosenthal, Norman E., (2013), *The Gift of Adversity*, New York, NY: Tarcher Penguin

³⁷ Tom Skerritt, Max von Sydow, Helen Mirren, *“Red King, White Knight,”* <https://www.imdb.com/title/tt0098178/> (accessed October 25, 2018)

and salary in the organization. For example, if an auditor finds out that in a bank the head of treasury is not a senior employee but a person occupying a very low position and low salary it would be identified as a high risk to be remediated. I know that one might question if high position and high salary would guarantee that the individual would have integrity? It would not be scientific to answer in the affirmative unexamined. But we could get some insight by asking a contrastive question: would low position low salary with responsibility for high value assets in highly portable form (such as cash) not be tempting for the responsibility holder? Deviant behavior is not usually motivated by one factor, such as low income. According to the Fraud Triangle theory³⁸ the low income would create the pressure to commit fraud, which will require that the perpetrator have opportunity to do so, in this case having custody and access to the money. Then with opportunity and pressure in place, the perpetrator must rationalize his way to a justification for the deviant action. With rationalization what is happening here is the spirit inner person is opposing while the fleshly worldly hedonic part of our humanity is hastily heading for the kill. Now for the fraud to take place, the inner person of the spirit must be subdued by the material person with rationalization and expediencies (euphemism for false reasoning) foisted on the mind. Once the spirit is diluted the individual takes the action of committing the fraud. This type of battle of personalities is alluded to in the Bible at Romans 7:21-25:

"I find, then, this law in my case: When I wish to do what is right, what is bad is present with me. I really delight in the law of God according to the man I am within, but I see in my body another law warring against the law of my mind and leading me captive to sin's law that is in my body. Miserable man that I am! Who will rescue me from the body undergoing this death? Thanks to God through Jesus Christ our Lord! So, then, with my mind I myself am a slave to God's law, but with my flesh to sin's law."³⁹

Scientists (most notably, Nobel laureate Daniel Kahneman, 2011)⁴⁰ call it System 1 and System 2 modes of the human mind. System 1 is rash and jumps into action thoughtlessly (a fleshly inclination) while System 2 is deliberate and predisposed to consider the morality of actions (a spiritual disposition). Strengthening System 2 to restrain and override System 1 will definitely have positive impact on the control environment. Nurturing and inculcation of the desired disposition is necessary to get the human entity to act responsibly. This is what accounting tries to do but so excessively that the happiness of accountants might be at risk and consequently risk the entire control system.

"Intelligent control" thinking dictates that we conceive, build and deploy different types of controls for each of the points of the fraud triangle: opportunity, pressure and rationalization. Applying this to the accountant, the profession naturally endows him with opportunities, sometimes disproportionate to his position (we cannot always help this disparity) while his socio-economic environment imposes needs on him that generate the pressures that bear on him. Depending on his socialization, he may have willpower, or not, to consistently resist the pressure, including the inclination to go against his best judgment. Willpower is important for resisting akrasia (Singleton,

³⁸ Comer, M. J. (2004). *Corporate fraud*. Aldershot: Gower.

³⁹ <https://www.jw.org/en/publications/bible/study-bible/books/romans/7/>

⁴⁰ Kahneman, D. (2011). *Thinking, Fast and Slow*. New York: Farrar, Straus and Giroux.

2016)⁴¹ born of rationalization. The issue now is about how we ensure that the pressure on the accountant is defused and kept at a level below his/her breaking point. That level must be reflected in what can be called sustainable income. A prudent accountant (and accountants are trained to be prudent) can build responsible prosperity from a sustainable income. That prosperity is important because like the Igbo say, “aku na esi obi ike,” which means that wealth gives a man courage, including courage to be different and stand up for the what is right. Even the Bible agrees with that – (Ecclesiastes 7:12) “For wisdom is a protection just as money is a protection, ...,” (Ecclesiastes 10:19) “... money answers every need” Remuneration for accountants needs to be matched to the value and risks inherent in their work and the value of the assets that they are entrusted with.

Traditional accounting training over the years has emphasized inculcating in the trainee an extreme degree of asceticism and monastic values believed to enhance the self-control of the accountant as a basis for being a trustworthy individual. My fear is that it probably went too far in inculcating that value to the point of “minimalism” in everything in the accountant, including thinking and initiative. That was how a generation of accountants grew focusing on debit and credit thinking and becoming accounting-centric instead of being noble-minded and evolving with the rest of society. The danger of this is that accountants were not sufficiently noble-minded and motivated to notice societal changes, particularly changes in business practices and the decisive forces driving them. Accounting was handed a societal mandate with statutory backing that created default business, so we just sat there and waited for the client to come asking for an audit or tax service in order to comply with some law or regulation. We were not even motivated to innovate the traditional services. The ultimate test of relevance of a profession is whether the market would still ask for your services if laws and regulations compelling it to do so are removed. An example of self-punishment that I still vividly remember was when during my days in public accounting I learned to use and audit computers during my Exchange Program to the United States of America. With that excitement came a burning desire to apply it to all I was doing in accounting practice when I returned to Nigeria in 1990. As a manager on a client assignment, I noticed that the biggest item on the balance sheet was Debtors (Accounts Receivables). The company’s accounting system for sales invoicing and cash receipts was in a sorry state that we could not rely on the amount shown on the balance sheet and could not reasonably verify it. But I noticed that all the documentation, sales invoices, receipt books, sales return vouchers, bank accounts, etc, were reasonably available and complete. So I offered the company a service for the firm to use my computer to capture and process all these documents and then verify the individual balances, using an accounting software (I was among the first handful of accountants who could use accounting and auditing technologies in Nigerian in 1990). We agreed a fee and I suspended the audit and carried out this assignment first for a couple of weeks. The client happily paid what amounted to the equivalent of six years audit fees that they paid the firm. When the supervising audit partner arrived he queried why we rendered the service to the client, concerned most that the fee was historically absurd (in the past we rendered such services free as part of the audit work), so he viewed it with palpable compunction as

⁴¹ Singleton, G. (2016). Akrasia: Why Do We Act Against Our Better Judgement? Retrieved July 17, 2019, from Philosophy Now magazine: https://philosophynow.org/issues/112/Akrasia_Why_Do_We_Act_Against_Our_Better_Judgement

if we had defrauded the client. The fee was feral, extortionate, and immoral, in his opinion, for an engagement that was completed in less than three weeks. He simply represented his generation in the profession – those that believed that accounting and audit services should only be priced miserly. I wrote a memo in response in which I told the firm that this project shows that non-audit services with innovative technologies represented a great future for the firm and the profession. Out of conservatism, it was not encouraged at the time. This experience repeated itself in a couple of cases in my career; and I met professional contemporaries who told similar stories in other big accounting firms of the same time. Operating in that blinkered audit service market space with break-even fees was the professional service worldview of that generation. The point being made here is that accountants seem to believe that they are not supposed to be rich, as if the correlative for being rich is the demise of someone (in other words fraud, corruption). That is totally wrong. If the profession can synergistically coalesce knowledge and practice, and find opportunities for value at new intersections of the professions (e.g., accounting/auditing/technology) that will benefit our clients, why shouldn't the clients pay for them, at a rate that rewards our creativity and novelty of the service? The self-imposed asceticism is irrational; in fact it is one of the "unforced errors" that stagnates the profession. We see engineers, doctors and scientists invent new concepts and methodologies and translate them into products and services and get handsomely rewarded by society. Accounting is, perhaps, the only profession where I have not seen someone holding a patent for a product or methodology or an idea that she invented, and so we waste the new ideas of our members in unbilled service to clients as my experience showed. This is inimical to responsible prosperity and accounts for why the accounting profession in Nigeria, in particular, is traditionally impoverished. Wall street is known to have brought in nuclear scientists, psychologists, neuroscientists, chemists and people from all walks of professional life into a melting pot where the interaction of the best and brightest yields new ideas, products and services responding to the increasing sophistication of civilization; and in the process they earn rewards amounting to economic rent. The first step in addressing this problem is to re-socialize the accounting profession to accept that it is ok to be rich, responsibly, and that innovation is necessary to do so in a changing world.

