

Producing Capitalism: the Clerk at Work

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I. Paper Work

The “merchant’s clerk” became a fixture of American conversation after 1830, a common trope for talking about the capitalist transformation of life in the republic. This might seem surprising since the clerk generally kept aloof of those events most often associated with industrial revolution. He spent his workday far removed from any factory or shop floor. His skills were not debased by faster, more obedient machines, not even by a typewriter (whose appearance in the 1870s effeminized much of the scrivener, consequently enhancing the clerk’s position within the office bureaucracy). He did, it is true, sell his labor power on the open market. But this did not lead him to join in any proletarian protests against capital’s “bastardization” of the crafts or its general reorganization of property and privilege. Instead, when irked into collective action against the conditions of his employment—which happened not infrequently—the clerk focused his demands on “early closing,” hoping to win the leisure time necessary for “self-improvement” and so secure a place for himself in the new bourgeois order of self-making men. Such personal ambition, in fact, was the truest expression of his class consciousness.¹

The clerk thus proved to be a model citizen of market society. Various engaged by brokerages, commission houses, jobbing firms, and “marble palaces” to administer the exploding volume of business, he manned the stations of a commercial

¹. “On becoming educated by judicious application of leisure hours . . . men can better fit themselves to be good citizens.” *Hunt’s Merchant’s Magazine* 11 (December 1844), 573. On clerking demands for early closing see *New York Tribune*, August 12, 16, 20, 31, and September 1, 11, 1841; December 14 and 24, 1846; January 12, 23, February 28, March 1, May 15, 20, and July 12, 1850.

system that otherwise transcended the tangible coordinates of time and place, tying far-flung buyers and sellers together in an opportunistic, and often anonymous, negotiation over the ever-shifting terms of exchange. What's more, his mass appearance on the historical stage—New York's census of 1855 reported clerking to be the third-largest (male) occupation in Manhattan, trailing only behind the city's petty laborers and servants—heralded the demise of once self-evident truths equating industry with productive effort. “The United States . . . is but one extended counter from Maine to Texas,” as someone now drolly remarked. The quip was revealing of an important feature of commoditization, namely, its redefinition of industry to mean the making of profits rather than the making of things. Or, as the *Treasury of Knowledge* matter-of-factly explained to its readers in 1849, “if manufacturers and shopkeepers did not get profit on their articles, they could not sell them, for it is only the profit that they live upon.” It was the clerk who oversaw the practical application of this “philosophy of money,” increasingly detached, if not estranged, from plow and anvil, among other traditional tools for creating wealth. “Never has a value which an object possesses only through its convertibility into others of definitive value been so completely transferred into a value itself,” as Georg Simmel observed of the unprecedented status of the cash nexus.²

Hunt's Merchant's Magazine consequently described a world in which “trade increases the wealth of a nation without the labor of producing or fabricating a single article.” Such metaphysics were to be observed in the operations of a properly organized port warehouse, for instance, where tens of thousands of dollars worth of goods were moved each day between buyers and sellers, but in which “all the bustle

² “‘Money makes money’ is a vulgar but true adage.” *Hints to Young Tradesmen, and Maxims for Merchants* (Boston: Perkins and Marvin, 1838), 29; *Journal of the Geographic and Statistical Society*, July 1859, 213; W. and R. Chambers, *Treasury of Knowledge* (New York: A. S. Barnes and Co., 1849), 75; Georg Simmel, *Simmel on Culture: Selected Writings*, David Frisby and Mike Featherstone, eds. (London: Sage Publications, 1997), 235.

perceivable, is one quiet clerk calling and taking away a bundle of warrants.” This invisible hand of trade was exposed in all its prosaic detail when a young New York City entry clerk named Edward Tailer was sent on a January morning in 1850 to the Customs House to release merchandise. He encountered a phalanx of clerks collectively charged with moving all the sundry cargoes in and out of the harbor, that is, preparing them for general circulation in the American market. This required the assignment of standard money values and the determination of tariff categories, which would then made it possible to assess and pay duties, either in cash or in bonds posted as security. Permits, clearances, certificates, and debentures were also processed, countersigned, and certified at the Customs House. Inventories were measured and inspected, and then checked against manifests and permits and occasionally reexamined if doubts arose regarding the accuracy of the initial inspection.³

