

ACCOUNTING AS A TOOL FOR ECONOMIC DEVELOPMENT : THE CASE OF KUWAIT

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This article will deal with the "Role of Accounting in Economic Development". My emphasis will be on Kuwait. However, I believe that many of the ideas included in this article can be applied to developing areas in general.

For the purpose of this paper we will simply state that accounting is an important tool for the developing world in all areas where it is now essential in industrialized countries. Ideally, accounting capabilities should accelerate as their need develops. An analysis of the status of accounting in Kuwait will be undertaken to illustrate how the needs for accounting information are, or are not, being met in the developing economic of Kuwait.

GENERAL BACKGROUND

Prior to the discovery of oil in 1938, Kuwait was a community of tradesmen, pearl-divers, seafarers, and shipbuilders. The discovery of oil in abundant quantities has made Kuwait an affluent urban society providing a uniquely attractive market for labour and technical and managerial personal from other countries. Since the first exports of oil began in 1946, this commodity has become the dominant feature of the economy, providing some 93% of government revenue.

The oil revenue has enabled the country to create the world's most generous welfare state; it has educational and health service systems which are totally free.

Until 1960, government investment had been directed to the social overhead capital. To stimulate industry, the government started to participate in private investment directly because Kuwaiti private investors are inclined to invest in low-cost, quicklyyielding projects such as real estate or commerce.

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There is a determined movement in Kuwait to diversify the economy in preparation for the day when oil revenues may decline. This fact was revealed by the first Five Year development plan 1967/68 — 1971/72, which tried to coordinate economic planning, comprehending the public, semi-public and private sectors.

The need for accounting services emerged with the changes in the economic and commercial activities in Kuwait. With the formation of cooperation and the separation of management and ownership, the demand for better accounting has increased. Management needs accounting information for intelligent decision in formulating policy and directing operations. Furthermore, investors, creditors, and government agencies need unbiased opinions in the cooperate financial positions and results of operations.

ACCOUNTING REGULATION

The economic affairs of a country have always required the participation of government. Myrdal commented that :

The function of the price system itself is dependant upon the intergrating influences of government legislation, administration, and policy. The price system could not operate so well, and be so effective in corresponding to our generally accepted values and objectives unless it was for the interferences of the government. (1)

McNeal and others felt that accounting is an activity that affects public welfare. It therefore should be regulated by government or government should ensure that it is adequately regulated by accountants or other groups in the public interest. Without regulation, faulty accounting can facilitate major activities that may be detrimental to the public interest. (2)

In this respect, Kuwait is not different from other countries. The government enacted law that would satisfy the country's changed needs. Some of these laws have been amended, or replaced to provide more suitable regulations for the needs of the country. However, others still need further study and revision.

Accounting as a legal requirement entered Kuwait business life in the 1960's. Before the passage of specific laws, business organization borrowed rules and regulations from neighbouring Arab countries. The rules were included in the by-laws of business organization and could be considered self-regulations.

Practice of Audit of Account Law (2)

The first law the government enacted to regulate the accounting profession was law No. 6 of 1962. The authority to issue professional accountants' licenses first rested with the Ministry of Finance and Economy. In 1965, the authority for licensing professionals was transferred to the Ministry of Commerce and Industry. Law No. 6 contains twenty-nine articles. Articles 1 and 2 require that any ordinary person wanting to engage in the practice of auditing of accounts will record his name in the register of Auditors kept by the Ministry of Commerce and Industry. The qualifications and requirements are (Art. 3):

1 — He should have a bachelor's degree in business or its equivalent and that the subjects of his study include accounting.

2 — He should be a member of one of the institutes or societies approved by the Ministry of Commerce and Industry; or have practical accounting experience of three successive years — experience gained after graduation in order to be in one of the following areas: (a) a public accounting office; (b) public or private companies; (c) government departments; (d) the teaching of accounting or auditing; or (e) practice in his own public accounting office before the enactment of this law.

3 — He should be a Kuwaiti citizen. The Minister of Commerce & Industry has the authority to license a non-Kuwaiti to practice accounting and auditing for a period of five years and he can renew it for another period.

4 — He should be of good moral character.

5 — He should be no less than 25 years of age.