One of the best ways to normalize responsible prosperity is to socialize good values into the heart of the young generation and use vigorous law enforcement to discourage deviant behavior. I agree with Stout (2011) who said that "a healthy, productive society cannot solely rely on carrots and sticks ... it must also cultivate conscience ... The power of conscience is the cheapest and most effective police force one could hope for."⁴² My father always said this: "aghirigha yie akwa ekweleya vuo," an Igbo proverb that translates to "if corruption lays eggs in its nidus do not allow the eggs to hatch." The family is the primal foundation of society. For a civilization to succeed, the family must succeed (2012);⁴³ because the family is "civilization's most useful and sublime institution." Good family values

⁴² Stout, L. (2011), *Cultivating Conscience: How Good Laws Make Good People*, Princeton University Press: Princeton, NJ

⁴³ Bennett, W. (2012, April 24). *Stronger Families, Stronger Societies*. In *The New York Times The Opinions Page Room for Debate*, theme: Are 'Family Values' Outdated? Retrieved from <https://www.nytimes.com/roomfordebate/2012/04/24/are-family-values-outdated/stronger-families-stronger-societies>

help to give children good foundation through formal and informal inculcations (repeated instructions). When they grow up and start showing inclination for deviant behavior the strong institutions of the law should show repulsion for such behavior (“for the inclination of the heart of man is bad from his youth up”⁴⁴). Compare Ecclesiastes 8:11, “Because sentence against a bad deed has not been executed speedily, the heart of men becomes emboldened to do bad.” In addition, the mental health of the people needs to be sound. In a society infested with illicit drugs taken routinely by citizens, including professionals, it is difficult to guarantee commitment to responsible prosperity. A person under the influence of some substance will most likely be in a state of suspended reality in which his actions cannot be guaranteed to be responsible. His behavior would be indeterminate in that state. Now we see a pattern here, that communities that progress have high regard for family values, for teaching and teachers (i.e., education), the police and other security and law enforcement services, such as regulators, auditors, healthcare professionals and tax officials (who must also be well-paid). This pattern has been confirmed by works of Jeffrey Sachs and other development economists as I read in the Newsweek magazine many years ago. In answer to the profound question, “What makes a country work?” (read as “what makes a profession work”) Sachs mentioned three decisive factors two which are directly relevant in this discourse. Using the Nordic region as referent, he said:

“First, it prioritized education, study and science. Second, it decided that it would leave no countryman behind.”⁴⁵

Accounting needs to prioritize “empowering education” for accountants and engender a just culture of responsible prosperity that ensures no members are left behind relegated to economic obscurity and privation where desperation for survival could nudge them into corruption.

Human enterprise should not be demonized. Hard work should not be seen as fomenting hedonism, not at all; it is part of the Victorian values that built modern civilization. There is a difference between being desirous to be rich and being determined to be rich. A person who is desirous of prosperity will work hard to earn it responsibly, and is ready to make changes in the process in order not to violate the rights of others or hurt the society and the earth in the process. But a person who is determined to be prosperous will stop at nothing to achieve that goal, even if it means hurting himself and others in the process and intentionally exploiting the vulnerabilities of society. For a person who is determined to be rich even a pyrrhic victory in the quest for prosperity is normal because such a person would be a psychopath. Such a person brings pyrrhic characteristics to bear on his or her activities and relationships. While a responsible person enjoys pursuit of prosperity as part of his community responsibility and puts back in society in many genuinely generous ways, the one with pyrrhic victory hoards his wealth and gloats over the suffering of others as he engages in shameful luxury. And of course, according to the Scriptures, those

⁴⁴ Genesis 8:21 per 2013 *New World translation of the Holy Scriptures: rendered from the original languages*. Brooklyn, NY: Watchtower Bible and Tract Society of New York

⁴⁵ [Sachs, Jeffrey D.](#), **The Best Countries in the World**, *Newsweek*, (International ed.). New York: Jul 26, 2004. pg. 28

hoarding wealth do so to their own harm and harm to society (Eccl 5:13), because in the end the illicit wealth turns into gravel in their mouths (Proverbs 20:17). Such corrupt individuals wage curses on society because the inheritance obtained by greed will not be blessing in the end (verse 21). This truth is only apt. Hoarding appears beneficial to the hoarder (and hurts the community) in the short term but in the long run it hurts the one hoarding the corrupt wealth. Those who love their families never make illicit income because it does not augur well for the family even to generations down the road: (Proverbs 15:27)⁴⁶ “The one making dishonest profit brings trouble on his own household, But the one hating bribes will keep living.”

We are living eye witnesses to how hoarding money is hurting the Nigerian society. A few corrupt people hoard the national wealth but because they can only consume very little in the economy, producers find it difficult to sell leading to over-inventory and factory shutdowns that discourage further investment. In the end everyone suffers. We have sufficient warnings from the Scriptures and economics that irresponsible prosperity and hoarding only hurt.

Accountants are trained not to be hedonistic, but to be self-disciplined and to exercise self-control as a basis for human flourishing or eudaimonia. While hedonism corrupts, eudaimonic motives are compatible with responsible prosperity and good health. An acquisitive society is characterized by “frenzied spirit of consumerism” which conduces individuals, families, institutions and nations for corruption pathologies. Scientific evidence now confirms that even the body responds positively to responsible prosperity. Could that correlate with what the Scripture says that “the blessing from God (read responsible prosperity) that is what makes rich and it does not add pain.” Compare this Scripture to the scientific evidence that “while eudaimonic well-being was associated with a significant decrease in the stress-related CTRA gene expression profile, hedonic well-being was associated with a significant increase in the CTRA profile.”⁴⁷ This scientific finding is profound, persuasive and compelling and warrants serious consideration. Simply stated, hedonism ruins the body causing diseases while eudaimonia causes healthy well-being. Hence the Scripture at (Proverbs 14:30): “A calm heart gives life to the body, But jealousy is rottenness to the bones.” A calm, responsible heart seeks responsible prosperity and heals the mind and society while jealousy breeds hedonism that makes the body produce inflammatory factors, the mother of all diseases. Another Bible translation puts it this way: “A peaceful heart leads to a healthy body; jealousy is like cancer in the bones.”⁴⁸ You decide.

⁴⁶ New World Translating of the Holy Scriptures, <https://www.jw.org/en/publications/bible/nwt/books/proverbs/15/>

⁴⁷ Fredrickson, Barbara L., Karen M. Grewen, Kimberly A. Coffey, Sara B. Algoe, Ann M. Firestone, Jesusa M. G. Arevalo, Jeffrey Ma, and Steven W. Cole, **A Functional Genomic Perspective on Human Well-Being**, Proceedings of the National Academy of Sciences of the United States of America, vol. 110 no. 33 13684–13689, doi: 10.1073/pnas.1305419110

⁴⁸ Proverbs 14:30 New Living Translation (NLT) (n.d.). Retrieved June 28, 2019, from <https://www.bible.com/bible/116/PRO.14.30.NLT>

According to reports, “past work by Cole and colleagues showed a systematic shift in gene expression associated with chronic stress that, the study noted, was ‘characterized by increased expression of genes involved in inflammation’ implicated in a wide variety of human ills, including arthritis and heart disease, and ‘decreased expression of genes involved in ... antiviral responses.’” In lay man’s words, corrupt wealth induces disease in the human body, period. According to Kemsley (2013),⁴⁹ “even on a molecular level, the human body is able to distinguish between a sense of well-being derived from a profound, noble purpose versus simple self-gratification ...” Again, in layman’s words, the human body is able to distinguish corrupt wealth from responsible prosperity. It is a definitive scientific confirmation that the body responds positively to responsible happiness, yes, responsible prosperity. In order to describe this shift, Cole and his fellow researchers coined the phrase “conserved transcriptional response to adversity,” or CTRA ... One possibility for the discrepancy suggested by the researchers is that people who experience more hedonic than eudaimonic well-being consume the emotional equivalent of empty calories. “We can make ourselves happy through simple pleasures, but those 'empty calories' don't help us broaden our awareness or build our capacity in ways that benefit us physically.” “At the cellular level, our bodies appear to respond better to a different kind of well-being, one based on a sense of connectedness and purpose.” This is what responsible prosperity is all about – getting rich in a manner that preserves our “connectedness and purpose,” a blessed state of health, contentment and prosperity that does not rankle and toxify our cells. Hedonism on the other hand is morally, emotionally and biologically toxic. Reassuringly, it proves that responsible prosperity is conducive to good health. That is the biology of responsible prosperity, and of being a responsible citizen and, in my opinion, represents an important intersection of spirituality (according to the Scriptures) and science. In ordinary words, responsible prosperity is healthful, corrupt prosperity decays the health of the organism. Responsible prosperity adds no pain, no trembling that disturbs the human biology and chemistry so as to result in diseases. Rather it yields peace of mind and equanimity and joy and such calm heart has been described as good medicine (Proverbs 17:22) “A joyful heart is good medicine, But a crushed spirit saps one’s strength.”⁵⁰ Corrupt wealth with its associated jealousy and contentiousness crushes the spirit, rots the bones or “is cancer to the bones” as rendered by a Bible translation.⁵¹ When I see Mr Akintola Williams at age 100 years radiating with a sharp mind it only confirms to me the truth that responsible prosperity is like the blessing from God that does not add pain but a long and happy life.