Clearly, then, it was wrong to accuse the clerk of idleness simply because he did not make anything, which is what contemporaries were nevertheless still prone to do. *Putnam’s Magazine* typically referred to a “dormant, sluggish . . . narrow-minded class,” while Virginia Penny blamed the clerk for female poverty in *Employments of Women*, explaining that “the reason there are so many young men performing the duties of clerks and salesmen, is, that they are lazy, and do not want to perform hard work.” The *Vermont Watchman and State Journal* conjured a post-Jeffersonian dystopia of a whole generation abandoning family farms in favor of mercantile careers, and so becoming a “slave of the caprice of customers and the chicane of trade.” The *American Phrenological Journal* proposed a time-worn antidote: “Be men, therefore, and with true courage and manliness dash into the wilderness with

³ *Hunt’s* 1, 291 (October 1839); “Chapters from the Experiences of a Merchant,” *Hunt’s* 15 (October 1846): 343-44, 347; Edward N. Tailer, *Diaries* (New-York Historical Society), entry dated January 15, 1850; James D. McCabe, *Lights and Shadows of New York Life* (Philadelphia: National Publishing Company, 1872), 843-47.

your axe and make an opening for the sunlight and for an independent home.” Such slogans revealed just how much contemporaries—and not just modern labor historians—fetishized the redemptive virtues of producerism. Theodore Parker likewise savaged the clerk for violating a natural ethic that determined “if a man will not work neither shall he eat,” and Henry David Thoreau observed in his contemptuously titled “Life Without Principle” that “God gave the righteous man a certificate entitling him to food and raiment, but the unrighteous man found a facsimile of the same.” Both were appalled, and perplexed, by the dematerializing foundations of a world ironically filling up with more and more possessions. “Now the old is going down with a crash, and the new is appearing amidst revolutions, as if by magic,” the *Phrenological Journal* concluded in an essay on the “demands of the age on young men” which was published in the same year that the “Communist Manifesto” more famously declared that “all that is solid, melts into air.”⁴

It was, in fact, entirely appropriate to see the clerk as a central agent in the age’s wholesale reorganization of the economy. Benjamin Foster, the sole clerk in a general store in Bangor, Maine positioned at the end – or the beginning – of the commercial food chain, offered a practical sampling of what this meant. “My past season’s labor has been . . . almost incredible,” Benjamin reported after reviewing the 400 or so pages of accounts he had filled up in just a few months. In fact, his work was far from done. All those entries still had to be examined and separately posted, and each posting needed to then be reviewed. Only after that did Benjamin actually draw up the store’s final accounts for the season. Capitalism could not function

⁴ *Putnam’s Magazine*, June 1855, 578; Virginia Penny, *The Employments of Women: A Cyclopaedia of Woman’s Work* (Boston: Walker, Wise and Co., 1863), 126; *Vermont Watchman and State Journal*, June, 24, 1852; *American Phrenological Journal* 10, issue 8 (August 1848), 254; Karl Marx and Friedrich Engels, “Manifesto of the Communist Party,” in *The Marx-Engels Reader*, ed. Robert C. Tucker, 2nd ed. (New York: Norton, 1978), 476. See, generally, Andrew Lyndon Knighton, “Idle Threats: The Limits of Productivity in Nineteenth-Century America,” PhD, University of Minnesota, 2004.

without such a vigilant disposal of the books, files, and daily correspondence. That is why the clerk's desultory schedule of tasks—running “a day and night line, copying by sun-light and by candle-light . . . silently, palely, mechanically,” as was remarked of *Bartleby*—became a defining act of the modern age. True, the job description was not yet accorded the general appellation of “paperwork” which would become twentieth-century shorthand for the routinized ubiquity of bureaucratic management. But the *New York Star* already sardonically remarked in 1870 that there were more bookkeepers than books in New York City, and it is certainly no anachronism to speak of an extensive “knowledge economy” in operation by the mid-nineteenth century.⁵

The ubiquity of accountants was just one expression of the growing indispensability of knowledge for doing business, representative of a matrix of information industries specializing in credit, insurance, prices, schedules, communications, and professional training. Together, they effected a “business revolution” that lay the administrative foundations of the era's other, more spectacular, revolutions being wrought by steam and steel. In fact, the mercurial growth in the production and distribution of such knowledge was the foundation of a “new politico-business system,” as Thomas Cochran once explained, in which trade and finance proved no less essential than manufacturing to the new industrial order. Without the former all the novel production technologies would have proven to be a far less practical—because a far less profitable—undertaking.

⁵ Charles H. Foster, ed., *Down East Diary by Benjamin Browne Foster* (Orono: University of Maine at Orono Press, 1975), 15, 16, 121, 219, 220-21, 229, 297, 287-88; Herman Melville, “*Bartleby*,” *Putnam's* (1855); *New York Star*, quoted in Box 6, commonplace book, Daniel F. Child Papers, Massachusetts Historical Society, Boston; Manuel Castells, *Rise of the Network Society*, (Oxford: Blackwell Publishers, 2000), esp. 77-162; James H. Madison, “The Evolution of Commercial Credit Reporting Agencies in Nineteenth-Century America,” *Business History Review* 48, no. 2 (Summer 1974); *Hunt's* 24 (January 1851), 46-51.