Since no examination is required, it is assumed that any holder of a college degree in business who had adequate experience is competent and therefore eligible for a public accountant's license. While a college degree and experience might be a good indication of competence, in other countries such as the United Kingdom and the United States, an applicant still has to prove his competence by passing a professional examination.

The auditor shall not practice any profession or occupation which is in conflict with the accounting profession (art. 4.-). The licensed accountant should not obtain work in auditing by solicitation or means considered to be demeaning to the prestige of the accounting profession. In auditing the records of a company the auditor shall not be: (a) a partner or administrator of the company;

(b) a partner or employee of any of the persons referred to in (a), or (c) a relative to the fourth degree, of the person in charge of managing or in charge of the accounts of the company (Art. 5);

Article 15 states that the auditor "... shall carry out his work in the audit of the account of companies or bodies or individuals in accordance with acceptable audit principle and shall prepare the statements accounts, the closing accounts and budget schemes. "Furthermore, article 16 states that an investigation may take place in "... the case of any auditor charged with the violation of the provisions of this law or the acceptable principles of his profession."

Articles 15 and 16 mention acceptable accounting and auditing principles; but do not elaborate on what they are. There are no official pronouncements on accounting principles, auditing standards, or professional ethics, such as the pronouncement of the American Institute of Certified Public Accountants" enpassed in the law. The foregoing statements show that law No. 6 of 1962 is not a comprehensive treatment of accounting.

Article 16 states that if a change encompasses a crime, then the case is referred to the court or to the police. If the charge requires disciplinary committee, the Disciplinary Committee consists of three members nominated by the Minister of Commerce and Industry (Art. 17) :

Article 19 states the disciplinary measures to be taken against the auditor if he is judged guilty. These measures are : (1) warning; (2) suspension from work for a period of not more than two years, and (3) cancelation of registration.

As stated before, the auditor must be an ordinary person, this does not prevent a group of auditors in one firm to audit the accounts of companies. In this case the audit should be performed by the qualified auditors.

Regulation of accounting differs from one country to another but the prime purpose of this regulation is that of permitting only competent accountants to practice. This is the case in Kuwait. The government moved to regulate the profession, despite the fact that the law did not treat accounting in a comprehensive manner.

Law of Commercial Companies (3)

Article 101 to 169 of the companies law concern the company's accounts. Articles 161-165 deal with the rights and duties of auditors. Every corporation is required to appoint an auditor (s),

the auditor must be a registered accountant and should be appointed at the annual meeting of the corporation. The auditor shall not practice any work in conflict with the nature of the audit of accounts of the corporation such as: Be a member in the board of directors, or in a management or any administrative or advisory office. The auditor has the right to examine all the books of the company and request any information deemed necessary in the performance of his examination. If he does not have access to the information needed then he must report this to the board of Directors and at the annual meeting.

The auditor shall be entitled to attend the general meeting and give his opinion on every matter connected with his examination. The auditor shall include in his report the following information :

1 — All the information and explanations which, to the best of his knowledge and belief, are necessary for the purposes of the examination.

2 — Financial statements (Balance Sheet and the profit and loss account) which presents true and fair view. They must be prepared in accordance with commercial companies Law and the company's by-laws.

3 — That the company has proper books of accounts.

4 — That an inventory has been taken according to the generally accepted principles.

5 — Whether the information in the report of the board of directors is in agreement with the information in the company's books.

6 — According to his knowledge, whether there is any violation of the companies Law or of the company's by-laws were committed during the year which would affect the company's activities or its financial position.

The Law of Commerce (4)

The law of commerce is another law which might have affected accounting in Kuwait. This law stipulated the requirements for the commercial books of the business. In all cases, the merchant is obliged to keep at-least two sets of books: (1) the daily journal; & (2) the inventory book. Another law which should have an effect on accounting is the taxation law. For example, in Tax Law No. 3 of 1955 determined the percentage to be used for depreciation.

These laws have affected accounting development, and increased the value of accounting work for both the companies and the accountants in Kuwait. On the other hand, the rigid control built into the provisions of the various laws may hinder development of accounting.

ACCOUNTING EDUCATION :

Accounting education in Kuwait has existed for some time, though not in a formal sense. This education took the form of learning from personal example and experience. Recently, the urgent need for systematic accounting education has been realized so that a better standard for the accounting field and its social responsibilities can be achieved.