We do not need to go to the bowels of literature to get evidence that responsible prosperity or responsible quest for happiness contributes to human health; we are watching as many who got corruptly rich are falling like flies dying of diseases like cancer, heart failure, stroke and diabetes, diseases that are known not to be common among the

⁴⁹ Kemsley, T. (2013, July 30). Human Body Distinguishes Between 'Hedonic' and 'Eudaimonic' Happiness on Molecular Level. Retrieved July 23, 2019, from <http://www.natureworldnews.com/articles/3242/20130730/human-body-distinguishes-between-hedonic-eudaimonic-happiness-molecular-level.htm>

⁵⁰ Watchtower Bible & Tract Society (2013), <https://www.jw.org/en/publications/bible/study-bible/books/proverbs/17/#v20017001> (retrieved Tuesday, July 23, 2019)

⁵¹ Tyndale House Publishers. (2015). Holy Bible: New Living Translation. Wheaton, Ill: Tyndale House Publishers.

modest and the poor as it is among the shamefully rich. One might think that all the stolen money would buy them success, health and happiness, but the opposite is the case as seen in published obituaries and newspaper reports, both local and international. A story in the Newsweek magazine cover is titled “Why So Many White American Men Are Dying.” It is about how young affluent people are dying in the midst of prosperity.⁵² It is interesting that the Time magazine in 2011 did a story titled “The Key to Health, Wealth and Success: Self-Control” which reported on a persuasive study that followed over 1000 children for 32 years and found that those that developed self-discipline became more successful and happier in life than those without self-control.⁵³ Once again, I see convergence of the Scriptures and science here. According to Proverbs 14:30⁵⁴, Holy Bible: Easy-to-Read Version (ERV) “Peace of mind makes the body healthy, but jealousy is like a cancer” (or rottenness by some translations).

The quest for responsible prosperity requires the cultivation of self-control; I call it the primal control. Integrity, ethics, cooperation, agreeableness are substrates of self-control. Many problems that organizations are facing regarding internal control and deviant behavior would be solved if everyone cultivated high degree of self-control. We need to send the message, strongly, that accountants are trained to have self-control based on the integrity belief of the profession. Accounting is a profession of integrity. Ethics is a solemn matter for us and the basis of our responsible prosperity. Unfortunately, we are not sufficiently inculcating ethics in the new generation as seriously as it deserves. Accounting students, including those undergoing professional examinations, are not exposed to sufficient ethics soundbites through books, articles, examination question cues, cases and relevant imagery to give salience to ethics and integrity. The family system, the ground zero of ethical socialization, has been weakened by social anomie and erosion and decaying of traditional values, and replaced by hedonism, acquisitiveness, greed and epicureanism and secular media that glamourizes hedonic triumphs. I have done limited search of accounting literature and found so far that self-control is not in the repertoire of accounting education or auditing instruction, despite the fact that society progressed only after self-control became a dominant habit among humans, as noted by Baumeister and Alquist (2009), who wrote that “civilized life in human cultural societies would be unthinkable without self-regulation, ...”⁵⁵ The profession needs to recognize that self-control is the primal control and that accountants need it most. It should be in college and professional accounting examination curriculum. Teaching ethics should be serious business in the accounting profession. We are living in the age of what I call boilerplate governance with boilerplate ethics requirements fulfilled largely by filling out ethics questionnaires. That is not ethics. Ethics, like spirituality, is in the heart, in the inner person, with subliminal commitment to a sanctified referent considered superior to all values and authorities and which imposes a higher loyalty. According to one of

⁵² Mariani, M. (2016, May 10). Why So Many White American Men Are Dying. Retrieved July 27, 2019, from <http://europe.newsweek.com/big-pharma-heroin-white-american-mortality-rates-408354?rm=eu>

⁵³ Szalavitz, M. (2011, January 24). The Key to Health, Wealth and Success: Self-Control. Retrieved August 15, 2019, from <http://healthland.time.com/2011/01/24/the-key-to-health-wealth-and-success-self-control/>

⁵⁴ 2006, **Holy Bible: Easy-to-Read** Version (ERV), World Bible Translation Center, Forth Worth, Texas

⁵⁵ Baumeister, Roy F. and Jessica L. Alquist (2009), Is There a Downside to Good Self-control?

Self and Identity Journal, Retrieved from <https://www.tandfonline.com/doi/abs/10.1080/15298860802501474>

accounting's leading lights, Mr Adetola Adeyemi, a KPMG partner, "ethics is what you do when you certainly know no one is watching". In other words, it is what people do in their comfort zones. Inculcating ethics, indeed and in deed, is the key to growing men and women who will be agreeable to the idea of responsible prosperity.

Self-control does not mean that accountants need not get rich; they can get rich with self-control, responsibly. The problem is that the accounting profession trains its members to work hard but to abhor the enjoyment of life, believing that enjoyment of life could lead to narcissism and breach of client and societal trust. The Bible encourages hardworking people to enjoy themselves. At Ecclesiastes 5:18-20 we read:

"This is what I have seen to be good and proper: that one should eat and drink and find enjoyment for all the hard work at which he toils under the sun during the few days of life that the true God has given him, for that is his reward. Also, when the true God gives a man riches and material possessions along with the ability to enjoy them, he should take his reward and rejoice in his hard work. This is the gift of God. For he will hardly notice the passing days of his life, because the true God keeps him preoccupied with the rejoicing of his heart."⁵⁶

On the other hand, it is a curse or futility for the true God to give wealth only for strangers to enjoy it after you are gone. Compare (Ecclesiastes 6:1-6)

"There is another tragedy that I have seen under the sun, and it is common among men: 2 The true God gives a man riches and material possessions and glory, so that he lacks nothing that he desires; yet the true God does not enable him to enjoy them, although a stranger may enjoy them. This is futility and a severe affliction. 3 If a man should become a father a hundred times and live for many years and reach old age, yet he does not enjoy his good things before he reaches the grave, I must say that a stillborn child is better off than he is. 4 For this one came in vain and went away in darkness, and his name is shrouded in darkness. 5 Even though he never saw the sun or knew anything, he is still better off than the former one. 6 What is the benefit of living a thousand years twice over but not experiencing enjoyment? Do not all go to the same place?"

This mental attitude accounts for the "decline of the play spirit" (Lasch, 1979)⁵⁷ and I know it is much among accountants because we tend to replace the play spirit with irrational austere solemnity even to the detriment of client relationships. Being uptight, stiff and stuffy, as manifestation of professionalism (in the quest of being seen to be independent), I strongly believe, in the face of modern civilization, is an ethical anachronism. Such pseudo professionalism has not helped the profession to be intellectually robust to meet the challenges of modern society. Our ethical rules should be reviewed to identify and remove all practices that have fallen into desuetude and not

⁵⁶ Per New World Translation of the Holy Scriptures, (2013), The Watchtower Bible & Tract Society, Pennsylvania

⁵⁷ Lasch, Christopher, The Culture of Narcissism: American Life in an Age of Diminishing Expectations, 1979, W. W. Norton & Co: New York, NY

pragmatic for contemporary civilization of the market. A modest play spirit will perk up the life of accountants and auditors and help us understand better the world we live in.

Another problem of the profession is alliteracy. Majority of professional accountants though highly educated, are no longer interested in reading, having become blasé due to prosperity or distracted by the new acquisitive society. How would you renew if you stopped reading knowledge society? It is said that mentally, you are what you read, just as you are, physically, what you eat. Alliteracy has given rise to an even more serious problem, the fact that “thinkers,” those who dream to innovate, the bellwethers, the leading lights, are disappearing in the profession. I keep mentioning the name of Mr Adetola Adeyemi of KPMG as one of the few living transformational illuminators of our profession; we need more brilliant minds like him. As I have said, the problem is not illiteracy but alliteracy. Our contemporaries fail to understand that in a knowledge economy what you need most is knowledge capital and that knowledge capital feeds reputational capital which in turn attracts quality clients and prosperous fees. Knowledge comes when you read and articulate observations to data, and orchestrate data to information and information to knowledge. Then knowledge is transformed to economic intelligence which in turn yields vision. We cannot maintain the affordances of expertise in the knowledge age without the new “discipline of learning” (Drucker 1993),⁵⁸ namely, learn, readily unlearn when dictated by change, and relearn. It is said that for lack of knowledge and vision my people perish. We are perishing because we lack vision to perch on the commanding heights of the economy. The root cause is alliteracy. The new generation of accountants is disinclined to read broadly, though well-educated – not just accounting materials but also all materials from different sources to allow them coalesce knowledge in different ways to find new intersection at which innovations occur and convert these into solutions to our clients’ problems, at good fees that yield responsible prosperity. Business, accounting and technology literature have exploded in recent years. But when you talk about new issues to accounting audience you draw blanks. We saw how ideas such as reengineering, total quality management, emotional intelligence, etc, etc, impacted business thoughts and practices. I asked some accountants what ideas are trending in business that we know are sure to intersect with accounting now and in the future to spark new opportunities? The question drew blanks. I compassionately explained why such futuristic thinking is necessary for our survival (e.g., it gives us cues as to what knowledge and skills to acquire and develop). I mentioned Big Data analytics (including predictive analytics), cyber-forensics and artificial intelligence, all of which will raise automation of accounting function so much that thousands of accountants will lose their jobs. These issues have not been mentioned didactically in recent local accounting literature and events. That is an index of our poor readiness posture for the future, and it means we currently have no institutional initiatives to address the challenges and opportunities they are bringing. In the knowledge age the future belongs to accountants who read widely, achieve consilience, transcending accounting and are able to coalesce knowledge to discern future challenges and opportunities. They are called generalists and in my reading eclectically I found an interesting reference on this subject that I recommend to our young, prospective thinkers in

