Double entry bookkeeping to José Francisco da Cruz (1717-1768):
“what have you done for me lately?”

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Abstract
The paper introduces José Francisco da Cruz (1717-1768), the first general treasurer of the Portuguese Royal Treasury (1761). A businessman from Lisbon, shareholder in the three largest monopolist trade companies of the time, this accounting technocrat made a decisive contribution for the transfer and spread of double entry bookkeeping (DEB) in eighteenth century Portugal. The article is intended as a study that explores which social and political agents were involved in the emergence and development of DEB in Portugal. The main contribution of the paper has to do with the systematisation of José Francisco da Cruz’s biographic features and professional traces as an attempt to place on Portuguese accounting history research agenda the study of individuals who were instrumental in initiating the process of accounting’s social recognition. The paper examines José Francisco da Cruz’s profile, his career and his relations with Portugal’s Chief Minister (Pombal). More particularly, we outline the role of José Francisco da Cruz in the development and application of DEB in the Portuguese context: on the one hand, due to his managerial positions in the Royal Treasury and in two monopolist overseas trading companies concerning Colonial Brazil, Company of Grão-Pará and Maranhão and Company of Pernambuco and Paraíba, organizations where DEB was compulsory by means of their statutes; and, on the other hand, due to his political contribution for the establishment of the Portuguese School of Commerce (1759) as Provedor [President] of the Board of Trade.

Key words: Accounting History; Eighteenth Century; Double Entry Bookkeeping; José Francisco da Cruz; Pombal.

Resumo
Apresenta-se o primeiro tesoureiro-geral do Erário Régio português (1761), José Francisco da Cruz (1717-1768). Homem de negócios da praça de Lisboa, membro da notável família dos Cruzes, accionista das três companhias de comércio pombalinas de maior dimensão, entre o mais, este tecnocrata da contabilidade forneceu um contributo determinante para a transferência e difusão das partidas dobradas no século XVIII em Portugal. O artigo pretende ser um subsídio para que se perceba quais os agentes sociais e políticos envolvidos na emergência e desenvolvimento da contabilidade por partidas dobradas em Portugal. A principal contribuição do estudo respeita à sistematização dos traços biográficos e linhas de percurso profissional de José Francisco da Cruz, como tentativa de trazer, para as agendas de investigação em História da Contabilidade portuguesa, o estudo de individualidades instrumentais para o processo inicial de reconhecimento e dignificação social da contabilidade. O trabalho examina o perfil de José Francisco da Cruz, a sua carreira, e as suas relações pessoais com Pombal. Este apontamento justifica-se pela importância atribuída a José Francisco da Cruz no desenvolvimento da aplicação das partidas dobradas no contexto português: por uma parte, pelo seu desempenho em cargos de administração no Erário Régio e nas duas companhias comerciais monopolistas respeitantes ao Brasil (Companhia Geral do Grão-Pará e Maranhão e Companhia Geral de Pernambuco e Paraíba), organizações nas quais obrigatoriamente se utilizava a tenência de livros de contabilidade em dia escriturados por partidas dobradas; e, por outra, pelo seu contributo político para a fundação da Aula do Comércio (1759), como Provedor em exercício da entidade que lhe serviu de patrona, a Junta do Comércio.

Palavras-chave: História da Contabilidade; Século XVIII; Contabilidade por Partidas Dobradas; José Francisco da Cruz; Pombal.
1. Introduction, objectives and motivations

In 1761 a new accounting method was implemented in Portugal’s public finances; the double entry bookkeeping (DEB) system. By means of the Letter of Law of 22 December 1761, it was created the Royal Treasury, the first central government organization in Portugal to adopt DEB (Gomes, 2007; Gomes et al., 2008).

In 2007 special attention was devoted by Gomes to the roles played at the Royal Treasury by key individuals in the process of transferring DEB from the private to the public sector in eighteenth century Portugal, namely its general inspector, Sebastião José de Carvalho e Melo 1 (see Gomes, 2007, pp. 114-125), and its clerk of the general treasurer, João Henrique de Sousa (see Gomes, 2007, p. 153, p. 156, pp. 222-223, p. 247). Notwithstanding, besides Pombal and João Henrique de Sousa (for a profound and interpretive vision of Sousa’s bio and bibliographic details see Rodrigues & Craig, 2009, 2010), there were in Portugal other protagonists of accounting change who as well performed important roles regarding the transfer of accounting expertise from the private to the public sector. Accordingly, this is the main objective of the paper: the characterization of individualities who, together with Pombal and João Henrique de Sousa, have contributed to the implementation of the DEB system in the Royal Treasury and other organizations in eighteenth century Portugal.