Pre-University Level :

During the last decade the government recognized the need for accounting and related services. The first Secondary School of Commerce was founded in 1963 to meet the increasing need for accountants, book-keepers, administrators, clerks, and secretaries for both government Ministries and private institutions and companies.

The Secondary School of Commerce accepts students who hold the General International School Certificate and prepares them for the Commercial Secondary School Certificate. The student has to complete four years of courses to receive his degree. The following table (Table 1) shows information about commercial education. The number of teachers, students and classes had increased from 1963/64 to 1969/70, except to 1966/67 - 1967/68.

In 1975 the Ministry of Education established a new commercial Institute to meet the increasing demand for accounting and related services. To be admitted to this institute, the student must possess a High School Diploma or Commercial Secondary School Certificate. The student has to complete four semesters, 60 credit hours, to receive his degree.

University Level :

Prior to 1967, the year in which the Faculty of Commerce, Economics, and Political Science was found at Kuwait University,

University education in accounting was unavailable. The Kuwaiti student was sent overseas for accounting study. To be admitted to the Faculty of Commerce, Economics, and Political Sciences, the candidate must possess a High School Diploma. The student has to complete 120 credit hours to receive his degree.

Accounting Educators :

Almost all Kuwaiti accounting teachers are fulltime professors. Most of the present accounting teachers in Kuwait University have a terminal degree (Ph.D.) in accounting. Some of them have professional accounting qualifications. Also, most of them have had wide experience as accounting teachers or practitioners before they joined the staff of Kuwait University. At the present time, all of the professors come from neighbouring Arab countries. While these educators are performing adequate teaching functions, they may not be using the best texts available. Also, there is a lack of texts which are related to the local environment.

ACCOUNTING PROFESSION :

The word "profession" is an evasive term difficult to define without using a list of examples or criteria. Webster's dictionary defines a profession as "a vocation or occupation requiring advanced training in some liberal arts or science, and usually involving mental rather than manual work, as teaching engineering, writing, etc. . . ." 5 Eric L. Kohler referred to the profession as :

A vocation, (a) generally recognized by universities and colleges as requiring special training leading to a degree distinct from the usual degrees in arts and sciences, (b) requiring principally mental rather than manual or artistic labour and skill for its successful prosecution, (c) recognizing the obligation of public service and the public interest, and having a code of ethics generally accepted as building upon its members. (6)

Despite the difficulty in presenting a brief definition of a profession, there are certain characteristics which are common to fields of medicine, law, and theology, which are traditionally regarded as learned professions. (7)

The well-established professions have common characteristics: the rendering of important services to society; the existence of a body of specialized knowledge; a high degree of competence on the part of

those practicing in this field, both in terms of formal training and general personnel practice, the subjection of this eld to a code of ethical principles; and formal recognition of the group under state law or other authority. (8)

Furthermore, Roy and MacNeill 9 suggest that there are certain subjective criteria which must be included if the word profession is to be understood in its best sense. These subjective criteria can be divided into two general categories. First, that there must be a sufficient level of public understanding and respect for the field; and second, there should be continuing growth and development within the field to ensure that it will continue to be of service to society.

The accounting profession in Kuwait currently does not meet much of the criteria stated above. For example, accountants are still without a code of professional ethics. Thus, the present accounting profession in Kuwait, to some extent, is far from being established.

Prospective of the Accounting Profession :

The accountants in Kuwait have made some progress in their climb toward professional status, but there are several areas mentioned in the discussion of professional criteria where they must improve if they are to achieve a more respectable level. Generally, the continued professional development of accounting depends on the ability of accountants to identify their profession as a distinct activity which provides essential services to society.

As mentioned before, the government, through registration requirements, tried to protect the public and enhance the development of accounting by requiring certain qualifications. Table 2 shows the number of accountants registered each year from 1962-1973. From 1962-1966, only two Kuwaiti citizens had applied to obtain licenses to practice public accounting. After 1966, the number steadily increased. With such few Kuwaiti citizens in accounting practice the country will still have to depend upon imported accounting skills.

