

Police Science and Cameralism in Portuguese Enlightened Reformism: economic ideas and the administration of the state during the second half of the 18th century¹

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Abstract

Reflection upon cameralism and the police in the context of enlightened reformism offers suggestive insights into the links between economic ideas and the administration of the state. The Portuguese case is an interesting example of how those ideas are assimilated and put into practice. This paper first presents the characteristics of Portuguese enlightened reformism and its place in the history of ideas. After that, cameralism and the police are investigated, with particular attention being paid to the legislative action of the king. Finally, the paper analyzes and discusses this process of the assimilation of ideas, supported by examples of the Portuguese experience in centralizing the administration of the public finances within the Royal Treasury and in providing technical training to public officers through the School of Commerce.

Key-words

Cameralism, Police Science, Royal Treasury, School of Commerce, Enlightened Reformism

Resumo

A reflexão sobre o cameralismo e a polícia no contexto do reformismo ilustrado é de grande interesse para a reflexão acerca da articulação entre as idéias econômicas e a administração do estado, sendo o caso português um exemplo dos mais interessantes de como estas idéias foram assimiladas e colocadas em prática. O presente artigo primeiramente apresenta as características do reformismo ilustrado português e o seu lugar na história das idéias e, na seqüência, explora a relação entre cameralismo e ciência da polícia, com particular atenção para o tema da ação legislativa do monarca. O artigo encaminha então uma discussão deste processo de assimilação de idéias sustentada pelo exemplo concreto da experiência portuguesa nos campos da centralização da administração das finanças públicas com base no Erário Régio e do papel da Aula de Comércio na formação técnica de uma burocracia especializada.

Palavras-chave

Cameralismo, Ciência da Polícia, Erário Régio, Aula de Comércio, Reformismo Ilustrado.

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Enlightened Reformism and the history of economic ideas

In a paper published in 1984, Fernando Novais succeeds in capturing a central aspect of Portugal's position within the European framework of the Enlightenment. According to this author, in the Portuguese case, there was a lack of synchronicity between theory and practice, in other words between the elaboration of ideas and their application in reality. The political activity of Sebastião José de Carvalho e Melo, better known as the Marquis of Pombal (the title that he was awarded in 1769), stands as an important milestone in the development of Enlightened Reformism during the second half of the eighteenth century. However, despite Portugal having been one of the first nations to afford a practical application to ideas of this kind, it does not figure as one of the countries where enlightened ideas were actually formulated.

Such an emphasis on the practical aspects of enlightened ideas is directly related to the multiplicity of sources that informed the political and economic action of the Portuguese state at that time and helps us to understand the eclectic nature of Enlightened Reformism in this country. This eclecticism can be noted, for example, in an excerpt taken from one of the key authors in the construction of eighteenth-century economic discourse in Portugal, Domenico Vandelli. From the beginning of his memorandum on the preference that Portugal should give to agriculture instead of manufacturing (1789), he reflects on the importance of Political Arithmetic for the administration of the realm. In his view, all branches of the civil economy should be guided by principles derived from "good" Political Arithmetic; nevertheless, before accepting any one political and economic system, it was also necessary to examine this system and set it against the nation's present circumstances (Vandelli, 1789).³

Even though eclecticism was a common characteristic of Portuguese economic thought in the second half of the eighteenth century, it is also a fact that the discourse of political economy was gradually becoming more and more influential at that time. By the beginning of the nineteenth century, this discourse had already become predominant in economic thought, and the ideas of an author such as José da Silva Lisboa, who was responsible for the first translations of Adam Smith into Portuguese, are a good example of this. Nevertheless, it is also important to stress that the eclectic combination of those ideas (which included political arithmetic, but also different perspectives on mercantilism, physiocracy, etc) would continue to be the main feature of Portuguese economic thought for some time. Cameralism, for example, was one part of that Portuguese eclectic collection of ideas and maintained its significant influence on economic discourse until well into the first half of the nineteenth century.