This study intends to be a reply to calls made by Carmona and Zan (2002) and Carmona (2004), to map a broader variety in the history of accounting, namely by expanding the segment time (before 1850) and the geographical area (besides the anglo-saxon countries).

The background is focused on the second half of the eighteenth century, as this period is marked in Portugal by the existence of a series of events which permitted great accounting development, for example: the foundation of the Company of Grão–Pará and Maranhão, in 1755 (Carreira, 1983; Marcos, 1997; Pinto, 2008, 2009; Pinto & West, 2012; Rodrigues et al., 2009); the establishment of the Board of Trade, in 1755, with statutes approved in 1756 (Faria, 2008; Marcos, 1997); the foundation of the Company of Agriculture and Upper Douro Vineyards, in 1756 (Oliveira, 2008, 2009; Oliveira, 2009, 2010); the re-establishment of the Royal Silk Factory, in 1757 (Carvalho et al., 2007); the establishment of the Company of Pernambuco and Paraíba, in 1759 (Carreira, 1983; Júnior, 2004; Marcos, 1997; Rodrigues & Sangster, 2012); and the institution of the Portuguese School of Commerce, in 1759 (Cardoso, 1984; Ferreira et al., 1995; Rodrigues & Craig, 2004; Rodrigues et al., 2003, 2004; Santana, 1985), the most paradigmatic event for the time. As pointed out by Faria (2011, p. 139), “the interest in the eighteenth century could be explained by the fact that it is where the roots of the Portuguese accounting lies”. However, as argued by Hernández Esteve (2008, p. 193), “the personal preferences of the authors for periods they know better in contextual terms, motivate many of the research studies in accounting history”.

Concerning the research method, it was used the technique known in literature as analysis of texts and documents (Carnegie & Napier, 1996). Likewise recent Portuguese studies published in international journals (see, for all, Rodrigues & Sangster, 2012), our sources include archival data accessed in Lisbon at the Arquivo Nacional da Torre do Tombo [National Archive of Torre do Tombo; hereafter ANTT] and Biblioteca Nacional de Portugal [National Library of Portugal], and also contemplate, following the track of Rodrigues et al. (2004, p. 55), “the text of decrees issued by [the government of Portugal], and a wide range of scholarly literature in several languages (principally Portuguese but also including English […])”.

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1 As usual we shall frequently refer to Sebastião José de Carvalho e Melo as Conde de Oeiras [Count of Oeiras] (1759) or as Marquês de Pombal [Marquis of Pombal] (1770), or simply Pombal, although those designations may not always correspond to the time in his life when he indeed owned these noble titles (Gonçalves, 2011, p. 117). Pombal was a member of Portugal’s government since 1750, becoming Portugal’s Chief Minister in 1756 (until 1777).
The motivation of this paper is twofold: on the one hand, our personal interest in the accounting framework during Pombal’s administration; and, on the other hand, as it is believed that the analysis and interpretation of the biographic profiles of the eighteenth century Portuguese businessmen can be of great use to the history of accounting in Portugal, especially in terms of unveiling their roles in DEB’s implementation.

This presentation is expected to prompt the realization in Portugal of more biographic works that can highlight the pioneering role played by some agents in the emergence and development of accounting. In this sense, in what relates to this particular area of historical investigation, the biographies (Carnegie & Napier, 2006, pp. 21-22; Gomes & Rodrigues, 2009, p. 225; Previts et al., 1990, pp. 137-139), the following works must be underlined: (1) Carqueja (2010), Gomes (2007), Rodrigues and Craig (2009, 2010), Rodrigues et al. (2010), Santana (1974); (2) Sousa (1999); (3) Carqueja (2002); (4) Carqueja (2002a), Ferreira (2006), Ferreira (2000), Guimarães (2005, 2007); (5) Caiado (2006); (6) Gomes (2007), Gomes et al. (2008); (7) Tavares (2008); (8) Rodrigues and Craig (2009, 2010), Santana (1974); (9) Pinto (2009); (10) Guimarães (2009); (11) Guimarães (2010); (12) Guimarães (2010a); and (13) Rodrigues (2011).