Although the number of Kuwaiti accountants has increased, this did not mean all of them practice public, but at least it gives some indication that accounting skills have been incrsasing and are available to meet the demand in the future. The accountants are aware of the need for a professional organization, and this aware-

ness led to the establishment of an accounting organization in 1973. The organization is not as active as it should be, but there is no reason to believe that it will not become more active in the near future in trying to improve and develop the accounting thought and practice. For the time being, improvement in the accounting profession could be attained by the development and voluntary assumption of codes or standards of professional conduct designed to raise the level and quality of the services rendered.

Structural changes in business and the economic growth of Kuwait call for additional well-educated manpower. This requires changes in the educational system to make the educational content more oriented to local Kuwaitian conditions. In this regard, more use should be made of local examples, and more local aid outside texts must be obtained, this will lead to more qualified accountants which will make possible inexpensive accounting services for many firms that need them in Kuwait.

There is a need for continued study and self-improvement by accountants in order that they may increase their competence to perform the service required by their clients in a rapidly changing economy. However, this could be done by creating a favourable climate to stimulate the development of accounting thought. The government should encourage the accountants to develop and improve accounting standards and interfere when necessary. It seems that with the help and cooperation of government, the accountants should be able to develop and determine accounting principles and auditing standards.

If any professional group wants to maintain public respect and maintain its ability to provide useful service to society, it must continue to expand its specialized body of knowledge through research and application and adoption of new techniques and procedures. The continuing growth in new knowledge must be attended with a professions. Through this continuing growth, a profession can continue to meet any new problems which arise and retain the public respect necessary for the effective utilization of its knowledge.

ACCOUNTING PRINCIPLES AND PRACTICES :

To understand and utilize financial statements, it is necessary to be aware of the accounting principles and practices which underlie these statements. Accounting practices in Kuwait are derived from the U.S., Europe and neighbouring Arab countries. So far, nothing has been published in this vital area.

AUDITING AND FINANCIAL REPORTING :

One of the reasons the law has required the attestation of the fairness of the reported financial statements, by independent public accountants in the English & Canadian companies acts and the security and exchange commissions regulations might be the possibility of conflict of interest between the corporation providing the information and the persons using it. (10)

In this respect, Kuwait is not different from other countries. The government enacted Law No. 6 of 1962, which required that the financial statements should be audited by auditors(s). The auditor must be a registered accountant to practice in Kuwait.

AUDITING STANDARDS AND PROCEDURES :

As previously stated, the value of the services of the independent auditor is being recognized. As a result, within the past few years, a few Kuwaiti and international firms have established accounting offices. Some of the international firms cooperate with local firms.

A survey of Kuwaiti auditing practices revealed a wide variety in the quality of audits. Some Kuwaiti and some international accounting firms perform audits which are comparable to American audits. At the other extreme, one could find auditors who certify financial statements without doing effective auditing.

So far, nothing has been published on this topic. At present, there is considerable discussions in the society of accountants in Kuwait concerning the formation of a committee to discuss this point. However, this is still in the planning stage. It is necessary that the professional organization should allow the development of adequate and necessary procedures and standards.

AUDITOR'S REPORT :

There is no uniform audit report in Kuwait. An examination of several auditors reports revealed that the terms "General Accepted Accounting Principles" and "Generally Accepted Audited Standard" were used in Kuwait. As stated earlier, there has been no official pronouncement as to what constitutes such principles and standards. However, reliance is usually on the practices employed in Arabic countries, Europe and the U.S. Reference to consistency

is usually made in the auditor's reports but a few of the reports examined neglected this point. Moreover, the reports expressed an opinion but did not "certify" the financial statements.

AUDITOR'S RESPONSIBILITY TO THIRD PARTIES :

The responsibility of the independent auditor to third parties is a moot question since it has not been precisely defined in Kuwait. The writer could not find a record of an auditor being used for negligence. Auditor's liability insurance is not sold in Kuwait. Apparently it is not needed, due to the absence of lawsuits.

FINANCIAL STATEMENTS :

The most important financial statements in Kuwait are the balance sheet and profit and loss account. Both of them are prepared in account form. In general, the assets side of the balance sheet includes:

Fixed assets, current assets, deferred charge and contra accounts. The liability side often contains: Shareholder equity, reserves, earning, liabilities, provisions and contra accounts. The profits and loss account contain all revenue on one side and on the other side general and administration expenses, depreciation and provision. There is another way of preparing the profit and loss account by listing all revenue less all the expenses.

