

Jacob Soll

Accounting for Government: Holland and the Rise of Political Economy in Seventeenth-Century Europe

The Dutch may ascribe their present grandeur to the virtue and frugality of their ancestors as they please, but what made that contemptible spot of the earth so considerable among the powers of Europe has been their political wisdom in postponing everything to merchandise and navigation [and] the unlimited liberty of conscience enjoyed among them.

—Bernard de Mandeville, *The Fable of the Bees* (1714)

In the *Instructions for the Dauphin* (1665), Louis XIV set out a training course for his son. Whereas humanists and great ministers had cited the ancients, Louis cited none. Ever focused on the royal *moi*, he described how he overcame the troubles of the civil war of the Fronde, noble power, and fiscal problems. This was a modern handbook for a new kind of politics. Notably, Louis exhorted his son never to trust a prime minister, except in questions of finance, for which kings needed experts. Sounding like a Dutch *stadtholder*, Louis explained, “I took the precaution of assigning Colbert . . . with the title of Intendant, a man in whom I had the highest confidence, because I knew that he was very dedicated, intelligent, and honest; and I have entrusted him then with keeping the register of funds that I have described to you.”¹

Jean-Baptiste-Colbert (1619–1683), who had a merchant background, wrote the sections of the *Instructions* that pertained to finance. He advised the young prince to master finance through the handling of account books and the “disposition of registers”

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1 Louis XIV (trans. and ed. Paul Sonnino), *Mémoires for the Instruction of the Dauphin* (New York, 1970), 64–65.

and recommended that he “note by hand all the accounts in the state financial registers of funds at the beginning of each year, and also the registry of spending from the past year. He should go over and sign with his hand all the roles of Savings, all the accounting reports, and all the status claims that have been verified.” He also warned that this work was too important for anyone else to do. By 1665, both Louis and Colbert had left behind the old humanist language of political pedagogy, focused on reason of state, history, and classical exempla. In its place, they saw the need for a traditional course in accounting and political economy.²

Although economic matters were of increasing interest to ministers and monarchs, few had intimate knowledge about the details of accounting, and few relied on professionals. But now, in the wake of the crises that wracked Europe in the early seventeenth century, when large scale armies and navies were common, and the Dutch were fashioning a seaborne empire, a new political culture with a deeper interest in political economy and accounting was emerging. By the 1660s, France, Britain, and Brandenburg-Prussia had reformed their systems of state accounting and had begun to give political primacy to financial managers. The internal language of statecraft was increasingly economic. For financial reforms, mid-seventeenth-century governments turned to merchant traditions. The *ars mercatoria*, *l'oeconomie politique*, and the methods of the *rasonato* (accountant), had thrived in the streets of Venice and Florence since the late Middle Ages, combining with the technically minded classical humanism of Leonardo da Vinci, Filippo Brunelleschi, and Leon Battista Alberti and with the notary and accounting knowledge of such figures as Coluccio Salutati, Cosimo I de Medici, and Niccoló Machiavelli.³

After the Thirty Years' War, the English Revolution, the

2 Sonnino (ed.), *Mémoires* (Introduction), 5; Colbert, “Mémoire pour l'instruction du Dauphin,” ms. in Colbert's hand, 1665, in *idem* (ed. Pierre Clément), *Lettres, instructions et mémoires* (Paris, 1861–1870), II, Pt. I, ccvix, ccxvii.

3 Luca Zan, “Accounting and Management Discourse in Proto-Industrial Settings: The Venice Arsenal at the Turn of the 16th Century,” *Accounting and Business Research*, XXXII (2004), 146; Raymond de Roover, *The Rise and Decline of the Medici Bank 1397–1494* (Cambridge, Mass., 1963), 37–38; Paul F. Grendler, *Schooling in Renaissance Italy: Literacy and Learning 1300–1600* (Baltimore, 1989), 310. On the relationship of scholarly, philological humanism to technical, artisan culture, see Anthony Grafton, *Leon Battista Alberti: Master Builder of the Italian Renaissance* (Cambridge, Mass., 2002). For John Greville Agard Pocock's vision of the long tradition of Italian republicanism, in a cultural context, see *The Machiavellian Moment: Florentine Political Thought and the Atlantic Republican Tradition* (Princeton, 1975).

Fronde, and the Dutch economic dominance of the 1650s, it was clear that old monarchical policymaking through reason of state could not keep up with the demands of a large-scale administrative, military, industrial, and colonial state without serious financial management. With the relative peace of Westphalia, the mercantile republic of Holland gained ever more strength during the opulent Golden Age of Jan de Witt (1618–1672), and the great monarchies—from France and England to Prussia and Austria—began to adopt the policies and culture developed and touted by the Dutch. The Dutch insistence on state management through political economy changed the language of government at multiple levels. This is not to say that republicanism, tolerance, and *laissez-faire* theory were triumphant, although they made headway. What transformed government in the late seventeenth century were mainly the rationalizing tools of accounting and financial policy that replaced the cumbersome late feudal *fiscalité* of nonstrategic taxation for war.⁴

HUMANISM AND ACCOUNTING The rise of political economy and financial culture in the great monarchies of Europe came remarkably late, considering the wide knowledge and effective use of mercantile strategies in republics, cities, and banking families across Europe from the late Middle Ages onward. Numerous variations and translations of Luca Pacioli's *Summa de arithmetica, geometria, proportioni et proportionalita* (1494), which included a detailed chapter on double-entry bookkeeping, as well as manuals of *ars mercatoria* and home economic manuals, were in circulation, explaining credit, currency, and trust and even dispensing travel advice. Much of this information was in the hands of commercial families or individuals, what Braudel aptly called "le capitalisme chez lui." In spite of this proliferation, however, few monarchs had truly sought to understand the functional details of finance, which Armand Jean du Plessis, Duc de Richelieu—a man who admitted to knowing nothing about state accounting—called the sinews of state. Such basic tools as bookkeeping, handling an abacus, and creating bills of credit, which were well known to shop-

4 Steven C. A. Pincus, "From Butterboxes to Wooden Shoes: The Shift in English Popular Sentiment from Anti-Dutch to Anti-French in the 1670s," *Historical Journal*, XXXVIII (1995), 333–361; Jean-Claude Perrot, *Une histoire intellectuelle de l'économie politique: XVIIe–XVIIIe siècle* (Paris, 1992).

keepers, bankers, traders, and ship captains, were not current parlance among the governing classes of the large monarchies of the late sixteenth and early seventeenth centuries.⁵