It is important to stress that the emergence of economic discourse in Portugal did not happen by chance, nor was it the direct result of the simple intensification of contacts with other nations. From the very first moment, the Portuguese state was a decisive agent in this process. The reforms introduced by the Marquis of Pombal were responsible for the opening up of new administrative perspectives (with a direct impact on the educational system), as well as for stimulating an atmosphere of reflection upon the economic problems of the realm. António Almodovar suggests that the appearance in Portugal of economic reflection as a relatively autonomous field of study, separate from politics and with its own scientific ambitions, should necessarily be seen as a part of a broader movement of cultural renewal sponsored by the state. In this sense, the emergence of political economy in Portugal did not have the revolutionary impact of a liberal bourgeoisie that was making a complete break with the prevailing *status quo*, as was the case in other countries. In fact, it is possible to state that the transformations taking place in economic discourse in Portugal at that time were basically a result of the reformist convictions of the political establishment (Almodovar, 2001: 118-9).

The emphasis on the practical dimension, linked to this reformist concern sponsored by the state, was to prove decisive in the multiplication of analytical perspectives. Ideas were drawn from different European nations and brought together to compose the eclectic nature of

³ "Memória sobre a preferência que em Portugal se deve dar à agricultura sobre as fábricas". *Memórias Económicas da Academia Real das Ciências de Lisboa*, 1789. The original text in Portuguese is: "sendo certo que todos os ramos da Economia Civil, para que esta seja útil ao Reino, devem ser regulados por princípios deduzidos de uma boa Aritmética Política, assim não devem seguir sistemas, sem antes examiná-los e confrontá-los com as atuais circunstâncias da nação".

Portuguese thought at that time. For example, it is possible to see a mercantilist starting point in the reforms introduced by the Marquis of Pombal, with the clear influence of Colbert's ideas being combined with Pombal's personal observation of the English case at the time when he served there as a diplomatic envoy.⁴ On the other hand, in the importance that was given both to the centralization of the public finances and the technical training of public officers in this area, it is also possible to see the influence of another and substantively different set of ideas: cameralism. Both sets of actions were part of what can generally be referred to as a reformist perspective, but in this latter case they were influenced by a different set of ideas. However, these two reformist paths were not at all incompatible. In his analysis of the Spanish case, Ernest Lluch reflected upon a similar process and highlighted the close relationship between: 1) a perspective of an advanced and liberal mercantilism (typical of the Melon-Genovesi-Necker-Forbonnais sequence) and 2) the new perspectives on cameralism developed in the second half of the eighteenth century in the works of authors such as Bielfeld, Justi and Sonnenfels (Lluch, 1996, p. 164).

All of these questions can be interpreted as a reinforcement of the pragmatism of the Portuguese-Brazilian Enlightenment. However, it is important to stress that this would not be a feature that belonged exclusively to the Portuguese-Brazilian ideas of that period. Such pragmatism, albeit with differences in intensity from region to region, was in fact a characteristic of the Enlightenment itself (Kury, 2004, p. 110). The distinctive feature that is stressed here is more precisely the eclectic nature of the Portuguese-Brazilian Enlightenment, or, to be more precise, of Portuguese-Brazilian enlightened reformism. Such eclecticism can, nevertheless, be understood as an expression of that pragmatism in the way in which it used and recombined original sources in order to best suit the state's political interests. In fact, the role that the state played in promoting an atmosphere that was propitious to the assimilation and application of those new ideas can also be highlighted here as an important characteristic of the Portuguese-Brazilian Enlightenment.

The eclectic nature of this enlightened reformism can also be noted in an original interpretation made by Sérgio Buarque de Holanda, whereby this pragmatism and realism in the field of the ideas is to be understood as a general trait of Portuguese culture. As far as the differences to be noted in the Spanish and Portuguese colonization of the American continent are concerned, Holanda insists that an idealized image of paradise on Earth and an attempt to impose order on the territory were important components of the Spanish colonization, while, in the Portuguese case, the prevailing attitude was much more pragmatic and realistic right from the very beginning (Holanda, 2006 and 2000). This helps us to see this Portuguese-Brazilian pragmatism as part of a long-term trend, which is important for understanding the disruptions that took place in the production of innovative and relatively autonomous ideas, not only as a result of the intellectual limitations imposed by the context, but also as part of a mechanism that conventionally laid emphasis on obtaining immediate and practical solutions.

