Accounting for Public Finances: a Minister, a Businessman and an Accounting Professor at the Base of the Adoption of Double Entry Bookkeeping at the Portuguese Royal Treasury, 1761

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Abstract
This historical investigation traces a case study related to the introduction of double entry bookkeeping in the Royal Treasury, the first public Portuguese organization to use this system of accounting, in 1761, by the Letter of Law of 22 December. Providing an exhibition from an accounting history point of view, three questions were made as a research tool: ‘what happened?’, ‘how did it happen?’, and ‘why did it happen?’. The study adopts a qualitative approach as a methodology and the documental method as investigation method (analysis of texts and documents). The main documentary sources consulted are concerned to historical archives, legislation, personal letters and scientific journals. The results indicate that through the Letter of Law of 22 December 1761 Portuguese government used double entry bookkeeping as a tool of power, instrumentalizing it in order to make more efficient the collection of public revenues. In so doing, the government took better control of the citizens. We also concluded that Pombal, José Francisco da Cruz and João Henrique de Sousa, respectively, a politician, a businessman and an accounting professor, were the three key environmental agents responsible for accounting change in the Portuguese public finances. They played the most important senior positions of the Royal Treasury’s organizational structure: General Inspector (Pombal); General Treasurer (Cruz); and Clerk of the General Treasurer (Sousa). This study fills the gap within the existing literature in what concerns to the roles played by José Francisco da Cruz and João Henrique de Sousa on the introduction of double entry bookkeeping in the Portuguese Royal Treasury. Evidence seems to suggest that, along with Pombal, they were responsible for the transfer from the private sector to the public sector of the educational know how instrumental in the institutionalization of the double entry method in the public finances of the Portuguese empire.

Key words: Accounting History, Portuguese Royal Treasury, Public Accounting, Double Entry Bookkeeping, Pombal, José Francisco da Cruz, João Henrique de Sousa.