In financial statements examined, several footnotes were observed. There appears to be a general trend toward footnote disclosure of pertinent details which are necessary for a proper evaluation of the financial statements.

ACCOUNTING AND THE PRIVATE SECTOR :

The basic goal of economic development is to bring about a change from a system of economic stagnation to a system of dynamic growth. In this context, accounting can be of substantial aid to the economic development sphere.

Accounting is concerned directly and indirectly with public interest. "Accounting is not merely a contribution, it is an inherent part of a successful industrialized economy. "Industrialization, as a synonym for economic development, is today an economic reality. Policies designed to expedite industrialization and hence, the econo-

mic development process, are being actively pursued by developing countries aimed at narrowing the ~~disparities~~ existing in relative consumption patterns. (12)

Efficient management needs accurate and up-to-date information for decision making and planning future policy. Furthermore, it is generally assumed that finance and capital formation are one of the important factors in economic development. Accounting can play an important role in this respect by providing information about the conditions of the enterprise in order to gain investors' confidence and aid in the allocation of capital. Another segment of the society which needs accounting information is creditors. Enthoven recognized this function when he stated:

The accounting. . . in developing nations can thus do much to stimulate confidence in the private sector and to help to mobilize sterile savings. The adoption of economically sound and realistic accounting techniques and auditing procedures for all sectors, as well as cooperation with financial institutions (banks, stock-exchange, etc. . .) and semi-public agencies, would be a great help toward this goal. Successful private investment will breed more private investments. (13) Providing financial data to investors is a complex task, fraught with judgment choices between holders equity. Adequate accounting is a necessary requisite for partially satisfying investors' informational needs. Therefore, accountants must be well trained in accounting in order to make financial reporting reliable and meaningful.

In most of the developing nation, financial reporting provides little-reliable information or data relevant to investment decisions. This shortcoming was recognized by Mahon (14) when he stated :

The credibility of financial statements has not been generally established — the public simply not being conditioned either to expect or to demand reliable statements. Needless to say, market mechanisms under which widely dispersed private capital accumulations can be placed at the disposal of emerging industry are limited.

In a developing nation such as Kuwait where capital requirements are expanding rapidly, accounting information is vital to fulfill investment requirements necessary to achieve effective and efficient economic developments.

The capital market in Kuwait functions without financial information: The investors buy and sell on the basis of rumor and guesswork rather than on reliable information as to the substantive capa-

cities of security issues. Also the Kuwaiti banks rely upon reputation of the owner more than any factor.

In order to obtain the investment funds necessary for economic expansions, the investing public must be able to rely on the financial reports issued by enterprises. The impartial and independent opinion of the Kuwaiti accountant will play a significant part in promoting this confidence.

It is the responsibility of the accountants to fulfill the needs of all groups. In the preparation of financial statements, the accountants should keep in mind the level of education and sophistication of financial statement. Moreover, it is not enough that accountants in Kuwait use the standard of reporting of other countries, it is necessary to make the financial statements meet the information needs of the users in Kuwait.

ACCOUNTING AND THE PUBLIC SECTORS :

An examination of the technical requirements of the three stages of development planning process in Kuwait was made. The purpose of this investigation was to outline the areas in which accounting can facilitate the development planning process.

In the macro stage, the planners determine a target rate of growth for the whole economy. The Planning Board in Kuwait determined a target of economic growth 37% over the plan period (1967/68 - 1971/72). The planners in Kuwait used a simple Harrodian-type growth model. The approach necessitated the calculation of elements such as incremental capital-output-ratios, incremental labour-output-ratio, saving and the percentage of gross national product to be invested to achieve the plan target rate of growth. All these concepts are largely based on accounting data.

In the sectoral stage, the problem is one of the translating the overall objectives of the plan into different targets for each sector of the economy. The planners in Kuwait did not employ any techniques such as input-output analysis, because the required information was not available.

In this brief discussion I have tried to identify the areas of economic development planning process, with respect to the private and public sectors, in which accounting plays an essential role.

RECOMMENDATION AND CONCLUSION :

1. Accounting education must be expanded at both the pre-University and University levels. This expansion is necessary to meet the needs for accounting services in the ddeveloping economy of Kuwait.

