

Thank you, Pierre. When he called me yesterday afternoon and asked me to introduce Yuji, I accepted after some uncertainty and hesitation. On one hand, I have never had the chance to introduce my teacher before he gives us an overview of the vast body of the work of his teacher. He gets sixty minutes, and I get less than six.

Which is just as well, because he hardly needs an introduction to any audience in the world of accounting, much less this one. In any case, it would be presumptuous of me to even try.

So, please allow me to just share a personal reminiscence.

I first met him in his class in the first mini-semester of fall 1970 for the just-arrived MBAs. We were in the basement level of this building where the core classes of the MBA program were held in two class rooms of about 30 seats each. That was enough, because there were only 56 of us in the incoming class.

This course was called Managerial Controls I, and took the place in the GSIA curriculum where other schools might teach Introduction to Financial Accounting. Not surprisingly, it was followed in the second semester by Managerial Controls II, in place of a course on managerial accounting. I had the good fortune to have Bob Kaplan as my instructor in that course. The reason, I understood later, GSIA called these courses Controls I and II was, of course, the work of William W. Cooper. Bill Cooper, as many of you know, was one of the School's founders, and his vision of management as a single discipline, and accounting as an essential and integral element of managing organizations and society pervaded GSIA then, and has distinguished this School and its extraordinary contributions to management and economics.

Although I could hardly appreciate it at the time as a first year MBA, this vision and distinction came through in the lectures Yuji gave to introduce us to accounting. I recall one day his drawing roughly a U-shaped curve with income on the horizontal axis and some measure of pressure on the y-axis. In the 14 110-minute classes he had to teach us financial accounting, he had found time to tell us how a "neutral" measure of income at the bottom of the U may be stretched upward or downward through exerting "pressure" of various kinds. Few contributors to the now-extensive literature on income management may be aware of its origins in Yuji's heterodox thoughts on the subject forty years ago.

Though I had known bookkeeping before I came to Carnegie Mellon, this insight from that lecture lingered with this freshly arrived MBA. Accounting no longer seemed like a cut-and-dried subject, and in a few minutes and a simple chart, a young professor had added a behavioral, economic, and managerial dimension to the subject. A few weeks later when some members of the GSIA faculty asked me if I am interested in joining the PhD program, that lecture and the diagram played a major role in what I did. I thank Yuji for putting such an unconventional and subversive thought into my mind about the nature of accounting. To this day, I hardly ever work on any accounting topic without thinking of what you seeded that day.

Ladies and Gentlemen, would you please welcome my teacher and friend, Yuji Ijiri.