The preceding authors have examined the life itineraries and biographic details of several Portuguese personalities that helped the social recognition and dignifying of accounting in Portugal, namely: (1) João Henrique de Sousa (accounting professor and clerk of the general treasurer of the Royal Treasury, as mentioned); (2) Martim Noel Monteiro (accounting professor); (3) Rodrigo Afonso Pequito (accounting professor); (4) Gonçalves da Silva (accounting professor); (5) Cabral de Mendonça (author of an eighteenth century accounting book); (6) Marquis of Pombal (Portugal’s Chief Minister); (7) Lopes Amorim (accounting professor); (8) Albert Jacqueri de Sales (accounting professor); (9) José António Sarmento (accounting professor); (10) Camilo Cimourdain de Oliveira (accounting professor); (11) Lopes de Sá (Portuguese-Brazilian accounting professor); (12) Rogério Fernandes Ferreira (accounting professor); and (13) the officers of the Royal Treasury, 1762.

This work is an attempt to follow through these researches, being important to stress that José Francisco da Cruz (hereafter sometimes referred to as ‘Cruz’) is an unexplored theme in accounting history literature. In fact, literature does not contain in-depth studies on Cruz and his involvement in the process of development of accounting in Portugal. Therefore, this article seeks to assist the process of filling this void by demonstrating the key role performed by Cruz in this matter.

The remainder of the paper is organized as follows. The next section, section 2, gives an overview of the Portuguese political, economic and social context from 1750 to 1761. Thereafter follows section 3 which makes brief references to the Letter of Law of 22 December 1761. Section 4 outlines the main biographic features of José Francisco da Cruz showing some examples of his professional experience linked to Pombal’s institutions. The section that follows, section 5, highlights the personal relations established between Cruz and Pombal. The final section, Section 6, contains discussion, conclusions, limitations and a call for further research. ²

2. The political, economic and social context in Portugal (1750–1761)

At the time of death of King D. João V in 1750, Portugal was in a serious economic situation, notwithstanding the gold and diamonds generated by the overseas territories, namely Portuguese America. It was necessary to solve various problems: an inoperative administrative apparatus; frauds in state dependent organizations; stagnation of the industry; and the decay of commerce (Gomes, 1999).

² A note to point out that throughout this article, whenever the quote is not textual, the indication of the number of pages of the consulted references is considered optional.
The gold and diamonds contributed for D. João V’s governance to have been, certainly, the most sumptuous of all the history of Portugal. However, surprisingly, as remarks Carvalho (1982, p. 94), “a few years after the discoveries of the abundant Brazilian mineral wealth transported to Portugal during the governance of King D. João V, the Portuguese people were struggling with poverty”.

The king, paralyzed and inoperative since 1747-48 (Serrão, 1982), had become oblivious to the governmental tasks, “endorsing these to obsolete and unproductive men” (Carvalho, 1982: p. 91). It should thus be noted that the result was an authority crisis reflected in abuses of the nobility, corruption at the Customs House and difficulties in exercising the law. The situation was particularly serious since it was accompanied with a significant decrease in gold production in Brazil, as well as an interest decrease of the port wine by the international market (Marques et al., 1979, p. 17).

In 1750 King D. José I, succeeding his father King D. João V, formed a government based as well on three Secretaries of State: (i) Internal Affairs of the Kingdom; (ii) Navy and Overseas Dominions; and (iii) Foreign Affairs and War. The first one was entrusted to Priest Pedro da Mota e Silva (he transitioned from the previous cabinet of D. João V), the second committed to Diogo de Mendonça Corte-Real, and the last assigned to Pombal, one of the most emblematic personalities ever in the political and social history of Portugal.

The earthquake in Portugal on 1 November 1755 granted Pombal the hegemony and political preference in the government of D. José I, due to his constant presence near the king in such a difficult and tragic situation. With the death of Pedro da Mota e Silva “which occurred few days before the earthquake” (Correia, 1931, p. 5), followed in 1756 by the imprisonment of Diogo de Mendonça Corte-Real for political reasons (Serrão, 1982, p. 74), Pombal gradually concentrated upon himself the powers of the other two Secretaries of State, assuming in that year functions of a true Chief Minister.