⁵⁸ Drucker, P. F. (1993). *Post-Capitalist Society*. New York, NY: HarperBusiness.

the profession on whom our future depends. I will give a copy to the first ten 2019 newly qualified accountants who contact me as evidence of reading this letter, meaning they are erudite enough to notice it; I will also donate some copies to the Institute's library and the leadership of the ICAN Council. According to the author (Apstein, 2019),⁵⁹ generalists are "more creative, more agile, and able to make connections their more specialized peers can't see." Specialization appears to be natural with our civilization, we readily accept it and live and work in categories of specialization. But there is growing understanding that in the current world order of information explosion specialization "can be catastrophic, leading to unnecessary internal competition and a resistance to sharing new ideas" necessary to grow unblinkered generalists in the profession.⁶⁰ The greatest enemy here is alliteracy, sometimes caused by the din of hedonism in all its manifestations. Professions and societies that prosper are thinking and deliberate. In the din of anomie many become distraught and incapable of clear thinking, and go on functioning like someone who is striking the air, much motion but no intellectual productivity that propels progress. We need to return to the solemnity of our profession with the prescinding, inquiring intellectual lifestyle it was built with but not the asceticism of monks – a little, responsible "play spirit" could be good for accountants. We need to start teaching the young in the profession to see serious reading and thinking as an essential skill for accountants and auditors; this is true for all professions, as noted by Kline (2015),⁶¹ whose work showed that "*the quality of everything we do depends on the quality of the thinking we do first. The leaders, professionals ... who understand this are at the top of their fields and inspire some of the finest independent thinking in their environments.*" Due to inadequate reading and thinking many auditors fail to be well trained and so when performing an audit they simply do what Houck (2003)⁶² called the "SALY" process (same-as-last-year) that lacks creativity that responds to current audit issues emanating from changes in business environment. The result is missed opportunities to detect errors and fraud and prevent audit failure. To continue to be at the commanding height of the economy as destined by capitalism (as I believe), accountants must prescind from the influence of hedonism being fomented and foisted on the young generation of the profession by our acquisitive society; but unfortunately, "this is what few can pretend to."⁶³ As individuals and a profession we need to start doing more serious thinking to discern the future and be part of its construction; our new generation should be cultivated not to be hasty and impetuous but deliberate in thought and action and humble but with influential intellectual force field that commands the confidence of the market audience. According to Hamel and Prahalad (1994) competing for the future demands intellectual leadership – it is one of the critical success factors or "*breakthrough strategy for seizing control of your industry and dominating the markets of tomorrow,*"⁶⁴ as the subtitle of the book persuasively asserts. It is a manifestation of

⁵⁹ Epstein, D. (2019). *Range: Why Generalists Triumph in a Specialized World*. Penguin Publishing Group.

⁶⁰ Tett, G. (2016). *Silo effect - why every organisation needs to disrupt itself to survive*. London, England: Little, Brown Book Group.

⁶¹ Kline, Nancy (2015), ***More Time to Think***, Cassell: London, UK

⁶² Houck, T. P. (2003). *Why and how audits must change: practical guidance to improve your audits*. Hoboken, NJ: Wiley.

⁶³ Berkeley, G. (1971). *A treatise concerning the principles of human knowledge, 1734*. Menston: Scholar Press.

⁶⁴ Hamel, G., & Prahalad, C. K. (1994). *Competing for the future: A breakthrough strategy for seizing control of your industry and dominating the markets of tomorrow*. Boston: Harvard Business School Press.

true professionalism, which Maister (1997)⁶⁵ described as “a personal commitment to self-betterment and a professional dedication to provide the best and most efficient service to clients.” I loved the jingle of Access Bank Nigeria advertisement the sentiment of which is that to secure your future you must be part of constructing it. It says “TAKE TOMORROW, TODAY” – the best way to capture the future is to be part of building it (something like that). It is profound, instructive, subliminal, and insightful in telling us how to capture the future. The bank should get an award for that advertisement for the profound of its wisdom. We need to know, with prescience borne of empowering information, the defining changes of the environment and what new rules they impose on the market and the accounting profession. For example, what is the significance of the knowledge age for the profession? About two decades ago Thurow (2000)⁶⁶ wrote that the rules for wealth creation is changing because “we are in the middle of a transition to a knowledge-based economy ... fundamentally changing the game of creating wealth ... What will it take for individuals, companies, and entire countries to succeed in the new economics of the twenty-first century? ... we must emphasize investment in basic knowledge, education, and infrastructure. Only by committing ourselves to building communal wealth can we maximize opportunities for building personal wealth as well.” Three things stand out here. The first is the imperative to invest in knowledge, the second is cooperation in the society and the third is that new rules for wealth creation are emerging. Is the accounting profession listening, discerning and acting accordingly?

Lack of prosperity makes it difficult to develop and retain thinkers in the profession; I am not persuaded to believe that an individual would be so altruistic that he would go on thinking and ideating just for the fun of it without prosperity to show for the effort. Prosperity is a legitimate motive that fuels quest for progress. Regular reading and meditation will yield the knowledge that brings prosperity. I am not talking about the “strategic thinking” cliché. I am talking about deliberate thinking that could lead to our members publishing authoritative and visionary articles and advisories for both business and public policy makers, and providing new knowledge for training in the industry. A profession cannot effectively compete for the mind and attention of policy decision makers of society if the profession and its members are not leading intellectually and demonstrating empathy for the anxieties of the community. Leading voices in the profession should necessarily be erudite, intellectual, eloquent, pragmatic, assertive, and at the same time persuasive, resonant and normative, representing the magisterial, compelling voice of the profession. They should communicate the sentiment that the accounting profession is awake, informed, alert and attending to the contemporary anxieties of society. Accounting leaders must, in being erudite, possess fluency of contemporary issues in the society, be sufficiently illuminating and eclectic in perspective, able to develop issues with consilience in order to edify and decidedly, purposively, influence, positively, the wider society audience represented in the market that the profession serves. The overarching issue here is being active in getting the right

⁶⁵ Maister, D. (1997). *True Professionalism: The Courage To Care About Your People, Your Clients And Your Career*. London: Simon & Schuster UK.

⁶⁶ Thurow, L. C. (2000). *Building wealth: the new rules for individuals, companies, and nations in a knowledge-based economy*. New York, NY: HarperBusiness.

message out and influencing society to form the right positive opinion we need about the profession and so shape our reputation, not the demonization and opprobrium that the media foments on us for unexamined reasons when things go wrong. The local profession has demurred enough at opportunities to assert the primacy of accounting in human civilization. Rising with a voice to our place in history is not puffery, and cannot be so in the contemporary reputation economy. Posterity expects that we do raise our voice. It will be a generational injustice if we relegate the profession to obscurity before handing it over to the next generation. Alliteracy is the evil that blights our future and we must get rid of it now in order to restore the intellectual traditions of the profession that gain us market confidence.