2. Adaptations are needed in accounting educational contents to reflect the local environment. Accounting research should be encouraged and supported. In addition, if the accountant of the future is to fulfill his social responsibility, he will require special skills. For example, accountants will need a greater knowledge of the behavioral sciences, macro-economics, information systems and quantitative methods to successfully service and evaluate social programs. Methods of non-financial measurement must be perfected and introduced into accounting curriculum to familiarize accountants with available and acceptable techniques to measure non-financial data. The future role of the accountant will demand that he has knowledge in these areas.

3. To be effective, professional accounting groups must be better organized and be more concerned with the identification and standardization of accounting practices to fulfill accurately needs of users. An awareness of those needs led to the establishment of an accounting organization in 1973. However, the organization is currenently not organized or dedicated to achievement of professional reporting. It should devote more effort to improve and develop accounting thought. Ultimate success will require cooperation of the accounting organization, accountants licensed to practice in Kuwait, educators, and the Ministry of Commerce and Industry.

4. Accounting practitioners in Kuwait should assume responsibility for recruiting and for on the job training of more Kuwaitis. Efforts must be made to attract Kuwaiti accountants into public and private accounting. A successful recruitment program will subsequently directly benefit society. Accordingly the government can aid in this effort by passing pension legislation to cover public and private accountants and thereby provide the same security that government accountants now enjoy.

5. The government should enact a law to establish a stock exchange with input from accounting practitioners. Financial disclosure requirements, i.e. prescribing the form and content of financial statements, included in the law should be jointly developed by

the Ministry of Commerce and Industry and practicing accountants. By this means, standardization and acceptance of reporting requirements will occur at a more rapid rate.

6. To be useful, external financial statements should be published within a given time period immediately subsequent to the fiscal year of reporting companies. Delay the release of financial statements hinders the making of sound investment decisions. Their usefulness to users is minimal unless the information is current.

7. Accountants should be responsible for providing reliable financial information to fulfill shareholders' need, the responsibility may be specified in the law as well as in the professional standards of the practicing profession.

8. Appropriate accounting systems are needed to generate the financial requirements of macro-planning. In addition, appropriate planning and control must be followed. Moreover, performance measurements needed. Cooperation of the planning Board, Ministry of Finance, Audit Bureau, and practicing accountants is needed to fulfill requirements of the public sector.

9. Changes in the law are needed. For example the law of commerce requirements make it impossible to conduct mechanized accounting cooperations. As a result, timely information required by today's modern business firms cannot be obtained. Consequently, a thorough review should be made of laws to identify features hindering accurate, efficient, and informative information generation.

The accounting profession in Kuwait is still in its infancy. For all practical purposes, the 1960s may be considered as the time of its origin. Consequently, the accounting profession in Kuwait has had very little time in which to develop. Accountants in Kuwait have made some progress in their climb toward professional status, but there are several areas in which improvement must be made. The more important areas are included in the above recommendation.

Environmental characteristics in Kuwait have influenced directly accounts recording and reporting practices. These practices however do not completely fulfill the needs of a developing country such as Kuwait. They must be further perfected and adopted to the current environment and be sufficiently flexible to fulfill needs of the immediate future. As a result, Kuwait will have one of the means to enable it to develop economically at a faster rate. There is evidence, that in process are accounting developments paralleling the related environmental change. Further accounting developments, however, are needed if Kuwait is to achieve its desired economic status.

TABLE — 1
COMMERCIAL EDUCATION
 (Number of Classes, Students, Teachers, and Graduates at
 the Secondary Stage)

	1963- 64	1964- 65	1965- 66	1966- 67	1967- 68	1968- 69	1969- 70
Graduates	—	—	—	30	21	19	—
Teachers	11	24	39	42	45	52	57
Students	54	73	84	94	85	99	142
Classes	3	5	7	8	7	8	10

Source : Ministry of Education, Education in Kuwait 1969 - 1970,
 Public Relations (Kuwait : Government Printing Press), p. 30.