In the beginning of the 1760s the conflicts of the pombaline cabinet with the three arms of the state were thought to be resolved: with the people, due to the death sentences to those involved in the protest action in February 1757, in Oporto, against the privileges of the Company of Agriculture and Upper Douro Vineyards; with the nobility, due to the execution of some members of the Távora, Aveiro and Atouguia families, in January 1759; and with the clergy, through the expelling of the Jesuits in September 1759. It is within this political and social context that the observation of Rodrigues (2000, p. 375) should be understood: “at the end of the 1750s, with the internal opposition brutally crushed, Carvalho e Melo [Pombal] will have time to make the changes in the administrative apparatus of the country”.

One last note to mention that in December 1761, date of the Letter of Law which constituted the Royal Treasury, the ministerial cabinet of D. José I included the usual three Secretaries of State: (i) Internal Affairs of the Kingdom, headed by the Count of Oeiras (Pombal); (ii) Navy and Overseas Dominions, with Secretary of State being Francisco Xavier de Mendonça Furtado, Pombal’s brother; and (iii) Foreign Affairs and War, a department entrusted

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3 Jacome Ratton (1736-1820), a contemporary observer and a businessman friend of Pombal, wrote that the Secretary of State Diogo de Mendonça Corte-Real was greatly frightened by the earthquake at the extent that he did not appear before King D. José I for some time, fact that reduced his esteem before the monarch (see Ratton, 1813).

4 Strictly speaking, the post of Chief Minister (or Prime Minister) is set up from a British tradition (Maxwell, 2004, p. 36) which at that time had no match in the Portuguese government structure. Carvalho e Melo was appointed in 1756 as Secretary of State of Internal Affairs of the Kingdom. Because it was the most important position of the executive, the position often appears confused with the position of Prime Minister, though he had never taken over as such.

5 As argued by Monteiro (2011, p. 151), up to the nineteenth century the cases of brothers not using the same surname were frequent in Portugal.
to D. Luís da Cunha Manuel, nephew of the diplomat with the same name D. Luís da Cunha (1662-1749), one of Pombal’s protectors in the reign of D. João V.

3. The Letter of Law of 22 December 1761

With the official recognition of the Royal Treasury, in substitution of the Casa dos Contos [Customs House], promulgated by the Letter of Law of 22 December 1761, the government of Pombal tried to control and make more efficient the collection of public taxes (Rodrigues, 2000). The Customs House would engage as far as to the control of the received revenues and the paid expenditures made by the fiscal agents, whereas the Royal Treasury (1761) was to be the only receiver and payer of money in an attempt to improve the control of public accounts and to reduce fraud.

Rodrigues (2011, p. 62) states that “contrary to what was happening at the Customs House where single entry bookkeeping was used, the Royal Treasury uses double entry bookkeeping, a more sophisticated technique for accountability purposes and respective transparency”.

In order to achieve these objectives, DEB was seen as a means to legitimate the new organization, as it was considered to be the best method for the management of public accounts (Gomes, 2007, p. 94, p. 158, p. 172, p. 241).

4. José Francisco da Cruz (1717–1768)\(^6\): biographic features and professional experience

Following Pombal, who was appointed general inspector of the Royal Treasury, the second most important officer was the general treasurer (Rodrigues & Craig, 2010, p. 49). The position was of great importance and an individuality belonging to the entrepreneurial group close to Pombal was chosen for it – José Francisco da Cruz.

A businessman from Lisbon, coming from the very close to Pombal família dos Cruzes [Cruzes family], Cruz was the second of four brothers who usually get along in private terms with Pombal: Priest António José (1715-1782); José Francisco (1717-1768); Joaquim Inácio (1725-1781); and Anselmo José (1728-1802).

After having emigrated to Brazil (Bahia) for 12 years from February 1735 to February 1747 (Lisboa, 2009, p. 25), he returned to the metropolis, gaining the trust of Pombal maybe through the influence of his older brother, the Priest António José da Cruz who, in his turn, as admitted by Ratton (1992, p. 193), may have been behind the political rise of Pombal in 1750.

Cruz became part of the entourage which Pombal selected, protected and kept close to himself while in power, especially after 1756. Pedreira (1995, p. 460) argues that an analysis of Pombal’s private letters sent to Manuel Teles da Silva, a friend from the time he was the Portuguese ambassador in the Austrian court (in Vienna, 1745-1749), permit to conclude that “Pombal had as goal to form a solid group of merchants [italic added] which, through investment in monopolist trading companies that he organized and through their own individual actions, were able to sustain his project of nationalization of Portugal’s foreign trade and the reorganization of public finances as well”.