This presentation of the eclectic nature of Enlightened Reformism serves to illustrate the complex framework of the different influences that affected the development of economic discourse in Portugal during the second half of the eighteenth century. The particular influence of cameralism on this set of ideas highlights one of the complex, but also interesting, aspects of the formation of economic discourse that could be presented here. It is really necessary in this case to pay attention to questions other than economics, such as, for example, political activities, because the framework of its influence was more indirect than direct and was more closely linked to practical application than to the theoretical elaboration of ideas. The importance of police matters in the context of this reformism and the direct action of the king as a legislator are good examples of themes that will be discussed here and can help us to chart the influence of cameralism in Portugal at that time.

⁴ Pombal served as Portuguese ambassador both in London (1739-1743) and in Vienna (1745-1749) before becoming the head of government in Portugal. In London, he was involved with the circle of the Royal Society and amassed a large personal library, including the most representative books in the field of mercantilist literature, such as those written by Joshua Child, Charles Davenant, Charles King, Thomas Mun and William Petty. In Vienna, even though he had no official involvement in economic and administrative matters as part of his diplomatic functions, it is possible to defend the idea that Pombal's stay there gave him a new perception of the general problems relating to political administration and the sciences of the state (Maxwell 1995, pp. 8-14).

Cameralism and the police in the legislative actions of the king

One path that can be followed for understanding the presence of cameralist doctrines in political, legal and economic thought in Portugal during the second half of the eighteenth century is to examine the attention given to police matters, which enables us to follow the changes taking place in the meaning of the term “police” during the eighteenth century in Portugal, when it acquired a much broader connotation. In many ways, this process mirrors that of the changes in the meaning of the term *Polizei* in cameralist doctrines, but it also bears some similarities with the changes in the meaning of the term *Police* in French. It is possible to state that, before 1750 in Portugal, there was a direct and almost exclusive identification of the term *polícia* (police) with its traditional sense of maintaining “good order”. Nevertheless, in the second half of that century, the concept became broader and progressively started to include different aspects of the state’s internal affairs that were generally related to the idea of the “common good”. At this point, police matters started to be related not only to public security, but also to issues linked to social and economic life, such as the size of the population and the quantity of available natural resources, as well as the level of the state’s riches and power (Seelaender 2008, 92).

The notion of “police,” including this dimension of the common good, played an important role in the introduction of the themes of mutual interest and public happiness into Portugal. This is, in fact, a key idea for understanding how the reformist perspective and the reinforcement of the centrality of the political power were to be combined during the government of the Marquis of Pombal. It was a time when the king became more directly involved in the making of laws, which led to the establishment of the figure of the king as a legislator. This process also coincided with what was happening in other contexts of Enlightened Absolutism, such as Austria or Russia. It is important to point out here that the notion of “police” played an essential role in absolutist actions and thought in a variety of different European contexts, especially in the Germanic world. It was here that what would be called the police state, the main background to cameralist doctrines, gained particular importance (Schiera 1995).

In his Lectures on Jurisprudence, although not proffered from the same perspective as cameralist doctrine, Adam Smith commented on the relationship between internal order, justice, the police and the general prospect of an increase in the level of the wealth and power of nations.

The first and chief design of every system of government is to maintain justice; to prevent the members of a society from encroaching on one another’s property, or seizing what is not their own. The design here is to give each one the secure and peaceable possession of his own property. {The end proposed by justice is the maintaining men in what are called their perfect rights.} When this end, which we may call the internal peace, or peace within doors, is secured, the government will next be desirous of promoting the opulence of the state. This produces what we call police. Whatever regulations are made with respect to the trade, commerce, agriculture, manufactures of the country are considered as belonging to the police (Smith, 1978, p. i.I).

In fact, the central feature of the cameralist perspective embraced in the notion of “police” and closely linked to the background of mercantilist ideas is the concern with the empowerment of the state. The basic content of the eighteenth-century notion of “police” is undoubtedly related to it, but at the same time includes a variety of other issues. For example, it is possible to say that the importance given to the theme of the population in treatises written upon the question of the police during this period underlines the great concern with the fiscal dimension, but, at the same time, this is compensated by the role played by the state in the promotion of public happiness.