In *The Jewel House*, a pathbreaking study of how popular, or unofficial, technical culture in the streets of Elizabethan London helped to fuel the scientific revolution, Harkness shows how mathematics teachers, mechanics, barbers, surgeons, printers, pharmacists, and herbalists developed a vernacular of the natural sciences. Their work not only paralleled that of Francis Bacon and the Royal Society; it also interacted with the work of noble and formal natural historians and philosophers, thus helping to popularize the authority of observational natural knowledge in London. Vernacular culture in some ways dominated early modern finance; indeed, it was closely connected with the world of natural observation and learning—honored and time-tested at the highest levels of trade and even within the Dutch government. This vernacular and often republican mercantile culture—associated first with the governments of Italy, Switzerland, Holland, and, to a degree, England—slowly became part of a formal state culture and discourse after the 1650s. It was not a culture of capitalism; no one used this word. Rather it was a new application of financial practices to state policy.⁶

5 Fernand Braudel, *Civilisation matérielle, économie et capitalisme XVe–XVIIIe siècle* (Paris, 1979), II, 358–363 (“Les jeux de l’échange”), 329; John Bart Geijsbeek, *Ancient Double-Entry Bookkeeping: Lucas Pacioli’s Treatise (A.D. 1494—the earliest known writer on bookkeeping) reproduced and translated with reproductions, notes and abstracts from Manzoni, Pietra, Mainardi, Ympyn, Stevin and Dafforne* (Denver, 1914), 7–13; Christian Bec, *Les marchands écrivains: Affaires et humanisme à Florence 1375–1434* (Paris, 1967), 51; Pierre Jeannin (trans. Paul Fittinghoff), *Merchants of the Sixteenth Century* (New York, 1972), 91–103; Craig Muldrew, *The Economy of Obligation: The Culture of Credit and Social Relations in Early Modern England* (London, 1998), 60–69; Ceri Sullivan, *The Rhetoric of Credit: Merchants in Early Modern Writing* (Madison, 2002), 12–17. Richlieu cited in Orest Ranum, *Richelieu and the Councillors of Louis XIII: A Study of the Secretaries of State and Superintendents of Finance in the Ministry of Richelieu 1635–1642* (Oxford, 1963), 136. See also Richard Bonney, “Louis XIII, Richelieu and the Royal Finances,” in Joseph Bergin and Laurence Brockliss (eds.), *Richelieu and His Age* (New York, 1992), 99–133. On the techniques of merchant education in the Italian Renaissance, see Grendler, *Schooling in Renaissance Italy*, 306–329.

6 Deborah E. Harkness, *The Jewel House: Elizabethan London and the Scientific Revolution* (New Haven, 2007), 9–13. See also Hans Erich Bödeker, “On the Origins of the ‘Statistical Gaze’: Modes of Perception, Forms of Knowledge, and Ways of Writing in the Early Social Sciences,” in Peter Becker and William Clark (eds.), *Little Tools of Knowledge: Historical Essays on Academic and Bureaucratic Practices* (Ann Arbor, 2001), 165–172; Harkness, “Accounting for Science: How a Merchant Kept his Books in Elizabethan London,” in Margaret Jacob and Catherine Secretan (eds.), *Self-Perception and Early Modern Capitalists* (London, 2008), 214–215;

Merchants and their account books allowed credit, currency, and goods to flow across borders and seas. In the merchant republics of Renaissance Italy, the knowledge of merchants was closely intertwined with the development of humanist government. Bankers and international merchants from Florence, Genoa, and Venice not only handled currency, kept books, and moved merchandise across Europe, the Mediterranean, and the Levant; they also designed and managed the government of their city states. In Venice, their benches were on the Rialto, not far from the fish market and down the Grand Canal from the Doges Palace. Merchant street knowledge would translate into the administrative basis of mercantile city states.

Between the fourteenth and sixteenth centuries, the Italians and Germans had mastered private banking, and merchant houses flourished throughout Europe. In Braudel's words, "[D]o not underestimate the amount of knowledge necessary to acquire: the establishment of prices of buying and selling, the calculation of cost prices and exchange rates, corresponding measures and weights, the calculation of simple and compound interest rates; the art of preparing a 'simulated balance sheet' of an operation; the handling of currencies, letters of exchange, order forms, and titles of credit."⁷

In fifteenth and sixteenth-century Florence and Venice, figures such as Alberti (1404–1472)—a Latin humanist, architect, philosopher, political counselor, and courtier—and Machiavelli received mathematic, technical, and administrative training for both business and city government to complement their education in classical literary Latin studies. Alberti's family had run an international business, the offices of which had stretched from England to Byzantium. Although by the time Alberti had come of age, the family was poor, he certainly knew the basics of being a notary, which entailed the knowledge of legal contracts and financial paperwork.⁸

The ideal Italian humanist knew how to finance projects and keep double-entry books, as well as to write, translate, and calcu-

Muldrew, *Economy of Obligation*, 323–325. See also Julia Adams, *The Familial State: Ruling Families and Merchant Capitalism in Early Modern Europe* (Ithaca, 2005), 4.

7 Braudel, *Civilisation matérielle*, 2, 360.

8 Grafton, *Leon Battista Alberti: Master Builder of the Italian Renaissance* (London, 2000), 6, 34.

late. A case in point was Pacioli (1446–1517), whose aforementioned *Summa de arithmetica* contained a highly influential chapter on accounting. In an iconic portrait of 1495, the painter Jacopo di Barbari portrayed Pacioli as a learned geometer, complete with the tools of his craft. Pacioli had acquired his knowledge of perspective and Euclidean geometry in the workshop of Piero della Francesca, a mathematician as well as an artist. Later, he established friendships with both Alberti and da Vinci, to whom he taught mathematics. His accounting skills were merely one facet of his broad expertise.