It is not risky to claim that one of these solid merchants was in fact José Francisco da Cruz. As a businessman from Lisbon and a prestigious merchant, he was familiar with the DEB technique. Cruz was one of the proponents of the statutes of the School of Commerce in 1759 (see statutes of the School of Commerce), institution where DEB was obligatory taught

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\(^6\) From the set of literature written on Cruz, only Lisboa (2009, p. 18) indicates his life period: 16 September 1717 to 16 May 1768.
(paragraph 15 of the statutes of the School of Commerce). Moreover, “he contributed with his work and his own funds for the foundation of the School [of Commerce]” (Castilho, 1956, p. 11).

Table 1 shows some of the positions he occupied until his death in May 1768, at the age of 50:

| Table 1 Positions held by José Francisco da Cruz after his return from Brazil in 1747 |
|-----------------------------------|-------------------|-----------------|-------------------|
| ORGANIZATION (YEAR)              | ACTIVITY OR POSITION | SOURCES             | NOTES                     |
| Mesa do Bem Comum (prior to 1755) [Board of the Common Good] | Deputy (Director) | Pedreira (1995, p. 155) |
| | | | |
| Companhia Geral do Grão-Pará e Maranhão (1755) [Company of Grão-Pará and Maranhão] | Proponent of the statutes | Statutes of the Company of Grão-Pará and Maranhão |
| | Shareholder (23 shares) | Pedreira (1995, p. 164) |
| | Deputy of the first Board of Directors (1755) | Marcos (1997, p. 700) |
| | President of the second Board of Directors (1760) | Marcos (1997, pp. 708-709) |
| | Involved in its creation | Decree of 2 January 1756 |
| | | | |
| Junta do Comércio (1755) [Board of Trade] | Deputy (Director) President | Rodrigues and Craig (2010, p. 55) |
| | Responsible, with the provision of funds, for the foundation of the French School (1761) in the School of Commerce | Decree of 6 August 1757 |
| | | | |
| Donativo dos 4% (1756) [Donation of the four percent] | Involved in its creation | Decree of 2 January 1756 |
| | | | |
| | Proponent of the statutes | Statutes of the Portuguese School of Commerce |
| | Responsible, with the provision of funds, for the foundation of the French School (1786) in the School of Commerce | Teles (1768) |
| | | | |
| | Deputy of the first Board of Directors (1760) | To be eligible for the position of Vice-President one must hold at least 10 shares (see § 3 of the statutes of the Company) |
| | President of the second Board of Directors (1760) | To be eligible for the position of President one must hold at least 10 shares (see § 3 of the statutes of the Company) |
| | | | |
| Contrato dos Diamantes (1761) [Diamonds Contract] | Administrator (until his death) | Rodrigues (1982, p. 224); see also Laboa (2009, p. 88) |
| | | | |
| Real Colégio dos Nobres (1761) [Royal College of Nobles, inaugurated in 1766] | Superintendent | Castro (1956, p. 15) |
| | | | |
| Junta do Provimento Geral das Tropas (1762) [Board for Supplying Provisions to the Troops] | President | Teles (1768) |
| | Provisions supplied to the Portuguese Army fighting in the Seven Years War. | | |
| Conselho da Fazenda (1763) [Treasury Council] | Regular advisor | National Archive of Tomé do Tombo (ANTT) - Chancellery of D. José I, book 86, sheet 313 |
| | | | |
| Aliénegas de Lisboa (1765) [Lisbon Custom House] | Administrator | Macedo (1951, p. 143); see also Maxwell (2004, p. 96) and Ratton (1813, p. 344) |
| | | | |
| Aliénegas do Reino (not available) [Customs of the Kingdom] | Fiscus-Mor (President) of all Customs | Laboa (2009, p. 87) |
| | | | |
| | | | |
| Real Fábrica de Lãs de Covilhã (1764) [Royal Wool Factories of Covilhã] | Director | Castro (1956, p. 11) |
| | | | |
| Real Fábrica de Lãs de Pombal (1764) [Royal Wool Factories of Pombal] | Director | Castro (1956, p. 11) |
In addition to being highly respected by other businessmen (Gramoza, 1882, p. 126), in the beginning of 1762 Cruz held the office of general treasurer of the Royal Treasury, as acknowledged earlier, and was, at the same time, Provedor [President] of the second Board of Directors of the Company of Grão–Pará and Maranhão (since January 1760) (Marcos, 1997, pp. 708-709), and Vice–Provedor [Vice–President] of the first Board of Directors of the Company of Pernambuco and Paraíba (since January 1762) (Marcos, 1997, p. 735).