In his classes at the *Collège de France*, Michel Foucault engaged in profound reflection upon the question of the police and the police state during the seventeenth and eighteenth centuries, particularly in relation to the problem of the balance of power among European states at that time. The broad meaning of the term “police” refers to the mechanisms that permitted the growth of the power of the state together with the maintenance of its internal order (Foucault, 2008, p. 422). The way of thinking opened up by the field of Political Arithmetic and the beginning of statistical knowledge allowed for a quantitative analysis of national contexts. Foucault insists that statistics

proved to be a decisive instrument for the police and for the balance of power between states, as, ever since that time, it has allowed for the comparison of the power and the different possibilities of states in terms of their population, army, production, trade, etc (Foucault, 2008, p. 424).

Furet and Ozouf provided an interesting analysis of this theme, insisting that statistics developed as an operative solution of modern states, combining both the ambition of understanding and the intention of manipulating individuals, which, at the same time, meant a way of gaining knowledge and of ensuring domination. Seen from this perspective, which had as its starting point the aim of measuring the size of a state's forces, it is, in a certain way, possible to link seventeenth-century English political arithmetic to eighteenth-century Prussian cameralism and French mercantilism (Furet & Ozouf, 1977, p. 496).

As has been said, these questions first started to be defined in the seventeenth century in France, but they do not have such a long tradition in Portuguese thought. They did, in fact, enter the field of political and economic ideas, in a concentrated manner, during the second half of the eighteenth century. It was the eclecticism that was the hallmark of this period that was to establish the practical bases for those ideas, which were one of the cornerstones of the state's reformist action. Also, seen from the same perspective, we can note an increased openness to some of the critical perspectives associated with physiocracy or political economy, which represented different approaches to the notions of social regulation and to the idea of the state as a direct promoter of public happiness.

All of these elements put together and applied in a concentrated fashion throughout the second half of the eighteenth century were to promote an interpretation of police matters that was not only exclusively based on the question of maintaining internal order, but also on the notions of public happiness and the common good. This composite meaning of the term "police" marked the whole of the second half of the eighteenth century and was one of the fundamental ingredients for understanding the mechanisms that made Enlightened Reformism possible in Portugal. It was only in the nineteenth century that the meaning of the term would be reduced to the almost exclusive field of security. On the other hand, those questions that were also related to the term "police", and which previously were perceived as belonging to the art of governance, would now be grouped together under a new field, that of administrative law.

The legislative actions undertaken by the King of Portugal during the second half of the eighteenth century were heavily concentrated on the question of police matters. The reformist process could be seen reflected in a long chain of permits, decrees and laws, related to a wide range of police topics, including the centralization of the public finances, the utilization of natural resources, a concern with the increased size of the population, and even reforms in the educational system. In the same sense, the emphasis on legislative action related to reformist goals would be made clear through the reorientation that took place in the field of overseas administration.

The notion of "police" gradually became a more frequently repeated concern in political and economic discourse and practices in Portugal from the mid-eighteenth century onwards, and this was largely the result of the increasing importance given to this theme in other parts of Europe. One of the positive results deriving from such an environment was the decree of 25 June 1760, which created the General Intendancy of Police. The legal text of this decree stressed that such a measure reflected a concern with taking a similar direction to the one being followed in this field by other European courts.

It is important to point out that this process of reinforcing the royal authority in Portugal at that time also amounted to a reinforcement of the centrality of the state, and led to certain limits being imposed, in the name of the common good, on the old structure of privileges within the realm. All of this can be detected in the process leading to the centralization of the public finances, which was made possible through the incorporation by the state of a wide range of taxation measures, previously under the responsibility of private interests. The earthquake of 1755 was responsible for ruining many of these private individuals and generating chaos in the established fiscal apparatus. But, at the same time, this catastrophe provided an opportunity to offer compensation to those private individuals and thereby centralize the system of public finances.

Police matters, in this context, were closely related to mercantilism. Because of this, the main concern was basically with increasing the power of the state, but such matters were also more specifically linked to the tools needed to make this power viable and effective. In other words, police matters were linked to a wide variety of aspects related with the administration of the state.

Thus, in the same way in which cameralism was to emerge in the German-speaking world, the police in this context appeared as a central element in the modern public administration. The word cameralism is related to the Latin word *camera* and, because of this, to the direct action of the ruler in the management of state matters. Both cameralism and the police were associated in a certain sense with the “art of government” and had the aim of increasing national consumption and taxation possibilities, but also, at the same time, of guaranteeing the wellbeing and happiness of the subjects, increasing their morals, wealth and productivity, as well as promoting the centralization of decision-making.