In his remarkable large copper engraving, the *Allegory to Commerce: The Glory of Antwerp* (1585), Amman, the famed wood-carver (1539–1591), depicted merchants at work on street benches and in offices. Notably, the image is framed by different account books and descriptions of the rules and practices of accounting. In the center of the image, enshrined between pillars, is an inventory book, the measure of the wealth of a merchant, and the product of good bookkeeping. Inventory was capital before capitalism. Merchants worked assiduously to develop functional inventory books, but few feudal monarchs had them, even those like Henry IV of France, who had the fiscalist minister, Maximilien de Béthune, Duc de Sully, handling his finances. It was impossible to understand inventory, or capital holdings, without the exact double-bookkeeping practices of the skilled merchant.⁹

Due to the mores of nobility, what was common knowledge in the streets of Venice, Florence, Augsburg, Lyon, Seville, London, Seville, Lübeck, Stolberg, Antwerp, and Amsterdam—and becoming so in republican governments—was still largely foreign in the feudal courts of Europe. Great nobles and government ministers alike shunned what they considered to be base commercial activities, and political humanists, increasingly literary and theoretical, did not teach the merchant skills that Alberti and Machiavelli knew. The idea of learning accounting was anathema to Christian, chivalric, and courtly princes. It is impossible to imagine the Neoplatonist, elitist Baldassare Castiglione recommending that a courtier—or Emperor Charles V, his admirer—learn the

9 Jost Amman, *Eigentliche Abbildung desz ganzen Bewerbs der löblichen Kaufmannschafft . . . und fürnehmsten Handelstädt* (Augsburg, 1622): broadside [107.5 x 71.5 cm] large woodblock image surrounded by letterpress verse, comprised of six joined sheets with additional strips at head and foot (special thanks to Seth Fagen for this reference and description).

minutiae of keeping account and receipt books. The Neoplatonic values of inherent talent (*sprezzatura*) and prudence were inimical to toiling over books and cultivating the ethic of truthfulness requisite for a bookkeeper. Princes preferred the more general knowledge of humanists and the industrial skills of naturalists. Their knowledge of political economy did not include financial considerations. Not even Philip II of Spain, the great administrator king (“*el rey Papelero*”), meddled in accounting. Kings were not bookkeepers.¹⁰

FROM THE MARKETPLACE TO THE HALLS OF GOVERNMENT: ACCOUNTING AS POLITICAL KNOWLEDGE IN HOLLAND Unlike the feudal courts of Europe, the Dutch Republic viewed banking and trade as central to the power structure of the state. The *ars mercatoria* was a rich part of everyday urban life and an essential element of state government. The Dutch ruling elite was familiar with the minutiae of finance, industry, and trade.

In 1609, the Dutch burgomasters instituted the Wisselbank, located in Amsterdam’s city hall, to guarantee the value of precious metal currency and deposits for the purpose of making payments in sound currency. Eventually, it made its loans only to the East India Company, which the republican state helped to found in 1602. These short-term “anticipation loans” were meant to smooth the Company’s cash flow between the arrivals of return fleets. A crucial difference between the Amsterdam bank and the later Bank of England (or, for that matter, the earlier bank at Antwerp) was that it was not a “fractional reserve” bank, which is intended for making loans, but an exchange bank, intended for making payments. This function supported the merchants and private bankers (*kassiers*) who did make loans, by accepting bills of exchange and other short-term credit instruments. All these *kassiers* and merchants were required to hold accounts at the Bank to ensure prompt, full-currency payments.¹¹

10 Peter Burke, *The Fortunes of the Courtier* (Cambridge, 1995), 29; Sullivan, *Rhetoric of Credit*, 37–38; Tara Nummedal, *Alchemy and Authority in the Holy Roman Empire* (Chicago, 2007), 81–83; James E. King, *Science and Rationalism in the Government of Louis XIV 1661–1683* (Baltimore, 1949), 64–83.

11 Lodewijk J. Wagenaar, “Les mécanismes de la prospérité,” in Henri Méchoulan (ed.), *Amsterdam XVIIe siècle: Marchands et philosophes: Les bénéfices de la tolérance* (Paris, 1993), 59–81. Thanks to Jan de Vries for information about the Wisselbank.

Adam Smith later noted the need for government expertise in bookkeeping in order to maintain such institutions:

At Amsterdam, however, no point of faith is better established than that for every guilder, circulated as bank money, there is a correspondent guilder in gold or silver to be found in the treasure of the bank. The city is guarantee that it should be so. The bank is under the direction of the four reigning burgomasters who are changed every year. Each new set of burgomasters visits the treasure, compares it with the books, receives it upon oath, and delivers it over, with the same awful solemnity, to the set which succeeds; and in that sober and religious country oaths are not yet disregarded. A rotation of this kind seems alone a sufficient security against any practices which cannot be avowed.¹²

By mid-century, Amsterdam not only had a stock exchange, but its banks also offered loans (bills of exchange), which could be directly invested in shipping-merchandise futures. What was disparate and private among business houses elsewhere in Europe was official state culture in Amsterdam. With local industry, banking, stock exchanges, and international trade, Dutch merchants' knowledge of finance became more sophisticated than that of their Italian predecessors, as their merchant empire expanded across the world, and their cargos came to include Brazilian wood, Asian plants, and Arctic whale oil. The marketplace in Amsterdam was famous for its luxury products and treasures. The tight interaction of the governing elite with Dutch structures of finance, politics, and trade ensured that the republic was governed by financial managers who handled large amounts of varied information. The close relationship between the workings of the city of Amsterdam and governmental culture reflects the kind of informal knowledge exchange between the street and the high institutions that Harkness describes in *The Jewel House*.¹³

12 Adam Smith, *An Inquiry into the Nature and Causes of the Wealth of Nations* (Edinburgh, 1776), 304 (Bk. 4, Chap. 3, Pt. 1).

13 De Vries and Ad Ven der Woude, *The First Modern Economy: Success, Failure, and Perseverance of the Dutch Economy, 1500–1815* (New York, 1997), 129–131; Simon Schama, *The Embarrassment of Riches: An Interpretation of Dutch Culture in the Golden Age* (New York, 1997), 301; Oscar Gelderblom, "The Governance of Early Modern Trade: The Case of Hans Thijs, 1556–1611," *Enterprise and Society*, IV (2003), 606–639; Burke, *A Social History of Knowledge from Gutenberg to Diderot* (Cambridge, 2000), 164; Harold John Cook, *Matters of Exchange: Commerce, Medicine, and Science in the Dutch Golden Age* (New Haven, 2007), 20–21; Clé Lesger (trans. J. C. Grayson), *The Rise of the Amsterdam Market and Information Exchange: Merchants,*

The mixing of industrial knowledge with international trade and politics is what made Amsterdam's information exchange unique. Holland, particularly the stock exchange and the East India Company in Amsterdam, was at the center of the world economic system. Letters to and from merchant and imperial trading houses throughout the world assessed political climates, trading routes, the price fluctuations of commodities, and works of scholarship. Dutch consuls sent reports from Dutch whale oil factories in the Arctic, the West Indies, Europe, Brazil, Surinam, Manhattan, and Arden, and Dutch trading outposts were everywhere, even in the backyard of the French monarchies, in such cities as Nantes and La Rochelle. Moreover, Amsterdam handled the warehousing and shipping for much of the world's merchandise—even that of its close neighbors—which passed first through Holland before being resold or processed. Amsterdam and The Hague served as the hub of a civic information web, encompassing all of Holland, as well as England, France, Germany, and the Baltic States. Only those familiar with the intricacies of the *ars mercatoria* could have ruled this empire.¹⁴