Furthermore, Cruz was in 1762 the largest Portuguese shareholder of the Company of Pernambuco and Paraíba, amounting to a total of 107 shares (3.14% of the capital stock) (Júnior, 2004, p. 94). As importantly, as Table 1 shows, Cruz was also a shareholder of the Company of Agriculture and Upper Douro Vineyards (Lisboa, 2009, p. 88). This circumstance made him an investor in the three biggest chartered trading companies established in the reign of D. José I (1750-1777).

The plutocrat José Francisco da Cruz was also engaged in the tobacco business through a firm he established in Brazil, in Bahia. As Pedreira (1995, pp. 235-236) describes, Cruz “set off across the sea to Bahia [in 1735] where he began to work in a tobacco storehouse until he ventured into wholesale […] [and when he returned to Lisbon] became the leading figure of the trade body assuming multiple institutional responsibilities”. In Portugal, the tobacco import business was assigned to a monopolist contractor in the form of a rent for a given period, normally for three years. The Cruzes family was the trustee of what was considered to be the most important monopolist contract of the crown. Therefore, to head the Royal Treasury, D. José I and Pombal may have foreseen that a merchant with connections to the tobacco business would be an added value in terms of knowledge and control of its taxes, more so at a time when smuggling was reaching high proportions. After all, the Treasury’s incomes in 1762-1776 indicate that tobacco’s taxes (17%) was the second highest source of revenues, behind Customs and Consulates’ taxes (24.15%) (Tomaz, 1988, p. 376).

5. José Francisco da Cruz and Pombal: personal relations

One of the Portuguese connoisseurs and supporters of DEB was Pombal. The sensitivity to the method he most likely attained it in London, during his stay in England as an extraordinary envoy to the court of King George II (1738-1743, also six months in 1745).

A relevant economic Pombal’s writing, from 1741, here shortly titled as Relação dos Gravames [Report on Grievances], revealing the mercantilist ideas that he later implemented in Portugal, includes a passage which proves that not only Pombal was aware of the DEB method, but it was also his opinion that the method was successfully being used by London merchants (see Pombal, 1741).

A personal letter dated of February 19, 1742 sent from London and addressed to Cardeal da Mota [Cardinal da Mota] (see Pombal, 1742), the principal Secretary of State of King D. João V from 1736 to 1747, also proves that it was in England where Pombal had his first contact with DEB. The diplomat discusses DEB in paragraphs 53 and 54 (Rodrigues & Craig, 2004, p. 338) and, specifically in paragraph 55, “the great advantages to the English trade of its adoption” (Pombal, 1742, paragraph 55). Moreover, the statutes of the pombaline chartered companies (specific statutes) forced the existence of updated books maintained by DEB (see paragraphs 29 of the specifics statutes, both of 1760, of the Company of Grão–Pará and Maranhão and Company of Pernambuco and Paraíba, and paragraph 44 of the specific statutes, of 1761, of the Company of Agriculture and Upper Douro Vineyards).

Some reports of friendship between Cruz and Pombal indicate that they were very close. For example, Cruz’s two older children and Pombal’s youngest son were three of the 24 students assisting the opening ceremony of the Royal College of Nobles in Lisbon, on 19 March 1766, which they were to frequent from its first year (Carvalho, 1959, pp. 181-183).
Azevedo (1893, p. 49) goes further to state that Pombal and Cruz were, in several meetings held to that end, the authors of the final draft of the 55 chapters of the statutes of the Company of Grão–Pará and Maranhão, confirmed by Royal Decree issued on 7 June 1755.

Maxwell (2004, p. 109) also informs that “the typical assistant of the prime-minister [Pombal], José Francisco da Cruz”, helped him to write the statutes of the Company of Grão–Pará and Maranhão in 1755.

In this firm, Cruz was elected President of the second Board of Directors in January 1760 (Marcos, 1997, pp. 708-709). It is believed that one of the 55 votes he received (Marcos, 1997, p. 708) might have been Marquis of Pombal’s vote, as the Secretary of State in 1757 had subscribed and paid six shares which he held until 1764, when he transferred the ownership to his wife, the Countess of Daun (shares no. 901 to 903, and no. 1099 to 1101; see ANTT, CGGPM, shares book, book 3rd).