The attention given to police matters was responsible, in the German case, for producing a specific systematization of this knowledge: *Polizeiwissenschaft* (police science). The police in Germany were heavily involved in the training provided in universities (and also in specific schools, such as the *Bergakademie* in Freiberg) to a bureaucratic staff chosen to serve the state. This is, for example, what led Frederick William I of Prussia, in 1727, to authorize the creation of university chairs for *Cameralia Oeconomica* and *Polizeiwissenschaft* in Halle, Saxony-Anhalt and Frankfurt. Because of this, it is possible to state that, in Germany, police science started to have its own theoretical and technical structure for the development and application of this kind of knowledge. Without any doubt, this emphasis on academic training can be associated with the precarious organization of the state's functions in Germany in the seventeenth century, which made it necessary to train technically qualified officers in support of the mercantilist idea of increasing the power of the state.

On the other hand, as pointed out by Foucault (2008, p. 427), the French case was considerably different. In France, and to some extent as a result of an early unification of the state, the term “police” tended to have a direct impact on the administrative practice of state affairs, but without any clear theoretical unity or any kind of organized academic curriculum in this field, such as the one that could be found at the universities of the German-speaking territories. The institutionalization of the police as a field of both action and knowledge was not the result of the creation of concepts or systems of ideas, but of the enforcement of administrative practices, through legal measures, in the form of decrees and other legislative proposals, all of which were clearly linked to the question of the legislative activity of the king.

It is crucial to understand that the legislative activity of the king was closely bound up with the changes taking place in the idea of “police” at that time and was linked to the points of view expressed in different European countries under the framework of Enlightened Reformism. Police matters became the core of the direct actions undertaken by the governor of a country. As Foucault states, the police represent “the permanent coup d'état,” i.e., the space within which the ruler acts in the name of his own rationality, without the constraints of the rule of law and justice. A highly suggestive example of this was to be noted in Russia during the second half of the eighteenth century, when Catherine II wrote her *Instructions*, with the intention of effectively producing a police code. She presented the idea that police regulations were completely different from civil laws. According to her analysis, police matters related to situations occurring at each moment, while, on the other hand, the law related to well-defined and permanent cases. In this sense, the police were responsible for everything urgent occurring at the internal level and, at the same time, for undertaking all the actions needed to increase state power (Foucault, 2008, p. 457).

There is, for example, an interesting evolution to be noted in the thinking relating to the field of public finances in Portugal at that time. It evolved from a very pragmatic approach to a progressive assimilation of the theoretical dimensions of political economy. In other words, it evolved from an environment in which only the means for improving the wealth and power of the state were important to another one in which increasing concern was shown with the legal and institutional aspects of the problem, as well as with the actual nature of the problem itself. This evolution is also associated with the changes taking place in the main areas for the dissemination of economic knowledge, ranging from the School of Commerce, which was concerned with very practical issues in the field of public finance, such as the double entry system, and the Faculty of Philosophy of the University of Coimbra, which was greatly interested in identifying and making use of the riches of the natural world, to the Law School of the University of Coimbra. At this latter institution, where a chair of political economy was created (only in 1836), economic knowledge was afforded a different approach, still being related to practical matters but becoming more systematized and concerned with legal and institutional aspects.

As mentioned above, the importance given to the centralization of the public finances and to the technical training of public officials represented two of the main aspects of the application of cameralist principles in Portugal during the second half of the eighteenth century. In the Portuguese experience, these aspects were closely linked to the history of two institutions, the *Aula de Comércio* (School of Commerce), created in 1759, and the *Erário Régio* (Royal Treasury), created in 1761.

Albeit for different reasons, as in Germany in the seventeenth and eighteenth centuries, the Portuguese emphasis on the training of technically qualified officials, as well as the centralization of the administration of the public finances, would be a necessary step for the reorganization of the state's precarious functions, as well as a valuable aid to the mercantilist idea of increasing the power of the state. In both cases, it proved to be a natural disaster, the 1755 Lisbon earthquake, that played an important role in destabilizing the state's functions in Portugal and, because of this, in presenting an opportunity for changing many aspects of its organization.