The Early Lessons of Stevin and Montchrétien Pacioli's pan-European bestseller on accounting did not show up in either state policymaking or princely pedagogy until the 1590s when the Dutch mathematician and engineer Simon Stevin (1548–1620) became both tutor and advisor to Prince Maurice of Nassau, Stadtholder of the Republic of Holland. The centrality of finance and business within the Dutch republic meant that merchant knowledge was essential to elite education. The author of works on mathematics, physics, nautical mechanics, language, and music, Stevin represented a branch of learned humanism different from that of the literary philologists and lawyers, like Desiderius Erasmus, or the later political historians Justus Lipsius and Jacques-Auguste de Thou. The jurist Hugo Grotius, whose father was a friend of Stevin, was said to have admired both his theories and his nautical inventions. Stevin was to become the state engineer, su-

Commercial Expansion and Change in the Spatial Economy of the Low Countries c.1550–1630 (London, 2006), 183–214.

14 Woodruff D. Smith, "The Function of Commercial Centers in the Modernization of European Capitalism: Amsterdam as an Information Exchange in the Seventeenth Century," *Journal of Economic History*, CLIV (1984), 986, 992; Michel Morineau, "Or brésilien et gazettes hollandaises," *Revue d'Histoire Moderne et Contemporaine*, XXV (1978), 3–30; Braudel, *Civilisation matérielle*, 75–80.

perintendent of finances, and chief of the all-important Dutch waterworks.¹⁵

As a scholar, Stevin descended from Florentine mathematicians, inventors, and engineers. Although he wrote about such formal subjects as language and mathematics, he focused mainly on engineering and practical learning. Following the Italian tradition, he considered accounting and double-entry bookkeeping a branch of the mathematical sciences, which he impressed on Prince Maurice, all the while keeping a journal of their interactions. Despite his place in the House of Orange, Maurice clearly felt he needed to know the merchant practices of bourgeois republicans.¹⁶

Increasingly, political economists saw this sort of training as necessary for all monarchs who functioned in a mercantile world. In 1615, Antoine de Montchrétien dedicated his *Treatise on Political Economy* (1615) to the regent Marie de Medici and her son Louis XIII. He begged the Queen Mother to teach her son about the technical side of manufacturing, as well as about the new merchandise and natural products from the colonies. The king would need to understand shipbuilding, metalworking, manufacturing, and even forging. He would have to know about sandalwood, *materia medica*, tobacco, and rhubarb. Montchrétien advocated the kind of practical logic of the marketplace associated with Petrus Ramus and was well versed in the work of the traveling medical humanists, such as Garcia da Orta, and the Jesuit travel writers, as well as in the older artisanal humanism of Brunelleschi, Alberti, and da Vinci. Most of all, Montchrétien insisted that the French monarchy follow the Dutch model: “If the rule practiced in Holland could be introduced into this kingdom, it would without doubt be a good thing and favorable to industry and diligence.”¹⁷

Late humanism, represented by both Erasmus and the Roman historian Tacitus, relied on rhetoric, history, and law. Montchrétien, however, demanded that the royal curriculum also include the basic elements of the *ars mercatoria*, insisting that the king ac-

15 See Simon Stevin (ed. Ernst Crone et al.), *Principal Works* (Amsterdam, 1966), V (on engineering), I, 3–6.

16 A transcript of Stevin’s journal (1548–1620 and of a discussion between him and Prince Maurice is found in Geijsbeek, *Ancient Double-Entry Bookkeeping*, 15–16, 7–13.

17 Antoine de Montchrétien, *Traicté de l’oeconomie politique* (Rouen, 1615), 11–51, 323–324, 18, 108.

quire a working knowledge of finance, study Indendants' reports, understand the tax codes, and try to reform corruption.¹⁸

In spite of the economic works of Jean Bodin, Bacon, Barthelemy Laffemas, and Montchrétien, and of Marie de Medici's personal connections with banking families and her personal knowledge of the marketplace in Amsterdam, she did not heed Montchrétien's advice. Financial and industrial training never entered into Louis XIII's pedagogical program, nor did it for most monarchs. In 1641, Falvio Testir, an Italian poet, exclaimed, "This is the century of the soldier." But Montchrétien saw, presciently, that it ought to be the century of the accountant or the administrator who could successfully pay the soldier and the shipbuilder.¹⁹

The Literature of Mercantile Management and Dutch Politics: Barlaeus, de la Court, de Witt, Spinoza, Hobbes, and Locke If France failed to adopt mercantile government, even with the industrial and colonial projects of Richelieu, Barlaeus' *Mercator sapiens*, or *The Learned Merchant* (1632), shows that in Holland, classical humanism, political economy, and government continued their co-development. Barlaeus' oration on the glory of Holland's mercantile might was written to celebrate the inauguration of the Athanaeum Illustre of Amsterdam, the predecessor to the University of Amsterdam, and to defend the merchant burgomasters—primarily Andries Bicker—against the princely pretensions of the House of Orange. Influenced by the technical branches of humanism—Galen, Pliny, and Euclid—Barlaeus favored utilitarian knowledge. Navigation, geography, art, geometry, medicine, and neo-Stoic ethics would guide the philosopher-merchant to manage his affairs competently and honestly. Barlaeus assigned ancient virtue to the wise and just merchant manager who could instate a reasoned politics to create abundant commerce. This form of management had helped Dutch merchant interests triumph over both Spanish invasion and Swedish competition.²⁰

Whereas Catholic and monarchical Europe produced neo-classical writings either upholding or attacking monarchy by rea-

18 *Ibid.*, 358.

19 Testir cited in Geoffrey Parker, *The Military Revolution: Military Innovation and the Rise of the West 1500–1800* (New York, 1996; orig. pub. 1988), 1.

20 Caspar Barlaeus, *Mercator sapiens, sive oratio de conjugendis mercatorae et philosophiae*, in Catherine Secretan (ed.), *Le "Marchand philosophe" de Caspar Barlaeus: Un éloge du commerce dans la Hollande du Siècle d'Or. Étude, texte et traduction du Mercator sapiens* (Paris, 2002), 153. Barlaeus' oration accompanied Gerardus Vossius' *Oratio de Historiae Utilitate*.

son of state, Barlaeus' work began a series of major political treatises defending sound economic management and tolerance as the driving forces of politics. Most influentially, the free-market political economist Pieter de la Court (1618–1685) developed these ideas into a virulent attack against monarchy and a detailed outline of how economic and financial management was a basis for sound political policy. From a Protestant, cloth-making family, de la Court had received the Dutch classical merchant's education, which combined shop-room floor apprenticeship, travel, and bookkeeping with classical and theological studies. By both temperament and marriage, he was connected to Jan de Witt and his republican cause in the struggle for control of the Netherlands.