The six shares in Pombal’s possession entitled him to have one vote in the election of the Board of Directors, due to the fact that only shareholders owning at least five shares could exercise the right to vote7 (paragraph 3 of the statutes of the Company of Grão–Pará and Maranhão). Only investors owning 10 shares could be elected for the Board of Directors of the company (paragraph 2 of the statutes of the Company of Grão–Pará and Maranhão), being that Cruz largely fulfilled this requirement (Marcos, 1997, p. 708; see also Pedreira, 1995, p. 164).

Ratton (1813, p. 287) explains that discussions about royal public finances affairs were taking place at Pombal’s house every Friday morning and that Cruz and more two or three high-level officials of the public administration were present at those meetings.

Cruz’s profile matched that of an experienced and well-traveled businessman – he was one of the owners of the Fábrica de Rapé de Lisboa [Tobacco Factory in Lisbon], an enterprise for industrial processing of imported tobacco (Macedo, 1951, p. 142) –, familiar with modern accounting techniques and knowledgeable in public administration due to his position at the Depósito Público [Public Deposit] (see Table 1; see also Gomes, 2007, p. 152). The circumstance that Cruz was at the time one of the few Portuguese familiar with the DEB technique is believed to be the reason why he was chosen as Pombal’s man of trust in the Royal Treasury.

6. Discussion and conclusions

This study permits the following discussion and conclusions to be drawn, and also makes a request at the end.

The article sought to respond to calls by (1) Burchell et al. (1980) to understand which social and political agents were involved in the emergence and development of accounting, and (2) Hopwood (1985), to identify the driving political factors of accounting change.

This paper’s primary contribution to the literature has to do with the systematisation of biographic features and professional traces of a prominent figure linked to the development and expansion of accounting in eighteenth century Portugal.

The study is justified by the importance attributed to José Francisco da Cruz in the emergence and development of DEB in the Portuguese context, due, on the one hand, to his managerial roles in the Royal Treasury and in two monopolist trade companies (Company of Grão–Pará and Maranhão and Company of Pernambuco and Paraíba), organizations where the use of accounting books under DEB was obligatory, and, on the other hand, to his political contribution for the foundation of the Portuguese School of Commerce in 1759 as President of the Board of Trade, the entity that has served as her supervisory authority.

From 1761 until 1768, for the administration and accounting of public finances, with the position of general treasurer of the Royal Treasury, Portugal’s Prime Minister surround himself

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7 The vote was single and secret.
by the reputable and successful José Francisco da Cruz, a businessman with international experience in trading companies and also with strong colonial experience in Portuguese America.

Likewise the big merchants of the eighteenth century (Costa & Olival, 2005; Pedreira, 1992, 1995), Cruz did part of his learning experience in Brazil (12 years in the Portuguese colony), corresponding his settlement in the court in Lisbon the culmination of his commercial career. In addition, Cruz presented a relevant characteristic: practical knowledge of DEB. As Rodrigues and Sangster (2012, p. 1158) stress, the important merchants from Lisbon at that time were all quite familiar with DEB and commercial techniques.

Together with Pombal (see Gomes, 2007; see also Gomes et al., 2008), the political responsible for the foundation of the School of Commerce, João Henrique de Sousa, first accounting professor of the School of Commerce (1759-1762), and Albert Jacquéri de Sales, second accounting professor of the School of Commerce (1762-1784) (see, for both professors, in an overall analysis, Rodrigues & Craig, 2009, 2010), three individualities that scholarly literature has highlighted, namely in issues regarding to state intervention in commercial (including accounting) education, this study has shown that José Francisco da Cruz is equally worthy of a prominent place in the history of accounting in Portugal, as he was the President of the Board of Trade when the Portuguese School of Commerce was created in May 1759. In these public school established in Lisbon by Portugal’s Board of Trade, accounting was to be taught according to the DEB method.

One limitation of this work needs to be acknowledged; it has to do with the preliminary nature of the study and, consequently, with the choice made in order to analyse more secondary sources rather than primary ones.

As to the request, the paper makes a call for more studies on businessmen and other commercial or accounting agents to enhance understanding of their roles in the process of accounting change during the eighteenth century in Portugal, a time which, using a metaphor conveniently adapted of Donoso Anes (1996, p. 122)\(^8\), may be considered the Century of Enlightenment of Portuguese accounting.

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