The administration of the public finances and the practical dimension of economic ideas

On November 1, 1755, Lisbon was shaken by a violent earthquake, which destroyed something like two thirds of the city and almost all of its largest buildings, including, of course, the main areas of the central administration. Included amongst these buildings was the royal palace in *Terreiro do Paço*, where the *Casa dos Contos*, the main institution responsible for organizing and inspecting the income and expenditure of the Portuguese state, was located. This directly contributed to the disorder that was noted in the functioning of this institution and hastened the need not only for its rebuilding, but also for its reorganization, which occurred with the creation of the Royal Treasury (*Erário Régio*). It is possible to say that it was the earthquake that provided the opportunity to accelerate and radicalize this centralization process, which otherwise would probably have amounted to a more gradual transition.

The Royal Treasury was created by a Decree of December 1761. The previous center of the Portuguese public finances, the *Casa dos Contos*, did little more than just compare the income received against the expenditure paid out by the tax collectors. The *Erário Régio*, on the other hand, was to institute a substantial innovation, itself becoming responsible for making payments and receiving tax revenue, as well as working hard to increase its control over the accounts and prevent possible misuses of funds. In other words, it effectively centralized the administration of the public finances.

The Lisbon Earthquake of 1755 was a unique event that had an enormous impact on European history and gave rise to serious reflections all over the continent by some of the most influential thinkers, such as Rousseau, Voltaire, and Kant. Russell Dynes draws attention to the status of the 1755 Earthquake as the first really modern disaster, not only because it was the first time that a natural disaster had led to such a coordinated response by the state to a situation of emergency, but also because it can now be identified as a turning point in our consideration of such natural events as having a proto-scientific causation (Dynes, 2000, p. 10 and 2005, pp. 34-49).

The earthquake occurred on the morning of November 1, and was followed by a tsunami and an intense fire that lasted for five days. It led to the ruin of a large part of the city and had a profound impact on the economy of the realm. (Cardoso, 2007, pp. 165-181). In a recent paper, Alvaro S. Pereira estimated the direct cost of the earthquake as amounting to somewhere between 32% and 48% of the Portuguese GDP at that time, and the number of deaths in Lisbon alone as numbering between 20,000 and 30,000, and between 35,000 and 45,000 when one includes other parts of the country, as well as Spain and Morocco (Pereira, 2009, pp. 472-478).

The label of "police matters," in the sense that the expression had at that time, amounts to a suitable description of the measures taken by Pombal in the months that followed the disaster. The most famous quotation attributed to him is that it was necessary to "bury the dead and feed the living", and this does, in fact, represent the first introduction of a police response to matters relating to the disposal of the dead, avoiding epidemics and famine, taking care of the sick and wounded, controlling the flight of the population, guaranteeing security, justice and military defense, and starting the reconstruction of the city. The earthquake brought with it the sudden destruction of the administrative structure and made it clear that there was a need for technical skills and for a centralization of both decision-making and immediate action. This was clearly a limit

situation, even allowing for the suppression of the former rights of property and land ownership in the reconstruction of the city's destroyed areas.

In terms of economic reforms, the earthquake not only hastened the need for a reorganization of important areas of state administration, but also gave Pombal a perfect excuse to implement a mercantilist policy of import substitution in the case of manufactured products and an industrial development program sponsored by the state. As a conclusion to his analysis of the economic impact of the earthquake, Pereira argued, in modern terms, that "the disaster was an exogenous shock, which provided an opportunity to reform the economy. The long-term economic performance benefited accordingly, and the situation of economic semi-dependence on Britain was reduced" (Pereira 2009, pp. 493-4).

Beyond this, in terms of its political and symbolic significance, it is also important to mention that the earthquake was important in that it gave rise to a new sensitivity to the question of public interest, representing an opportunity to reinforce the centralization of both the royal power and the administrative apparatus in general. The notion of public interest and its essential condition of representing the "common good" were responsible for emphasizing the need to implement mechanisms of economic control in such a way as to favor mercantilism, although this was now combined with a new sense of discipline. All of this also brought with it a greater openness to new ideas and highlighted the importance of practical knowledge in solving the new, urgent and concrete problems of the realm. And it was similarly in this same context that the newly-developed "police science" (*Polizeiwissenschaft*) became a matter of greater interest (Hespanha, 2007; Subtil, 2007, pp. 111-2).