With de Witt's protection and collaboration, de la Court wrote the radical *True Interest and Political Maxims of the Republic of Holland* in 1662. De Witt not only paid for its publication; he added some of his own writings and placed his name on the title page, toning down some of de la Court's more strident arguments. This collaboration was the realization of Barlaeus' ideal—the philosopher and merchant administrator working together for republican ideals and economic policy. De Witt was a product of the classical education of the Dordecht Latin school, but also of Cartesian mathematics, on which he published and which he connected with accounting. He trained as a lawyer, and traveled through France and England. He was a classical statesman in his knowledge of courtly government and diplomacy, but he was also a mercantile manager. He served as Grand Pensionary of Holland from 1652 to 1672, when, in spite of the hostility of Spain, Sweden, England, and France, Holland became the opulent center of world trade, industry, and art, as well as a beacon of tolerance in a Europe nearly strangled by its own cord of religious conflict.²¹

In *True Interest*, de la Court and de Witt mixed classical learning with pure political economy in what was clearly a radical attempt to transform the genre of the political maxim, generally dominated by such classical historians as Tacitus, Livy, and Caesar. Although the book's introduction makes reference to classical writers, what follows is mainly an attack on the dynastic politics

21 Antonin Lefèvre Pontalis, *Jan de Witt, Grand Pensionnaire de Hollande: Vingt années de république parlementaire au dix-septième siècle* (Paris, 1884), II, 313–318; Herbert H. Rowen, *John de Witt, Grand Pensionary of Holland 1625–1672* (Princeton, 1978), 391–398; Pontalis, *Jan de Witt*, 88–89.

and fiscalité founded on the royal reason of state. The authors claimed that the inhabitants of Holland could “receive no greater mischief in their polity than to be governed by a monarch or supreme lord” and that well-administered cities always fare better than monarchies, for which they could adduce the support of Aristotle’s *Politica*. They insisted that citizens could not pursue their economic endeavors without political, religious, and economic liberty. Their plan for good republican government derived from sound economic management. As the title of Chapter 4 proclaims, “Holland lies commodiously to fetch its provisions out of the sea, and to provide itself by other arts and trades; and how great a means of subsistence the liberties may be to us.”²²

Thus did technical humanism evolve toward the financial theory of the Enlightenment and the complex Baconian, Cartesian, and proto-Lockian nature of Dutch political culture. Although *True Interest* refers to classical political texts and critiques monarchical politics, the body of the work is a mercantile study of geography, population, and the technical management of trade—not the kind of literary and historical maxims usually associated with political humanism. However, it is not so much a break with tradition as an affirmation of the merchant class, industry, and free trade—citing such precedents as Gerard de Malynes, *Lex mercatoria* (1622)—over absolutism, war, and taxes. This mercantile call of victory had actually begun with the decline of the Italian merchant states in the fifteenth century. Yet, although Florence had evinced republicanism with a mercantile bent, the confluence of free government and information, good accounting, and trade and religious tolerance (none of which was possible without the others, as the book makes clear) was uniquely Dutch.²³

At the age of twenty-two, upon the death of his father, Baruch Spinoza took charge of his family’s failing shipping company. He was intimately familiar not only with the basics of managing a firm but also with the vagaries of maritime trade and international finance. Although Spinoza ultimately forsook both commerce and the Jewish religion to concentrate on philosophy, his knowledge of Cartesianism, mathematics, and accounting, as

22 Schama, *Embarrassment of Riches*, 254; de la Court and de Witt, *The True Interest and Political Maxims of the Republic of Holland* (London, 1746), 4–6, 14, 15, 31, 49–70, 22.

23 De la Court and de Witt, *True Interest*, 2. On new attitudes of merchant virtue, see Pocock, *Machiavellian Moment*, 478, 49–50.

well as his belief in the efficacy of clear and distinct reasoning, did not lead him far from the values that informed mercantile practice. Moreover, his *Tractatus Politicus* evinces a republicanism and a support for natural and individual rights that echo de la Court.²⁴

By the seventeenth century, Holland's trade and religious freedom were celebrated and feared. Dutch wealth became legendary in art and poetry. In 1653, during the first Anglo-Dutch War, Andrew Marvell wrote "The Character of Holland," a scathing poem against the republic, criticizing its mercantile and technical ideals while noting the connection between the state, banking, and engineering. Throughout the seventeenth century, works such as the anonymous verse essay, *London's Metamorphosis: Or, a Dialogue between London and Amsterdam discoursing compendiously of the change of Government, Alteration of Manners, and the Escapes of Sectaries* (1647), and William Aglionby's *The Present State of the United Provinces of the Low-Countries as to the Government, Laws, Forces, Richess, Manners, Customs, Revenue, and Teritory of the Dutch* (London, 1669) marveled at, and also expressed mistrust about, Dutch wealth, tolerance, and difference. Many of these works claimed that the Dutch were essentially pirates and parasites, growing rich at the expense of the French and English.²⁵

Before the Anglo-Dutch War of 1665, Restoration England viewed Holland as a hotbed of republicanism. However, after the French annexations of the 1670s, moderate monarchists began to see Holland as more of a viable ally than France, especially when the House of Orange returned to power in 1673. The pro-Dutch monarchists were led by Sir William Temple (1628–1699), who wrote *Observations upon the United Provinces of the Netherlands* in 1673. He echoed de la Court and de Witt, noting that Holland's success had nothing to do with either the reason of state or the *arcana imperii*. Instead, in a proto-Lockian fashion, he lauded its merchant-friendly governors, political freedoms, and religious tolerance.

Being pro-Dutch usually meant believing in religious toler-

24 Jonathan Israel, *Radical Enlightenment: Philosophy and the Making of Modernity 1650–1750* (New York, 2001), 166; *idem*, "Philosophy, Commerce and the Synagogue: Baruch Spinoza's Expulsion from the Amsterdam Portuguese Jewish Community in 1656," in *idem* (ed.), *Dutch Jewry: Its History and Secular Culture* (Leiden, 2002), 125–140; Baruch Spinoza (trans. R. H. M. Elwes), *A Theological-Political Treatise and a Political Treatise* (New York, 1951), 289–297.