II. Producing Capitalism

And so, *Hunt's Merchant's Magazine* proclaimed in 1839 that the “Basis of Prosperity” was to be found in “the vast modern increase of the facilities for diffusing and obtaining full and correct information on everything pertaining to trade.” While railroads and telegraphs are the favorite historical examples of the era’s new “information infrastructure,” invoices, bills of lading, inventory counts, warehouse receipts, cheap postage, uniform accounting practices, trade journals, and regular travel schedules proved no less essential to prosperity. “The antebellum economy was structured as much around borrowed money and promises of payment as it was around the routes of rivers, roads, canals, and, by the 1840s, railroads,” Edward Balleisen has observed of industry’s practical needs. How could one navigate all the tributaries of “commercial paper”—the untold number of promissory notes, for instance, being handed from one businessman to another that, once endorsed by a third party, became negotiable currency—without having reliable digests in hand? The same was true for information regarding tariff categories, or the liabilities of shipping agents, or the intricacies of bankruptcy procedures. “Market Reviews” and “Prices Current” providing regular updates on the shifting values of stocks, staples, and a growing miscellany of other goods for sale were another foundation of the spreading market. They did not, in fact, contain a new kind of information, but their systematic publication and mass circulation were an entirely novel event. So was the

fast growth of insurance, which reflected the rising costs of not having enough information.⁶

This led Warren Spencer to announce that “knowledge is power” in a lecture on business education which he delivered at the Buffalo Mercantile College in 1857. The metaphor was not lost on anyone: knowledge was a power source for industrial-age enterprise. Businessmen consequently devoted themselves to accumulating the “capital of mind,” collecting and arranging information that would provide them with “a command of the subject, and a comparative fearlessness of surprise.” Only with such knowledge in their possession—with answers to a rudimentary set of questions about “What has been done? What is the state of the case at present? What can be done next? What ought to be done?”—could maximizing agents rationally pursue their goals of profit. This entailed a system of continuous coordination between market agents transmitting orders, updates, requests, reports, specifications, and instructions to each other. Their multiple, cross-filed records of the minutiae of exchange removed communications from the idiosyncratic oral flows of personality, bestowing standard forms that functioned independently of this or that specific time and place and which proved to be at once highly stable and highly mobile. The “education of a man of business,” *Hunt’s* noted, began with digests and classifications, for only “competence at method” allowed one to “go farther, and build

⁶ *Hunt’s* 1, 77(July, 1839); “Basis of Prosperity,” quoted in Scott A. Sandage, *Born Losers: A History of Failure in America* (Cambridge: Harvard University Press, 2005), 163; Edward J. Balleisen, *Navigating Failure: Bankruptcy and Commercial Society in Antebellum America* (Chapel Hill: University of North Carolina Press, 2001), 27; *Hunt’s* 15 (November 1846),483. On railroads and telegraphs, see, for instance, Richard John, “Recasting the Information Infrastructure for the Industrial Age,” in *A Nation Transformed by Information: How Information Has Shaped the United States from Colonial Times to the Present*, ed. Alfred D. Chandler Jr. and James W. Cortada (New York: Oxford University Press, 2000), 68-86; James R. Beniger, *The Control Revolution: Technological and Economic Origins of the Information Society* (Cambridge: Harvard University Press, 1986), 11-12, 123-27, 130-31, 132-44, 153-68, 173-77; Thomas Cochran, *Frontiers of Change: Early Industrialism in America* (New York : Oxford University Press, 1981), 10, 24-5, 37-39.

with his materials.” Those most organized and prompt at such tasks would be the most successful in their trade.⁷

All this tasking was carried out at the office, where “a system of arranging your papers, as may insure their being readily referred to” could best be effected by “a staff of subaltern officials and scribes of all sorts” who consequently became an emblem of modern rationality, at least in the eyes of Max Weber. Clerks thus devoted whole days to making up banknote tables and inventory catalogues, or to filing bills and copying letters before carrying the originals to the post office by four o’clock. These might seem trivial measures, an expert acknowledged, “and so they are, unless you neglect them.” The failure to keep extensive financial records, the *Philadelphia Merchant* announced in 1855, was the cause of “nine-tenths of the Insolvents in every Commercial City in the world.”⁸