This aspect of the earthquake as a catalyst leading to economic, political and administrative change is fully supported by José Subtil in his book about the theme (Subtil, 2007). But, more than this, the key question for this author, which is particularly interesting here, is that Pombal's period of rule as chief minister (1755-1777) brought a transformation in the political system, with the introduction of a model that made it impossible for these changes to be reversed by subsequent governments.

It can be said that the centralization of the administration of the nation's finances within the newly created Royal Treasury was one of the main reforms carried out by Pombal and, in fact, was one of the main political and administrative innovations of the Portuguese state during the second half of the eighteenth century. For this reason, it is undoubtedly important to say something more about the economic and administrative concept that guided, or at least shaped, this particular moment in Portuguese history.

First of all, it should be pointed out that the fragmentation and dispersal of the centers that had previously existed within the context of the *Casa dos Contos* for the collection and control of the realm's tax revenue made it completely impossible for the royal administration to know the precise amounts of its expenditure. Such a situation had obvious implications, namely the impossibility of determining the full extent of the indebtedness of the Royal Treasury. This can be understood as being the result of an administration that was oriented more towards private interests, based on the perception of society as a group of bodies that revolved around the figure of the monarch. It would be necessary to make a complete break away from those corporatist ideas and conceptions, which had created a financial administration based on the rewards and privileges granted by the king, and to effectively implement a system based on the centralization of the public finances.

It is in these terms that the serious consequences of the 1755 earthquake can be said to have paved the way for the introduction of political modernity into Portugal. It can be said that, as suggested by Subtil, it represented the transition from "a government of each individual" towards a "government of all" (Subtil, 2006, pp. 37-8), which bears a clear similarity with the notion of the common good that the word "police" was acquiring at that time in Portugal.

Practical training and the School of Commerce

The debate that was held about whether or not to introduce new methods for managing the accounts of the realm can be traced back to the end of the 16th century, but it was only during the reign of D. José I that double entry bookkeeping first began to be used by the newly centralized administration. Nevertheless, the mercantile accounting model had already been in use for some

time at certain ecclesiastical institutions. The accounts and ledgers of the Society of Jesus, for example, already adhered to these modern bookkeeping principles in the second half of the eighteenth century (Souza, 2006, pp. 49-50).

Pombal's attempts to persuade some of the realm's leading businessmen to work at the royal treasury thus represented a conscious effort to draw closer to the mercantile class, a move that was clearly important for modernizing the administration. Consequently, it is now possible to draw up a list of the noteworthy businessmen who were to perform public duties from that time on. However, at that time, there was an evident lack of any kind of technical development in Portuguese trade, and this may be the most important consideration. Antonio Caetano Ferreira or Luís José de Brito, general accountants belonging to two of the four accounting departments of the Royal Treasury, and businessmen with foreign ties (Bom & Ferreira and Emeretz & Brito), were, for example, taxed as the only people in the realm in the first half of the eighteenth century to use double entry bookkeeping, according to information provided by Jácome Ratton (1920, pp. 190-1).

Pombal's policy thus derived from the belief that the state could benefit by using certain features drawn from mercantile practices, but, at the same time, given the nature of the Portuguese Empire at that time, it was also considered that this activity could only realize its full potential and bring the desired benefits to the royal coffers through a strengthening of the state's field of intervention. The creation of the Board of Trade, in 1755, entrusted with a range of different responsibilities in the coordination of economic activity, is the best example of this aspect of the centralization and organization of the state with regard to the dynamics of mercantilism. Furthermore, in relation to this same aspect, it is worth adding that, as Jorge Pedreira observed, some time later during the 1770s it could be seen that a substantive renewal was already taking place in the group of important businessmen in Lisbon, although it also became clear that this change was still at an early stage. Pedreira (1995, p. 133) insists that: "a large section of the group of businessmen was unstable, being composed of recent arrivals to the group who were unable to remain in it for a long time." To a large extent, this can be explained by the fact that the negotiators themselves did not view their condition as being a stable one, but instead saw it as a means whereby they could reach a certain social condition instead of its being a final goal to be attained. Only a third of the businesses in the group that was researched for this paper were transmitted from father to son, with most of them being handed over to collateral figures within this group. However, it is important to realize that, by this time, a scenario had been developed in which guaranteeing continuity in large businesses was not incompatible with social climbing; and that it was specifically only a small number of individuals in the midst of all the fluidity who represented the business class in Lisbon at that time – or, in other words, who gave consistency to the group (Pedreira, 1995, pp. 135, 142-3). And it is precisely this central group of businessmen, rather than any general increase in its size, which can be associated with Pombal's policy of drawing closer to and even promoting mercantilism.