25 Pincus, "From Butterboxes to Wooden Shoes," 337; Jacob and Lynn Hunt, "Why Holland?" (forthcoming); Schama, *Embarrassment of Riches*, 301.

ance and an economic approach to government, as well as good accounting techniques. Muldrew argues that the rise of accounting was part of the rationalist and individualist orientation of the early Enlightenment, representing an alternative to state authority. Alongside natural law, accounting intimated the importance of a life regulated according to the rules of mathematics—that is, the systematic, daily practice of bookkeeping, whether of fiscal records or personal diaries. Thus, individual self-control, education, and reason were related to the spread of accounting techniques, thanks, in no small part, to the political theorists who wrote about accounting’s influence on government.²⁶

In *Leviathan* (1651), Hobbes, familiar with practices of accounting from his youthful employ collecting receipt books, used the metaphor of accounting not only in questions of self-control but also in his very definition of reason: “When a man *Reasoneth*, hee does nothing else but conceive a summe totall, from *Addition* of parcels; or conceive a Remainder, from *Subtraction* of one summe from another. . . . REASON in this sense, is nothing but Reckoning (that is Adding and Subtracting) of the Consequences of Generall names agreed upon, for the *marking* and *signifying* of our thoughts.”²⁷

John Locke, in his posthumous *Of the Conduct of the Understanding* (London, 1706), also associated “the man of reason” with the certainty of accounting, sound judgment, and, by association, good government. Locke had not only worked and studied in Holland; he had corresponded with de la Court and was influenced by *True Interest of Holland*. Locke borrowed from de la Court and de Witt’s attitudes toward tolerance, and he undoubtedly was aware of how political economy, accounting, and reason intersected in Holland.²⁸

A PUBLIC RECKONING: ENGLAND AND THE DUTCH MODEL Although de la Court and de Witt did not directly discuss methods of bookkeeping, Amsterdam was already seen as the center of good bookkeeping in Europe, as Richard Dafforne claimed in *Merchant’s Mirrour, or Directions for the Perfect Ordering and Keeping of His Accounts* (London, 1660). Published two years before *True In-*

26 Muldrew, *Economy of Obligation*, 128, 146.

27 Thomas Hobbes (ed. Richard Tuck), *Leviathan* (New York, 1996), 110–111.

28 John Marshall, *Toleration and Early Enlightenment Culture* (New York, 2006), 355–359.

terest, Dafforne's work was the product of his sojourn in Amsterdam to learn accounting from Dutch bookkeepers, whom he considered the best in the world. Although Dafforne's book was a practical guide to, and an interpretation of, the earlier works of Pacioli and Jan Ympen, his discussion of double-entry bookkeeping included his belief that a good classical education mixed with accounting led to good government.²⁹

Citing Stevin and his training course for Prince Maurice as "Princely Book-keeping," Dafforne recommended that accounting be raised to part of the "Liberall sciences." Thus, the influence of the Dutch vision of government, learning, and accounting circulated in the world of merchants and the Republic of Letters, but how much influence did it have on real practical government?³⁰

The Dutch Vision and Practical Government in England: Pepys and Petty The mid-seventeenth century should be seen as the European moment of political economy. After the various wars and crises, and with the rise of trade, the rules of politics changed. Rulers across Europe—from the parliamentary England of the Restoration to absolutist France and Prussia—realized that the Dutch held the keys to a new economic and political development. Each looked to Holland for specific elements of political economy.

Although Samuel Pepys was not so clear a product of Dutch culture as Dafforne and Temple were, nonetheless, he represents the ascendance of political economy, and of the Lockian self-accountant, in government. Given a larger state infrastructure and navy, England's Charles II was forced to rely on advanced financial management. Serving as a naval administrator, Pepys used his organizational talents to help England fight the Dutch navy in the Anglo-Dutch War; accounting was a traditional part of naval operation. In his *Diary*, Pepys regularly discussed accounting for the state, and for himself. Pepys not only did the books for his own "Tangier" project; he also verified the books of other officials. He was openly critical of those who did not keep good accounts; not even Charles II or John Montague, the Commissioner of the Admiralty and Earl of Sandwich, were spared.³¹

29 For Dafforne, see Geijsbeek, *Ancient Double-Entry Bookkeeping*, 142.

30 *Ibid.*, 143.

31 Pincus, "Introduction: The Revolution of 1688–1689: The First Modern Revolution," in *idem* (ed.), *England's Glorious Revolution 1688–1689: A Brief History with Documents* (Boston, 2006), 12; Pepys, *Diary*, Thurs 21st December, 1665; March 4, 1665; March 2, 1665, in which

At the same time that Pepys was writing, Charles II was reforming state accounting through the Commission of 1667, which made the royal Treasury the central point of state financial administration. Though Pepys doubted that this innovation would work, the new central accounting office, run by courtiers such as Montague, was Charles II's most important reform. Members of Parliament, however, worried that better control of financial resources would give Charles too much power. But the secretaries of the Treasury kept good books and built lenders' confidence.³²

As accounting and political economy became more established within the English government, men like William Petty (1623–1687) were helping to build complex social, political, and economic policy through financial and social statistics. In his *Political Arithmetik* (1682), Petty, a classicist well versed in mathematical, natural, and medical studies, designed an approach to policymaking based on population and trade surveys, much like de la Court and de Witt had done. He devised measures of national income and taxation. He wrote numerous treatises about economic theory, monetarism, employment, and the government's role in managing national funds and wealth. He was keenly aware of how vital state register and accounting books were for taxation and monetary policy. Furthermore, he developed the practice of cost accounting, which involved setting a budget and determining the cost of operations and land holdings in order to project future management. This innovative offshoot of the Dutch managerial model was an extraordinarily delicate operation.³³

Political economy became highly public in England. Costs and policy attracted much debate between Crown and Parliament, involving numerous other commentators and analysts. In England, the Republic of Letters took account of costs.

A SECRET ACCOUNT OF FRENCH ABSOLUTISM: COLBERT AND FINANCIAL REFORM To this point, accounting was less developed in France than in England, at least as an undertaking open to public

Pepys describes the place of accounting in his public and private life during the course of a single day.