One of the tragedies suffered by auditing in the history of accounting in Nigeria is that fellow accountants in industry have priced audit services down so much to the point that the poor fees that auditors are paid only constrain the ability of auditors to deliver quality audit; it also constrains their ability to invest in new knowledge. I remember hearing the Chief Finance Officer of a blue chip company (himself a professional accountant) gleefully reporting to the CEO that he has been able to hold audit fees constant for five years now. That same CFO in the same period conceded increases in lawyers' and doctors' fees. While conceding these relatively mindless fees from lawyers and doctors, chief finance officers, mostly chartered accountants themselves, revel in cutting audit fees or holding them down from increases, because they are incapable of justifying standard quality of life for auditors, yet expecting them to do all the grunt work, from completing incomplete records to financial reporting. I also remember overhearing one of my contemporaries, a chief inspector for a bank, complaining about my proposed fees to deliver computer audit services to his bank. A CFO, also a chartered accountant, ignored a proof of concept showing the bank could recover billions of naira from a proposed revenue assurance project. Instead of focusing on the demonstrated potential benefit of billions of naira, he focused on the fees we asked for to cover bought-in software and consulting fees. He simply thought that the fee was high for the miserly quality of life he expected accountants in professional practice to have. Now, one wonders: is this just irrational cynicism or downright ignorance? To those cynics I want to give the reminder that the construction workers of all civilizations benefited from their efforts building the civilization. The engineers who built the famous London Underground became prosperous, responsibly, doing so but left a great legacy in the civilization of England. It is immoral for accountants in industry and the public sector to systematically impoverish accountants in practice out of cynicism. Some of them end up in practice after leaving their employment only to face the tone they helped set in industry that cost cutting and containment starts with audit fee and any other fees payable to accountants. Accounting and accountants need to survive and prosper in order to innovate and improve quality of service to the market. Paying starvation fees to auditors and gloating over it does no one in the industry any good. The demise of accounting professionals will be a repulse of progress for all.

Recall that my definition of responsible prosperity mentioned the discipline of boundary. An important aspect of responsible prosperity guided by the discipline of boundary is generational boundary. It is important that the extant

generation in the profession at any time uses the community's wealth in a manner that recognizes that the next generation needs to have its share of wealth preserved. Societies that borrow from the future fail this test of the discipline of boundary for responsible prosperity. Borrowing to build for the future is socially and economically responsible. Borrowing from the future to consume and pay for profligacy as we are witnessing today in the Nigerian society is generational injustice and is inconsistent with the idea of responsible prosperity; it is a Faustian bargain that disregards generational justice. This idea is important in order to clarify that responsible prosperity does not in any way suggest excessive consumption. Hedonists never built a great society. The history of economics shows that savings and investment are primal to societal development. Accountants are trained naturally to object to needless or faddish consumption. But today, we see young accountants being influenced by the neo-hedonist civilizations around them and have yielded to pressures to belong. In some cases such pressures have forced them to engage in unethical behavior, sad to say, corruption.

The Nigerian society has experienced increased prosperity since independence with huge oil revenues, but the wealth distribution is skewed, a mark of underdevelopment. Yet, the accounting profession seems to be the worst hit of the professions. Just look around and see how many professional accountants became millionaires (needless thinking "billionaires") during the oil boom? Accountants have been busy working for affluent clients in a booming economy without themselves becoming affluent. The reason is because accountants are not trained on how to sell their services to the affluent. For the knowledge economy, our training is too restricted, not allowing us coalesce knowledge because we view things through a blinkered prism of the market. Marketing was prohibited in the profession for most of our history, condemned as puffery. Even after relaxation of some of the rules against marketing, many of us still see marketing as self-praise and professionally abhorrent. As a result, we lack the soft skills necessary for pricing and marketing our services and servicing our clients, and changing as the social environment of the society changes and this has affected our ability to claim all the responsible prosperity generated by our work in the community. Accountants can improve their lot by learning how to sell to the affluent without our conventional cost minimalist mentality. We need to be taught the psychology of the affluent so we can develop the right mindset, skillset, temperament and tolerance for the characteristics of that important market segment. Basically, affluent people demand trust and intellectual prowess from their professional service providers, they take pride in associating with the best, they show disposition to pay high fees for their services, and they are very demanding with high expectations. According to Oechsli (2014)⁶⁷, affluent people value trust, they hate surprise costs (they tolerate costs more when the costs are disclosed upfront). He cites the example of the airline industry that is replete with add-on charges but which are usually disclosed, yet the affluent pay all of them – extra luggage, extra legroom, guaranteed sitting position, waiting room priorities, etc. These charges, as many and as irritating as they are, do not come to airline clients as surprises; managing their expectations properly makes the costs bearable. Contrast that with accounting and auditing services where we try to indirectly increase fees with the

⁶⁷ Oechsli, Matt. (2014) *The Art of Selling to the Affluent*, Hoboken, N.J. : Wiley

so cowardly named “recoverable expenses” as if we must explain to the client the tiniest details of our activities to earn each penny. Have you ever witnessed how auditors cower when discussing fee increase with clients? It is very discouraging watching the clients dictate fee in what looks like a master/slave bargaining. The affordances of accounting and the professional pride of the accountant should exert more magisterial presence in fee negotiations than we see today. Gaining, servicing and retaining affluent clients are important for a professional’s prosperity. Servicing clients with poor disposable income cannot confer responsible prosperity no matter how hard one works. My father once told me that no salt seller in my village ever became rich because their customers were mostly poor. How much salt do poor families use, anyway, to cumulatively amount large sales and high profit? Today with the fallacy that salt causes hypertension the salt sellers in my town, Mbaise, Imo State, Nigeria, are even poorer. There is a lesson for accountants in the allegory of the salt seller. The cost of serving a large number of clients paying marginally above your breakeven point is very high. A large number of our members are becoming “salt sellers,” incapable of providing services with resonant quality that impress the affluent and earn “living fees,” as opposed to starvation fees. No one ever got prosperous doing business at the breakeven point. In the book *The Spirit of Enterprise*,⁶⁸ the author, George Gilder (1984), said that super profits are what contribute to strategic capital formation. It is easier to make super profits serving affluent clients; marginal clients cannot give what they do not have. Economics teaches us that disposable income of the consumer affects demand independent of the cost and quality of production.

In developing societies, indigenous professionals and businesses also benefit from government incompetence. Now, is that responsible prosperity? Yes, as long as the indigenes are the beneficiaries. I will illustrate with government incompetence in tax administration. Poor tax administration is not good, but considering that entrepreneurs depend on uncollected taxes for capital formation, it serves a socio-economic purpose for the society, particularly developing economies. All who have engaged in entrepreneurship are perhaps generally guilty of not paying accurate taxes, not because they actively exploited society’s vulnerabilities but because faced with adversities of capital formation in a developing society most entrepreneurs do not have sufficient time and organization and documentation or cashflow to do their taxes right. If we allow that as a “normal” in a developing society and developing business, then the problem is when those benefitting are not natives or they are natives but are leeching the capital benefits outside the local economy. Recall that my definition of responsible prosperity precludes wealth gained by exploiting society’s vulnerabilities. Truly so; but when the vulnerability is systemic and natural part of underdevelopment and society’s development learning curve, then the society’s children might benefit from that vulnerability without actively aggravating it; it would not be moral turpitude to do so. And because those society’s children live, work, invest and consume in that society, the wealth is still local and available to the society with inherent assurance that society will benefit in the long run. As the Igbo say, “nkita bekee tara okuko bekee (the master’s dog ate the master’s chicken).” The human variant is “nwa bekee tara okuko bekee,”

⁶⁸ Gilder, G. (1984), *The Spirit of Enterprise*, New York, NY: Simon & Schuster

meaning that the master's son ate the master's chicken. And yet another Igbo proverb says that "ji dere ede denyere na awii," which translates to saying that when yam is overcooked and melts in the pepper soup it is not lost. The sentiment of these proverbs is that in such instance it is not a total loss to the master because the son and the dog belong to the master; and when the master eats the pepper soup he would also eat the yam that melted in it. It would be a major problem if a neighbor's son or dog ate the master's chicken. This is where there is problem with the situation in African nations. Foreigners exploit the vulnerabilities of native African societies and fail to reinvest or sufficiently consume in the local economy to compensate for what they inevitably take from its vulnerabilities and to heal it. The capital flight that occurs with foreigners exporting wealth gained by exploiting local vulnerabilities represents great social and economic injustice. I make strong economic and moral distinction between the master's son or dog eating the master's chicken and the chicken being eaten by the son or dog of the master's neighbor. If my example would count, the investments I made in my community and local profession helped keep the wealth at home. With all sense of modesty, my firm single handedly reversed a trend where Nigerian audit firms and companies imported computer audit services up to the year 2000. After my training in the USA I returned in 1990 and in 1992 started my firm EDP Audit & Security Associates. At the time I learned I was the only computer auditor, indeed and in deed. So I started training local manpower, motivating young ones and paying their bills and training expenses, including overseas training; the trainees were called Beavers because of how energetically they studied and the deliberate practice nature of their training in the firm's computer audit laboratories that we called Skunkworks⁶⁹ after we read a 1994 book with that title. EDP's IT Audit Lab was a first in the African region at the time. Soon all the Big 4 firms recruited from my stable, which enabled them to stop importing computer audit professionals and to even start offering such services to clients. Then many companies in Nigeria recruited from my firm, so much that we could not keep up with the demand – we did it at great cost, by reinvesting some of the benefits resulting from the dysfunctions and vulnerabilities of the society we live in – yes, my community benefitted because I took the decision to give back to it. I recall in the beginning when I had problem convincing young graduates to prescind from seeking pleasure and "beaver" at EDP, I started paying them N300 per day if they would sit down a whole day reading intimidating tomes of computer technology and audit books in my office. Since 2000 we have not heard of expatriates coming to do computer auditing in Nigeria, rather we hear of Nigerian computer auditors, mostly trained by EDP, being hired overseas and we have many of them today known to some of you. EDP became the sole developer and source of computer audit expertise for the market for many years. For all that EDP got no specific rewards for huge investments made but we feel good that we gave back to society in a strong way to compensate for benefitting from its vulnerabilities. I do not know how many foreign firms that started with us in Nigeria at the time re-invested as much in the community. But I know of another chartered accountant that I encouraged to learn accounting software and start consulting. His story mirrors the story of EDP. He has done well training many Nigerian accountants in accounting software at great cost to his firm and watch them hired away by clients. We both are locals, we invest and consume here and that