One institution in particular, which was linked to the Board of Trade, played a central role in providing the group of Portuguese traders with the necessary mercantile and economic knowledge in a broad sense, fulfilling a crucial pedagogical role for the business world, but also equipping the state with a body of individuals trained in the performance of the basic tasks required for the organization of a treasury, such as double entry bookkeeping. As already mentioned above, this institution was the Lisbon School of Commerce, created in 1759, which, in its statutes, had already provided a clear synopsis of the situation that Portuguese trade was passing through at that time:

Considering that the lack of any formal organization in the distribution and ordering of Trade ledgers is one of the main causes for the most evident principle of decadence and ruin on the part of many businessmen, as well as for their ignorance of the reduction of monies, weights, measures and the levels of exchange rates, and other mercantile matters, cannot help but result in great losses and impediments to all and any business with Foreign nations; and seeking, as is the obligation of this Institute, to effect changes to this known lack of order, the Board of Trade of this Kingdom and its Domains proposes to His Majesty, in Chapter Sixteen of its Statutes, that a School of Commerce should be established, at which one or two masters shall preside, and to which twenty teaching assistants shall be admitted, as well as other government employees, so that in this public

and very important School, the principles necessary for any perfect Businessman shall be taught, and that through communication via the Italian method, which is accepted throughout Europe, everyone shall keep their Trade ledgers according to the appropriate formalities (Silva, 1830, p. 931).

These elements linked to the mercantile area in the administration of the Portuguese state's finances during the period of the Marquis of Pombal's rule did not continue into the *viradeira* period. It should be noted that, beginning in 1788, a new Secretary of state's office was created, namely that of "Treasury Affairs", which in truth was only definitively organized in 1801, and obviously the Royal Treasury was then placed under its supervision and control. However, the office to which the Royal Treasury was subordinated at that time did not alter its structure. To a large extent, even after some changes in economic policy at the end of the eighteenth century, the organizational structure and activities of the Royal Treasury were to remain unchanged until the creation of its counterpart in Rio de Janeiro, followed by the consequent transfer there of all of its tasks and duties in 1808.

Concluding Remarks

One of the key aspects of the reflections made here is that the eclecticism of Portuguese Enlightened Reformism served as a gateway for understanding the development of economic ideas during the second half of the eighteenth century. The appearance of cameralism, mediated in particular by a knowledge of police science (imported from the German tradition, but combined with French influences) was to be one of the essential pieces in this puzzle of ideas. Nevertheless, the focus on the practical use of such knowledge was to be the most distinctive feature of Portuguese economic ideas during this period. And this would also be true not only in the case of cameralism, but also, for example, in relation to the influence of Political Arithmetic or the ideas about commerce or population deriving from the Italian tradition. It is important to note that all of these influences working together formed the environment in which political economy began to penetrate into Portugal from the last decade of the eighteenth century onwards. Because of this, the systematization and progressive institutionalization of economic discourse would be closely bound up with that eclectic dimension. Furthermore, the attention given to cameralist themes and to police science did not diminish, either in Portugal or Brazil, until the first decades of the nineteenth century. This leads us to conclude that this eclectic perspective, bringing together a whole series of notions and even resulting in reflections with a certain level of originality on themes such as the colonies, must be seen as an essential feature for understanding the evolution of economic ideas in Portugal during that time.

Pragmatism, which can be understood as an attribute of Enlightened thinking, actually found fertile soil for its development within the Portuguese tradition. Realism and pragmatism were to become the central ingredients in the shaping and development of the colonial empire. As mentioned above, the most important feature to be stressed in conclusion is that this pragmatism in the field of Portuguese-Brazilian ideas did not really result in the adoption of a liberal bourgeois perspective, and even less so a way of reflection that effectively addressed such aspects as the organization and management of society. On the contrary, there was essentially a repeated process of interruption to and acceptance of those perspectives, thus avoiding the adoption of the more radical contents of Enlightened ideas, resulting in a perspective that was clearly reformist, but not at all revolutionary.

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