32 Henry Roseveare, *The Treasury, 1660–1870: The Foundations of Control* (New York, 1973), 1, 21, 22, 28.

33 Andrea Finkelstein, *Harmony and the Balance: An Intellectual History of Seventeenth-Century English Economic Thought* (Ann Arbor, 2000), 74–88, 113, 116.

scrutiny. Although accounting manuals were available to the court, and Colbert promoted the publication of works concerning trade and accounting, France had no true public reckoning of state accounts. Indeed, not until the writings of Henri de Boulainvilliers and Jacques Necker in the eighteenth century did this lack of public reckoning become a major issue. The state's accounting was reformed under Louis and Colbert, but secretly. Nonetheless, Louis and Colbert's new Superintendency of Finance made massive strides in state accounting, mainly by disposing of the independent and corrupt Nicolas Fouquet, without significant public debate.³⁴

Although he did not abolish the tax farmers and the old forms of state finance, Colbert introduced the control of state books. With his team of *Contôleurs Generaux de Finances*, he set about verifying not only treasury records but also the feudal registries of noble rights. For Colbert, accounting meant social control and full disclosure of finances in a world where noble privilege decided tax exemption. Most significant in cultural terms, Colbert adopted a language of accounting and political economy for state administration. Louis and Colbert banished the humanist political counselors who had served in the governments of Henry IV and Richelieu. The building of navies, industries, colonies, armies, and buildings, and the subjugation of Protestants and nobles, demanded a state administration based on a more solid foundation than the mere reason of state. Colbert carried out massive reforms and works on a scale that Pepys could hardly imagine. Unlike Pepys, Colbert did not need to worry that his king might not have good enough accountants around him; he kept the books himself and taught Louis the basics of accounting and political economy.³⁵

Along with his massive policy of state *enquêtes*, surveys on a scale that dwarfed the work of Petty, though it was not always as sophisticated, Colbert designed an accounting course and created weekly reports for Louis XIV. What Colbert wrote to the Dauphin in 1665 he had already taught Louis in 1661. The "registers" so important to Louis and Colbert were not just traditional account books; they represented an extraordinary step in the counsel

34 Michel Antoine, *Le Coeur de l'État: Surintendance, contrôle général et intendances des finances 1552–1791* (Paris, 2003), 296.

35 *Ibid.*, 300–301. On Colbert's strategies, see Soll, *The Information Master: Jean-Baptiste Colbert's Secret State Intelligence System* (Ann Arbor, 2009).

of kings, a victory of the moderns over the ancients. Louis went so far as to banish traditional humanists from his inner circle of advisors.

On June 23, 1663, the foreign minister Hugues de Lionne wrote to Godfroi, the comte d'Estrades, to insist that a copy of de la Court and de Witt's book be sent immediately to Colbert. Colbert clearly read the book, as he did Malynes' *Lex Mercatoria*. He was not just interested in impeding Dutch shipping, reversing its mastery over French products and colonial enterprises, and curtailing its radical book trade; he also wanted the benefit of Dutch economic and industrial know-how. Colbert was in the process of creating his own, large-scale project of political economy and state accounting.³⁶

In 1663, Colbert began writing "Mémoires sur les affaires de finances de France pour servir à l'histoire," a history of royal finance, of which only one copy exists, in his own hand. Unfinished, it is Colbert's longest and most detailed single work, and it functioned at several levels. First, it was a work of political economy, not political history. It was intended to state mercantilist ideology and inform Louis of the financial precedent of past kings. Its detailed reporting of royal accounts suggests that it was for Louis' eyes only. Most remarkably, it contains a long passage almost verbatim from Pacioli.³⁷

Colbert prepared a financial course for Louis XIV based on Pacioli's work on accounting. Colbert and Louis discussed the figures and specifics of state accounting. Louis verified and signed official financial documents, but he clearly deferred to Colbert. Though, at times, Louis gave direct orders, his correspondence with Colbert shows that he mostly left the details of finance to his minister. In spite of the fact that double-entry bookkeeping was not done at an official level, the verifications of the "États de la Dépense et Recette du Trésor" (1662–1681) indicate that a sophisticated form of state accounting emerged under Colbert's supervision. Louis, Colbert, and other ministers of the Council

36 De Lionne cited in Pontalis, *Jan de Witt*, 315; Ms. Mélanges Colbert 53, Bibliothèque Nationale de France (hereinafter BNF).

37 Colbert, "Mémoires sur les affaires de finances de France pour servir à l'histoire," in Clément (ed.), *Lettres*, II, Pt. I, Sec. 2, 17–68. See Daniel Dessert's analysis of "Mémoires sur les affaires de finances" in *Colbert ou le serpent venimeux* (Paris, 2000), 17–37, 44–45.

of Finances—Pierre Séguier, Nicolas de Neufville de Villeroy, Etienne d’Aligre, and Alexandre de Sève—signed off on the tallied account books, but the more complex preliminary bookkeeping and verification was clearly done by Colbert for Louis. In any case, Colbert set up the books to make them easy to verify.³⁸

The ultimate paradox was that Louis, the Catholic king, scourge of republics, who loathed (and even invaded) Holland because of the success and the smug independence of its burgomasters and the irreverence of its radicals, presided over the kind of political economy that only his nemeses could have made possible. But the Dutch influence ran even deeper. Louis carried in his pockets not commonplace books but the extraordinary account books—bound in maroquin and lettered in gold—that Colbert commissioned for him from the calligrapher Nicolas Jarry.³⁹

Colbert was keenly aware of Holland’s particular advantages. He sent his son, the marquis de Seignelay (also named Jean-Baptiste Colbert), on a fact-finding mission there in 1671 as part of his mercantile training, as well as to Italy and England for other kinds of humanist education. Seignelay described Amsterdam as “presently the most important commercial city in the world” and marveled that everyone had his own house. In a detailed technical and fiscal study of the Dutch ship works and navy, he noted: “[T]he tax revenue [*droits*] they gain from all the merchandise that enters and leaves . . . Amsterdam is more considerable than in other cities, because it is infinitely more mercantile [*marchande*] and . . . these taxes [*droits*] are for the most part destined for the navy.” He was also impressed with the great “order” in which stock accounts of merchandise were kept.⁴⁰

Colbert’s interest in political economy was tied directly to Holland. He commissioned Huet—an expert in Roman and Greek history, and a defender of the ancients—to write a history of Dutch trade. Huet’s *Memoirs of the Dutch Trade in all the states and kingdoms, and empires of the world* (1690) was a massive project,

38 For correspondence about the course in finance, see *Lettres*, II, Pt. 1, ccxxvi–cclvii, Colbert to Louis XIV, August 1, 1673; Louis’s response in the margins, August 3, ccxxxiv.

39 Ms.Fr. 6769–91, BNF. The figures from the notebook for the year 1680 are reproduced in Colbert, *Lettres*, II, Pt. 2, 771–782.