⁶⁹Rich, B. R., & Janos, L. (1994). *Skunk Works: a personal memoir from the U-2 to the Stealth Fighter: the inside story of Americas most secret aerospace company, the airplanes they built, and the dangerous missions that won the Cold War*. Boston: Little, Brown.

contributes to the local economy and healing of society's vulnerabilities. Now, with reforms in government services and business community and the increase in civilization experienced by all, the spirit of responsible prosperity dictates that entrepreneurial firms in the community should readily meet their civic obligations: they should be responsibly organized to make for easy access by government officials for tax and other purposes.

Regarding foreign firms whose profits are exported, it is unfortunate to note that they are helped by accountants who render tax evasion services to clients with the euphemism of "consulting and special tax services." The accounting profession is a public interest profession. I see a conflict of interest when accountants render services that advise clients on how to avoid/evade taxes, exploiting society's vulnerability. I am persuaded to argue and believe that in such cases both the tax savings and the fees earned are not responsible prosperity. As a profession, are we serving the client or the public trust? We need to choose on whose part we are working but no accountant can work on both sides at the same time. As a profession our institutional position should be on the side of society not on the side of individual interests in society. This point of view is one of the justifications for hiving out the Institute of Taxation out of the accounting profession (I got a bit ambivalent in that conversation because it would detract from the opportunities of the accounting profession). Working on the side of society, the profession and its members should encourage beneficiaries of the vulnerabilities of society to leave the money in the local economy. The impact of corruption in African societies will be reduced by more than 90 percent if the stolen wealth are kept within the system and working in the local economy. Money works where it is domiciled. It is the work of money that matters most not its ownership. The lesson for anticorruption initiative in Africa is that policies designed to discourage repatriation of stolen wealth back to Africa work against the local economy as seen in the asymmetry of the current anti money laundering rules. These rules ask less questions when stolen money is leaving the countries but ask obstructionist questions when the money is being returned. It is unjust for a rich nation to keep the stolen money while negotiations are going on endlessly to release it only when it has lost much value. Government should encourage people and corporations to bring back stolen money and invest them locally to avoid the double tragedy of theft and capital flight. Thieves can reform and repent and do moral compensation, but money lost in secret bank accounts are total loss when the thieves die intestate. It is what I call reverse corruption, and travesty of justice when such money remains in the host countries. Is my profession culpable in this? My father told us of a family where members took away family resources to neighbors in times of family quarrel. When peace returned and they went to collect what they kept away they either heard some were lost or partially consumed – yams cut in half, pots of soup licked down half or broken, farming implements sold, spare keys duplicated and used to gain entry and steal later, etc, etc. That is the case of Nigeria and anti-corruption policies that keep stolen money away. Once again, an Igbo proverb would be apt here (forgive my speaking in proverbs, I grew up stoking fire for old men in the village and listened to their discussion conducted largely in proverbs). The proverb says that "mgbagha manya anaghi eju mbele." It means that if you take a gallon of wine and turn it into another equal gallon of wine and vice versa, and do that repeatedly, at some point you will not have one gallon of wine anymore. Some would have been lost by the natural process of evaporation, some pour away, some drank by the man pouring the wine back and

forth, his passing friends might sip some – all simply because the wine is in motion in the wrong place. The longer you leave the fugitive wealth in diaspora the more the chances that you will not get them back complete. Get them back even if still in the accounts of the prodigal sons but in local bank accounts, it is still better. If accountants lead the anti-corruption war the wealth of institutional wisdom of the profession would refine anti-corruption policies to ensure that stolen money is kept at home while we persuasively, even cossetingly, discuss its ownership, even over generations. Meanwhile the money is circulating and working in the local economy. Now the stolen wealth is working in the markets having custody – YOU DECIDE – possession is nine points of the law.⁷⁰ It is encouraging to note that the profession leads anti-corruption from the inside by sanitizing and disciplining its membership to lead exemplary professional life of integrity. At both district and national levels, leaders of the profession continue to remind accountants that corruption is not tolerated in the profession and that we are expected to be advocates for responsible prosperity that benefits all in the society. One of such recent reminders was given by Alhaji Mohammed Ibrahim, Chairman of the Ilorin and District Society of the Institute of Chartered Accountants of Nigeria, who warned that the Institute will maintain its internal hygiene by defenestration of members not living up to the ethical standards of the profession, specifically those who by their actions or services aid corruption in government. As reported in The Punch newspaper, he told accountants that “any member found ... in misappropriating public fund or abetting politicians in financial crime, if reported to the Institute, would be made to face the investigating panel of the Institute of Chartered Accountants of Nigeria. However, if he is found guilty, the panel would send him to face the disciplinary tribunal for proper hearing and thereafter, he would be blacklisted, while his/her certificate would be withdrawn and his/her name would be published in the national dailies.”⁷¹ In essence he is saying that accountants should not help the “grabbing hands” of government officials and become part of the “talented people [who] turn to rent-seeking rather than productive activities” in society.⁷² With our talent we can persuade government anti-corruption policies that broken window, absolute integrity approach is not working, has never worked. When in August 2015 the president formed a national anti-corruption committee that excluded accountants I shuddered because it defied history. Accounting has the moral persuasion and financial governance expertise to lead anti-corruption persuasively and make it work. In their study of anti-corruption initiatives, Anechiarico and Jacobs (1996)⁷³ “show how the proliferating regulations and oversight mechanisms designed to prevent or root out corruption seriously undermine our ability to govern. By constraining decision makers' discretion, shaping priorities, and causing delays, corruption control—no less than corruption itself—has contributed to the contemporary crisis in public administration.” For this reason I am persuaded that rebranding anti-corruption with a phrase that does not highlight guilt or necessarily demonize the culprits, for example, a

⁷⁰ Draxe, T. (1616). *Bibliotheca scholastica*. "Possession is nine points of the Law." London: publisher not identified.

⁷¹ Oyekola, T. (2019, August 29). ICAN threatens to withdraw certificates of indicted members. The Punch newspaper. Retrieved August 31, 2019, from <https://punchng.com/ican-threatens-to-withdraw-certificates-of-indicted-members/>

⁷² Shleifer, A., & Vishny, R. W. (1998). *The grabbing hand: Government pathologies and their cures*. Cambridge, MA: Harvard University Press.

⁷³ Anechiarico, F., & Jacobs, J. B. (1996). *The pursuit of absolute integrity: how corruption control makes government ineffective*. Chicago: University of Chicago Press.

repatriation-friendly name as “Campaign for Repatriation of Fugitive Wealth with Forgiveness” would help anti-corruption yield more wealth repatriation. It will be a persuasive effort that does not wash anybody’s dirty linens in the public, involving respectful negotiations, forbearances and guarantees for the freedom of the returnees. You use indulgence and play spirit to get your glass cup from a wild monkey, or the monkey will flee with it and you lose totally. If we reframe the anti-corruption narrative and get in billions of dollars back to banks in Nigeria what does it matter that we did it cossetingly? It is the money that matters. Which leads my mind to ask a question for future research: what are places like Gibraltar, Bahamas, Switzerland, British Virgin Islands, Bermuda, Hong Kong, Nevada, U.S.A., Wyoming, U.S.A., Channel Islands, U.K., Cayman Islands,⁷⁴ etc giving to the rich to bring their money to their destinations? Could Africa compete in the tax haven market so that natives keep their money at home and also attract inflow from outside? It could be the cheapest way to gain foreign investment - just thinking aloud. African needs a tax haven; Nigeria in particular can compete in that market space.

