

ACCOUNTING INFORMATION IN THE FIRST ISSUES OF THE WALL STREET JOURNAL: AN HISTORICAL NOTE

ABSTRACT

Mary Ellen Oliverio
Department of Accounting
Lubin School of Business
Pace University
New York, NY 10038
212 346 1819 moliverio@pace.edu

Medbery, in his book, *Means and Mysteries of Wall Street* (1870), does not make explicit the role of information in the success of the U. S. market activity. However, he does note the negative impact of "newspaper exaggerations" in London during the railway fever of 1824-25, for example. Early efforts to provide financial information in the United States as the selling of stocks and bonds moved beyond a small group of investors revealed the value of credible information.

The contemporary attention to the need for transparency of financial information in the global marketplace motivated the questions tentatively explored in this note: What was the nature of financial accounting reporting at the time THE WALL STREET JOURNAL [hereafter referred to as THE JOURNAL] began publication in July 1889? What was the extent of attention to accounting-related information in the initial months of the publication?

While there had been a number of news agencies providing information to investors in the decades prior to 1889, there appears to have been a bold step forward with the first issue of THE JOURNAL on July 8, 1889. Clews, whose advertisement appeared in the first issue of THE JOURNAL wrote in memoirs of "inadequate information, false information, and defects of news agencies. . ."

In this note, the discussion is focused on (1) financial reporting at the time of the founding of THE JOURNAL; (2) the mission of the publishers; (3) the response from other newspapers; (4) nature of reporting in the initial months; (5) comments on the nature of accounting-related information; (6) further historical exploration suggested.

This paper is an exploratory review. A more systematic historical analysis to track the nature and extent of accounting-related matters in the first two decades of the JOURNAL is contemplated.