TABLE — 2
NUMBER OF ACCOUNTANTS GRANTED LICENSE FROM 1962 - 1973
BY MINISTRY OF COMMERCE AND INDUSTRY TO
PRACTICE PUBLIC ACCOUNTING IN KUWAIT

Year	Kuwaiti			Non-Kuwaiti	
	Total	Total	Percent	Total	Percent
1962	23	—	—	23	100
1963	18	2	13	14	87
1964	6	—	—	6	100
1965	6	—	—	6	100
1966	6	—	—	6	100
1967	7	1	14	6	86
1968	4	3	75	1	25
1969	3	—	—	3	100
1970	9	4	44	5	56
1971	8	6	75	2	25
1972	8	2	25	6	75
1973*	8	5	63	3	37

* of February, 1973.

Source : Ministry of Commerce and Industry, Auditors Register.

- 1 — Gunner Myrdal, **Rich Land & Poor : The Road to World Prosperity** (New York : Harper & Brother Publishers, 1957) p. 49.
- 2 — This section is based on law No. 6 of 1962, **Practice of Audit of Account** (Kuwait Government Printing.)
- 3 — This section based on Law No. 15 for the year 1960, to **promulgate the the Law of Commercial Companies** (Kuwait Government Printing Press, 1960).
- 4 — This section based on Law No. 2 for the year 1961, **promulgating Law of Commerce** (Kuwait Government Printing Press, 1961)
- 5 — Webster's New World Dictionary (New York : The World Publishing Company 1966) p. 1163.
- 6 — Eric L. Kohler, **A Dictionary for Accountants**, Fourthed. (Englewood Cliffs, New Jersey : Prentice Hall, Inc., 1970) p. 345.
- 7 — Robert H. Roy & James H. MacNeil, **Horizons for a Profession : The common Body of Knowledge for Certified Public Accountants** (New York : American Institute of Certified Public Accountants, 1967) p. 31.
- 8 — Ibid & John L; Carey, "what is the professional Practice of Accounting? **The Accounting Review** XIII (Jan. 1968) p. 5.
- 9 — Roy & MacNeil, **Horizons for a Profession**, pp. 32-33.
- 10 — John L. Carey, **The accounting Profession : Where is it Headed?** (New York : American Institute of Certified Public Accountants 1962) p. 21.
- 11 — Herman W. Beirs, "The Accounting Function in Economic Progress", "The Journal of Accounting 106 (August 1958): 34.
- 12 — See Simon Kuznets, **International Differences in Income Levels. Reflections on their Causes, Studies in Economic Development** (New York : Holt Publishing Co., 1961)
- 13 — Adolp J. H. Enthoven, "The accountant's Function in Development", in reading in international accounting, eds. : Kenneth B. Berg, "Gerhaud G. Muller & Lauren M. Walker (Bosten: Houghton Mifflin Co., 1969) p. 132.
- 14 — James J. Mahon: "Some Observation on World Accounting, "The Journal Accounting 179 (January 1965): 35
- 15 — See the Planning Board, **The First Five Year Development Plan, 1967/68 - 1971-72** (Kuwait: Printed at the all Rissala Press, December 1968)

المحاسبة كوسيلة للتنمية الاقتصادية

د. شعيب عبد الله

يهدف هذا البحث الى ابراز الدور الذي يمكن أن تلعبه المحاسبة في خدمة التنمية الاقتصادية التي تشهدها الدولة النامية بصفة عامة والكويت بصفة خاصة .

لقد عرض الباحث أولا البيئة الاقتصادية في الكويت ثم تطرق للقوانين التي تنظم مهنة المحاسبة والقوانين التي لها تأثير على مهنة المحاسبة وبعد ذلك استعرض البحث تطور تعليم المحاسبة في الكويت .

ويتابع الباحث بدراسة القواعد المحاسبية المتعارف عليها في الكويت بصفة عامة وفي هذا المجال أظهر الباحث مدى قصور هذه القواعد وعدم مواكبتها للتطور المستمر في مهنة المحاسبة .

والنقطة الرئيسية التي تعنى بها الدراسة هي ابراز دور المحاسبة في التنمية الاقتصادية ولتوضيح هذا الدور الذي تلعبه المحاسبة في التنمية فقد ناقش البحث دور المحاسبة في التخطيط والرقابة على المستوى القومي والخاص وفي النهاية أورد الباحث توصيات يمكن بواسطتها تلافي نواحي قصور المحاسبة في الكويت ومن ناحية أخرى تدعيم دور المحاسبة في مجال التنمية الاقتصادية .