I have had the privilege of working as a professional in mainstream accounting. I have also been privileged to work as an entrepreneur in my community. I view myself as part of the pioneering construction workers of our civilization. As pioneers we suffer many adversities and yet stay on even where others turn back. Economic history shows that one of the ways that society rewards entrepreneurs is relaxation with application of laws; society looks away while startups do “nonstandard” things and grow to maturity. We all benefitted from that. The problem is that as adults we still cling to the indulgences allowed by our parents while we were in the cradle. At this point it becomes a moral issue. The accounting profession has gone as far as offering tax evasion and tax avoidance products and services to their clients. There is this intellectual distinction between tax avoidance and tax evasion, with the latter being considered illegal. I have to say here that the former considered legal is still morally reprehensible because while tax avoidance might be merely taking advantage of vulnerability, it still robs society; tax evasion, on the other hand, is both extortionate and aggravating to the vulnerability of society. This issue warrants another letter in order to give it a full attention; suffice it to say that all tax evasion and avoidance, no matter how viewed, amounts to wittingly exploiting the vulnerabilities of society; therefore, any wealth made from such behavior amounts to irresponsible prosperity. That something is legal does not necessarily make it advantageous to, or building up, the society. Some years ago I spoke at the governance, risk and control conference in Accra, Ghana, with the then FIRS chairperson, Mrs. Ifueko Omoigui-Okauru, FCA present and I gave the illustration of the traffic lights in our community. Green light says go (legally speaking you are right to go); but if an old folk or a child or a lunatic or someone who is physically challenged is crossing the road at that moment and your going ahead with the green light would kill him, should you go, being right, legally, to go? The government has incompetence that creates loopholes that can be exploited to legally pay less tax or none at all, should we wittingly exploit those loopholes (read vulnerabilities), or heal them? And when we inevitably benefit from the vulnerabilities of government and society as part of entrepreneurial capital formation, do we localize the benefits in the community

⁷⁴ (n.d.). Top 10 Tax Havens in the World. Retrieved September 3, 2019, from <https://www.slice.ca/money/photos/Top-10-Tax-Havens-in-the-World/#!tax-havens-gibraltar>

as an economic decision to heal society, or simply do a superficial moral compensation, or worse, export the benefits?

Studies such as Sikka (2005)⁷⁵ have found that accountants, as preparers and auditors, actively help companies avoid and evade taxes. These services are euphemistically framed as “tax planning” or explained away with the sophistry that there are acceptable “alternative logics pressed upon them by their large corporate clients” (Sikka and Hugh, 2013)⁷⁶ which they can follow without breaking the law. Not breaking the law is not a sufficient excuse when one by the same action is breaking the society. Predatory tax services by accountants raise troubling questions about accounting profession’s moral claim to “public interest.”

It is noteworthy that Nigerians are not paying inaccurate taxes because they primarily want to evade taxes. The bigger part of the problem is the developmental challenges of tax administration at all levels of government, including starvation wages for tax agency employees. In order words it is a societal vulnerability due to a combination of social underdevelopment and economic dysfunctions. Recall that in my definition of responsible prosperity, I said that it is wrong to wittingly exploit the vulnerabilities of society. Therefore, it will not be right to excuse tax evasion that rides on such vulnerabilities. The blight of tax administration is anonymity and pseudonymity or, put simply, the problem with proper identification of persons, entities and wealth ownership. There has been failure to coalesce progress in many fronts of governance. Having made progress in bank verification numbers (BVN) and tax identification numbers (TINs), why are bureaucrats not realizing that all we need to do is add TINs to all accounts with BVNs and add TINs to all property identification numbers and develop the national identify system to forestall the possibility of duplicate identities. Once you do that there will be no place for income to hide. People can now resort to hoarding cash in secret silos. That has a natural assurance – bulk; there is so much that you can hoard and do sensible things with. I read in a recent newspaper article that people who cannot send out their moneys are now investing in the equities market. That is a good development because when they do companies find cheap capital and the owners stay here to oversee their investment - win win for the economy – society gets the human energy and the capital stays in the local market.

Matching BVN, TIN and property IDs and monitoring monetary transactions and tax payments can be done using data analytics technologies – some of these even have predictive capabilities in the hands of diligent experts. The efficiency and effectiveness of tax administration can be improved and tax evasion detected early while the evader still has the cash flow to respond to tax assessments. Giving tax assessments long in arrears leaves the taxpayer only with one option: corrupt the tax officials and get away. Most tax payers when assessed while they still have

⁷⁵ Sikka, P. and Hampton, (2005), ‘The Role of Accountancy Firms in Tax Avoidance: Some Evidence and Issues,’ *Accounting Forum*, 29, 3: 325–343

⁷⁶ Sikka, Prem and Willmott, Hugh (2013) *The Tax Avoidance Industry: Accountancy Firms on the Make*. Working Paper. EBS Working Papers, Colchester.

the cash flow choose the option of negotiating officially to reduce and pay the taxes. I see huge opportunities in the area of providing innovative solutions for tax administration to the government that accountants can pursue and benefit from.

My final word on the tax vulnerabilities in our society is that “we have all sinned” and fallen short of the spirit of responsibility prosperity. How do we pay society back? The best we can do for society is endeavor to heal its vulnerabilities by investing ourselves in reforming and investing in our communities, from our families to our institutions; admitting our mistakes and teaching the next generation to do what is right. And for the tax authorities, a more understanding and compassionate tax drive coupled with civic education will produce a new generation of people that will grow up with higher sense of civic responsibility for tax reporting and payment. Taxation is one of those problems whose solution is always generational. Adopting a retributive, absolutist, broken windows approach and quest for absolute integrity will not serve the society well in this generation as it will repulse investors. Professor of Entrepreneurship and Innovation at London Business School, Michael Jacobides (2019), advises that “government must strike a balance that both keeps their business environments healthy and safeguards their society.”⁷⁷ A learning society policy approach for tax administration is recommended at this level or phase of development of the society. It is a strategy that would cultivate co-creation and offer co-elevation of the individual and society as you educate the community on civic responsibility. Assuming that people with university degrees are sufficiently socialized to understand their social responsibility at the moral and spiritual levels is downright wrong. Further refinement is necessary.

Progress requires necessity, challenge and the comfort that comes from economic security. Economic insecurity puts a man in a situation where he expends most of his faculties defending himself and trying to survive and not much of the brainpower is left to engage in innovative thinking. Take the Nigerian accounting profession as an example. We know that literary expression is a manifestation of stability, other than when it is the work of a “starving artist,” (a totally different phenomenon – remember Chief Obafemi Awolowo or Dr Professor Wole Soyinka writing books while in jail). Largely literary expression comes more from societies whose satisfaction of basic needs can be taken for granted. The Nigerian accounting profession has not produced an accounting classic written by one of its more than 100,000 nationwide membership with spatial demography spanning academia, practice, public and private sectors. There is no authoritative worldclass accounting magazine; there is no editor of substance who is an accountant, there is no intellectual publication in accounting and finance that is inspiring. There has been no groundbreaking accounting or auditing research or thought leadership. Is this the result of underdevelopment or cause of it in the accounting profession? It is important to emphasize that societies where nearly 100% of human performance go into sustaining survivability do not make quantum progress. The Nigerian

⁷⁷ Jacobides, M. G. (2019, August 20). In the Ecosystem Economy, What's Your Strategy? Harvard Business Review magazine, Sept-Oct, 2019, page 129. See <https://hbr.org/2019/09/in-the-ecosystem-economy-whats-your-strategy>

law profession has produced great literary work. Any surprise that they are more recognized and rewarded in our society than accountants? There are more lawyers who became rich practicing law than there are accountants who became rich practicing accounting and auditing. I believe there is a strong correlation between prosperity and professional development, one of which evidence is the attraction of the best and brightest to the profession who in turn further help to deepen the profession's share of national wealth by perching on vantage points on the commanding heights of the economy through intellectual leadership. Lawyers are doing well for themselves. Their luminaries have gone international. They recognize and attend to research needs to develop their profession. According to recent reports, "some prominent lawyers have decided to promote research, book publishing and archiving of legal history in the country."⁷⁸ Led by Chief Anthony Idigbe (SAN), Prof. Fidelis Oditah (QC, SAN), Prof. Fabian Ajogwu (SAN), Mr. Supo Shasore (SAN) and historian Mr. Edward Keazor, this cohort "decided to bridge the knowledge gap through the incorporation of Legal History Society of Nigeria, ... set up to encourage the study and advancement of knowledge of the history of Nigerian law." This initiative shows that individuals can cooperate to contribute to research and development in the professions.