40 See Colbert’s project for his son, “Instruction pour le voyage de Hollande et d’Angleterre, July, 1671, in *Lettres*, III, 2, 290–296, 298, 303, 306.

finished only after Colbert's death. Apparently, admirers of the ancients were good at understanding the moderns. Huet sought to show Holland's "First Rise and prodigious Progress: After what Manner the *Dutch* manage, and carry on their Trade, their Dominions and Government in the *Indies*. By what Means they have made themselves Masters of all the Trade in Europe: What Goods and Merchandise are proper for Maritime Traffick, whence they are to be had, and what Gain and Profit they produce. A Work necessary for all Merchants and others concerned in Trade."⁴¹

Colbert saw Dutch mercantile culture, and its long tradition—though not the political system—as essential for building the absolutist state. He championed a number of works on political economy, the *ars mercatoria*, and accounting. He was the patron behind the works of Philippe Barrême, *Les comptes faits ou Le Tarif Général de toutes monnoyes* (Avignon, 1762) and *Les Tarifs et comptes faits du grand commerce où l'on y fait les changes d'Angleterre, d'Hollande, de Flandre, d'Allemagne etc.* (Paris, 1670). He also asked Jacques Savary to write the *Parfait Négotiant* (1670), featuring a section on double-entry bookkeeping for business—part of Colbert's "Ordonnance pour le Commerce" of 1673, which required businesses to keep double books to be regularly verified by the government. In this case, Colbert's public rules for accounting not only set standards; they also were a form of policing.⁴²

Thus, the culture of Holland could represent political economy, good accounting, and tolerance, or simply political economy. It was not always taken wholesale; parts of it could be mixed with repressive measures. Other absolutist rulers looked to Holland as a model for industrial and military development and for methods of trade and accounting, if not for republican ideals. Frederick William, the Great Elector of Brandenburg-Prussia (1620–1688), was inspired by the Dutch model. Like de Witt and

41 Pierre-Daniel Huet, *Memoirs of the Dutch Trade in all the states and kingdoms, and empires of the world* (London, 1718), title page.

42 A list of works on political economy supported by Colbert is in Prosper Boissonnade, *Colbert. Le Triomphe de l'Étatisme. La Fondation de la Suprématie industrielle de la France. La Dictature du Travail 1661–1683* (Paris, 1931), 32. For a list of works on political economy supported by Colbert, see Prosper Boissonnade, *Colbert: Le Triomphe de l'Étatisme. La Fondation de la Suprématie industrielle de la France. La Dictature du Travail 1661–1683* (Paris, 1931), 32. Stanley E. Howard, "Public Rules for Private Accounting in France, 1673 and 1807," *Accounting Review*, VII (1932), 91–92.

Colbert, he was born in the second decade of the seventeenth century, and his power solidified in the 1650s and 1660s. In youthful exile as a cousin of the House of Orange, his education in Leiden exposed him to Dutch concepts of mercantile thrift and economic success, and he was startled to witness first hand Dutch industrial, naval, and economic prowess. He was also influenced by Dutch religious tolerance, which he tried to foster later in Prussia. In the 1650s, he installed tighter accounting and treasury practices by closely working with his *Hopfkammerpräsident*. Following the lead of the Dutch and of Colbert, he mixed royal accounting with industrial and military management.⁴³

The age of political economy was in full swing. In the Holy Roman Empire, Joachin Becher began using political-economic approaches in government, copying the model of the Commercial College of Amsterdam to create the *Kommerzkollegium* in Vienna in 1666. A mercantilist like Colbert and Frederick William, Becher introduced the language of political economy into political discourse expressly by appropriating Dutch models. During his Great Embassy, Peter the Great made a famous visit to Holland in 1697—immortalized by Abraham Jan Storck in the painting, “Peter the Great Inspecting a Ship at Amsterdam”—in which he, like Seignelay before him, reviewed Dutch shipbuilding and piloting methods. His obsession with ships and the culture of building and managing them (not unlike that of Colbert in his papers) was manifested in his collection of naval logs, sketches of ships parts, and books on piloting and navigation. Peter the Great clearly exemplifies the rise of a new, technical form of princely education much like that first developed for merchants, in the manner of Stevin.⁴⁴

The European crises of the mid-seventeenth century induced a lack of faith in traditional, literary humanist political culture, and the rise of well-organized, well-armed, and well-financed mer-

43 Derek McKay, *The Great Elector* (Harlow, Eng., 2001), 13, 147, 59–60, 178. See also Christopher Clark, *Iron Kingdom: The Rise and Downfall of Prussia 1600–1947* (Cambridge, Mass., 2006), 40.

44 Ingomar Bog, “Mercantilism in Germany,” in Donald C. Coleman (ed.), *Revisions in Mercantilism* (London, 1969), 176–177; Lindsey Hughes, *Russia in the Age of Peter the Great* (New Haven, 1998), 370.

chant empires led to the establishment of new political methods. The results were different in each country, but the tools were similar; European states shared not only complex economic, military, political, social, and spiritual crises but also comparable responses to them. Feudal government could incorporate neither the evolving merchant culture, with its reform of state finance, nor the exigencies of a growing population. The rise of political economy represented an attempt to meet these challenges. What is most remarkable is that the new methods that the Dutch initiated were not more widely adopted.

Yet, the new institutions that emerged were only a hint of real reform. The adoption of accounting without political accountability was problematical, even in England, which, after the Restoration of 1688, remained partially mercantile but, to some extent, politically backward. More dramatically, Colbert adopted the practices of political economy and accounting, but he did not mix them with tolerance and open government. Colbert's secret accounting and his creation of the intendancies spread political economy throughout the French administration. Indeed, the intendants and the writers of the *enquêtes* led the reformist movements later in Louis' reign and even into the era of Jacques Turgot. When Colbert died, however, the state had no effective or central site of accounting and economic policy. Louis XIV clearly wanted it that way. The state was Louis himself, the royal "moi," not the kind of policymaking that Petty had envisioned.⁴⁵

The comte de Boulainvilliers complained of the secrecy surrounding the ministerial account books, which he sought to unveil in his *État de la France* (1724): "The spirit of servitude is generally spread through these Writings [*enquêtes*]; but in the end what do these Intendants mean by the vague term, *Secret of State*? (. . .) Passions have mystery and secrets; a legitimate Government has none."⁴⁶

In England, the problem that Boulainvilliers noted was eventually resolved by an accountable government that permitted Parliament to look at Treasury accounts. As Colbert had shown, accounting was effective, but secrecy was corrosive to economic

45 Lionel Rothkrug, *Opposition to Louis XIV: The Political And Social Origins of the French Enlightenment* (Princeton, 1965), 133–194.

46 Henri, Comte de Boulainvilliers, *État de la France* (London, 1737), I, 54.

reform and development. For the Dutch model to work, it had to include all of its elements, not the least of which were openness and tolerance. The new models of government by political economy inaugurated in the seventeenth century still needed to develop. Indeed, the process continues even now.