Do not be discouraged by your past or put yourself down thinking you are not good or recoverable. In this world our God has only imperfect people like you and I to work with; so we make mistakes, we fail but if we learn the lessons from our mistakes then it contributes to our institutional wisdom and to the strength of our community - (Proverbs 24:16) "For the righteous one may fall seven times, and he will get up again, But the wicked will be made to stumble by calamity." It is simply saying "fail up" (Smiley, 2013).⁷⁹ This Scriptural view is supported by sociological and psychological researches that show that failure can be productive, depending on our mental attitude and how we process it. Thomas Edison said of failure or mistake: "I have not failed. I've just found 10,000 ways that won't work."⁸⁰ This is a great example of a positive, learning attitude toward mistakes and failures. It has been found that failure helps learning and scientists are designing learning systems that include "deliberate failure" designed to achieve better learning outcomes.⁸¹ Rosenthal (2013)⁸² argues against society's current prevailing message that "things should always run smoothly – or, at least, appear to – and that failure or mistakes of any sort are to be avoided at all costs." Rather he concludes that mistakes and failure are inevitable in life, including the life of professionals, and that "engaging with our own failures and defeats is one of the only ways we are able to live authentic and meaningful lives." In this book he also shows how to see each type of mistake with its own challenges

⁷⁸ Onyekwere, J. (2019, September 3). Stakeholders urge entrenchment of legal history in Nigeria. Retrieved September 03, 2019, from <https://guardian.ng/features/stakeholders-urge-entrenchment-of-legal-history-in-nigeria/>

⁷⁹Smiley, T. (2013). *Fail up: 20 lessons on building success from failure*. London: Hay House.

⁸⁰ Daum, K. (2016, February 11). 37 Quotes From Thomas Edison That Will Inspire Success. Retrieved July 26, 2019, from <https://www.inc.com/kevin-daum/37-quotes-from-thomas-edison-that-will-bring-out-your-best.html>

⁸¹ Gysi, S. (2018, February 23). "We can take this powerful mechanism and deliberately design it to learn". Retrieved July 26, 2019, from <https://bold.expert/we-can-take-this-powerful-mechanism-and-deliberately-design-it-to-learn/>

⁸² Rosenthal, N. E. (2014). *Gift of adversity: The unexpected benefits of lifes difficulties, setbacks, and imperfections*. New York, NY: Penguin Books.

and the potential to yield its own form of wisdom. He believes that mistakes, failures and adversity are gifts that offer us opportunities to become stronger and flourish more authentically.

We are brought up to conceal our mistakes and failures and to glamourize our triumphs. It is a societal tragedy that failure is not viewed as instructive. Now we should be sufficiently civilized to know that is not the best. Do not let your past mistakes destroy you, turn around, prove yourself new, move on. Be authentic, vulnerable, forgiving and loving and expect society to do the same towards you. Bring your productivity to your profession now. You are precious to Accounting. You are precious to Auditing. We are a great profession and society has acknowledged our value, with all its faults. Let us stop living in obscurity due to dysfunctional, irrational self-condemnation. Consider yourself licensed to fail, to make mistakes, and to rise again, and again, and again. Fail, fail, fail again and fail up and fail better.⁸³

This letter is not intended to explain human fallibility, so I will not spend our time dwelling on that subject. However, it is necessary to let perfectionists know that there will always be errant elements among us, people who make mistakes, fail and fail to rise, including the purists. For many reasons there will always be the bad. It could be due to mental problems⁸⁴ (for example, onset of adult Oppositional Defiant Disorder),⁸⁵ it could be for the reason of simple human tendency to repulse denial or diminishing of freedom (social hysteresis, psychological reactance), it could be a response to oppression, real or imaginary (shifting the individual to self-protection, a feral zone). Researchers (Brehm & Brehm)⁸⁶ have shown that enforcing control over people even in organizations incites reactance. The reason is that control is counterintuitive to our natural quest for freedom. The bottom line is that any or a combination of these factors would predispose even a professional to deviance temporarily or permanently, even below the level of consciousness.

My conclusion is that gatekeepers need economic security from responsible prosperity in order to be strong with affordances that society has come to rely on. Accountants and auditors should be properly rewarded and be part of the prosperity they are helping to create and protect. It is discouraging for one to be working hard only to be left behind in a society like the “cook from Umuokanne” who my father told me was allowed by his master to taste and test for salt in the food he was cooking only by his nose. Our profession has good women and men. Society should not foist vulnerabilities on them by making it culturally difficult or impossible for them to enjoy the equal opportunity and freedom to quest for “untrammled pursuit of happiness” and responsible prosperity. Accountants have right to be rich, responsibly, and that right is inalienable. The spasms of the distributional tussles of capitalism

⁸³ Chödrön, P. (2015). *Fail, fail again, fail better*. Boulder, CO: Sounds True.

⁸⁴ Oppositional defiant disorder (ODD). (2018, January 25). Retrieved July 26, 2019, from <https://www.mayoclinic.org/diseases-conditions/oppositional-defiant-disorder/symptoms-causes/syc-20375831>

⁸⁵ Rodden, J., & Rodden, J. (2019, June 26). What Does Oppositional Defiant Disorder Look Like in Adults? Retrieved July 26, 2019, from <https://www.additudemag.com/oppositional-defiant-disorder-in-adults/>

⁸⁶ Brehm, S. S., & Brehm, J. W. (1981). *Psychological reactance: A theory of freedom and control*. New York: Academic Press.

do not preclude fairness to gatekeepers like accountants and auditors. Society should allow that accountants and auditors could prosper like any other members of the community. I call on young accountants to think about various areas of accounting that need to be illuminated and to launch professional and academic research in those areas. I also call on **Top 10 Accounting Firms**⁸⁷ operating in Nigeria to fund research initiatives and be more generous with scholarships that encourage research in accounting and auditing, particularly those that will help discover new intersections in our changing society. We must take intellectual leadership of our profession or let others do it and decide the future of our place in society.

Please forgive me if I have sounded imperious, magisterial or sanctimonious or given the appearance of self-praise – none of these is intended; I am only motivated by the zealous love for this profession, accounting, my profession.

Hoping that this letter will be released at the 2019 Annual Accountants Conference holding September 9-13, 2019 in Abuja, Nigeria, I wish all you courageous professional colleagues fruitful deliberations at the conference, and hope that you will leave the conference intellectually refreshed, edified and ready to improve individually and institutionally and help our profession stay perched at the commanding height of the economy with profound intellectual leadership and leadership of anti-corruption initiatives in the community with our force field of “Accuracy and Integrity.” I am profoundly proud of you and what you stand for, “Accuracy and Integrity,” in the stygian corridors of corruption and you refuse to be absorbed in the anomie. Keep it up with Godly devotion and contentment, which have great gain and are beneficial for all things, because Godly devotion “holds promise of the life now and the life that is to come”.⁸⁸ God willing, I will be writing you again at this time next year or earlier on another important issue threatening the hallowed place of accounting in our civilization.

You will prosper. Good health to YOU!
Za ku yi nasara. Kiwan lafiya a gareku!
Ẹ òò láásìkí. Kí ara yín ó le o!
Ọ ga-adìrì unu mma. Nọrọnu nke ọma!
Ọyọfọn ye mbufo. Ẹtie sùñ!

Christian C. Ekeigwe, *FCA, CPA (Massachusetts)*
Chairman, Audit Committee Institute Nigeria
chris.ekeigwe@acinigeria.org | Phone: 0802 304-2385 (WhatsApp only)
September 9, 2019

⁸⁷ Doherty, R. (2018, February 26). Deloitte remains world's largest firm. Retrieved August 30, 2019 from <https://economia.icaew.com/news/february-2018/deloitte-remains-worlds-largest-firm-pwc-ey-kpmg>, Global Top 10 Accounting Firms: **1.** Deloitte **2.** PwC **3.** EY **4.** KPMG **5.** BDO **6.** RSM **7.** Grant Thornton **8.** Crowe Horwath International **9.** Nexia International **10.** Baker Tilly International

⁸⁸ **1 Timothy 4:8 and 6:6**, per 2013 *New World translation of the Holy Scriptures: rendered from the original languages*. Brooklyn, NY: Watchtower Bible and Tract Society of New York



Get Rich, Responsibly ... It's Ok.
It is the way of accountants; it is your inalienable right too. I call it RESPONSIBLE PROSPERITY.
It does not come from inflicting, exploiting or aggravating the vulnerabilities of society.

Christian Ekeigwe, FCA, CPA (Massachusetts)

Chairman

Audit Committee Institute Nigeria

September 4, 2019

Phone: +234 802 304-2385 (WhatsApp Only)

Email: chris.ekeigwe@acinigeria.org