Business was reinvented as a taxonomic project whose ledgers, journals, invoices, orders, bills, receipts, and accounts current constituted a veritable assembly line of retrieval, duplication, comparison, aggregation, and transmission. This technology was universally applied to merchandising firms (which employed stock and partnership books, day-books and journals—or a day-book in journal form—cash-books, sales-books, invoice-books, bill-books, and ledgers, of course), commission businesses (that also required accounts current and sales accounts for calculating payment schedules, and an exact record of net proceeds for drawing up notes, drafts, bills of exchange, and orders), forwarding operations (that principally depended on keeping, receiving, and shipping accounts), not to mention brokerages, exchange houses, banks, railroads, steamboat companies (including lake steamboating), jobbers, and retailers (for whom the day-book, journal, sales-book, and

⁷ Spencer in *Hunt's* 37 (December 1857), 702; “capital of mind” in Granville Sharp, *Prize Essay* (London: Banker's Magazine, 1852), 1; *Hunt's* 15 (October 1846), 383, 384.

⁸ Weber, quoted in Sandage, *Born Losers*, 163. Balleisen, *Navigating Failure*, 51-52.

invoice-book could usually be combined into a single record). All this accounting functioned like so many closely calibrated gears, which is why the books themselves required special bindings capable of enduring the physical wear and tear of constant referral by a range of hands.⁹

“Bookkeeping is a tool, just as tools for apprentices in the mechanical arts,” Frederick Beck explained in the introduction to his *Young Accountant’s Guide* in 1831. Double-entry itself was an old technology, a cultural legacy of the Renaissance. But it now proved powerfully adept at calculating the overwhelming detail and unprecedentedly large numbers generated by industrial capitalism, valuating fixed assets, measuring liquidity, overseeing personnel, accounting for costs, and regulating temporality, while doing so in a common denominator of dollars and cents. As new partnership and corporate structures provided unprecedented flexibility for organizing investment in the nineteenth century (as well as limiting one’s liability for contracted obligations, thus making risk more tolerable), only the account books could ascertain each proprietor’s relative earnings or the size of dividends due stockholders. Meanwhile, manufacturing projects organized outside the household, those that produced “solely with an eye to circulation”—and whose goods would only be sold sometime in the future—generated a new set of accounting problems. They needed to distinguish fixed capital from capital currently being “employed,” as well as count overhead costs, rents, inventories, the stocks of raw materials, and the productive efficiency of hired laborers. It also became practical to calculate gross and net profits and to determine production prices, which would inform selling prices, a particularly

⁹ Bryant & Stratton Commercial School, *Catalogue* (Boston, 1859), 26-30.

important piece of information when the economy slumped and consumer demand fell.¹⁰

All this documentation turned the office into arguably the most important production site in the industrializing economy. This was where the capitalist incessantly labored to give the inchoate market a definitive, legible form, for only then would he be able to inscribe his own course of action on it. As one sympathetic observer spoke of the consequent success, account books effectively “display[ed] the mazes of a complicated business with a beautiful regularity.” Facts-on-paper, as such, replaced facts-on-the-ground as the determinant operative reality in an increasingly commoditized economy.¹¹

The country thus filled up with offices. At first, they occupied former residences. The New York branch of the first Bank of the United States, for instance, opened for business in 1797 in what had previously been someone’s domicile. But by 1825 the second Bank branch was built with banking needs specifically in mind, part of a general reconstruction of Wall Street for commercial purposes. Twenty years later the neighborhood was nearly filled with office buildings whose palazzo designs

¹⁰. Frederick Beck, *Young Accountant’s Guide* (Boston: Stimpson and Clapp, 1831); Karl Marx, *Capital* (Moscow: Foreign Language Publishing House, 1957-1962), volume III, 400; Sidney Pollard, *The Genesis of Modern Management: A Study of the Industrial Revolution in Great Britain* (1965; Hampshire: Gregg Revivals, 1993), 209-19, 221-22; Frederick Michael E. Hobart and Zachary S. Schiffman, *Information Ages: Literacy, Numeracy, and the Computer Revolution* (Baltimore: Johns Hopkins University Press, 1998), 148-50. Thomas Cochran, “The Business Revolution,” *American Historical Review* 79 (December 1974): 1454-55; N.S.B. Gras, *Business and Capitalism: An Introduction to Business History* (1939; New York: Augustus M. Kelley, 1971), 116-19; G. A. Lee, “The Concept of Profit in British Accounting, 1760-1900,” *Business History Review* 49, no. 1 (Spring 1975): 10-17, 29-32.

¹¹. C. W. Moore, *Diary* (Special Collections, New York Public Library) 218-19; Charles Edward French *Diaries* (Massachusetts Historical Society), Journal No. 2, entries dated October 1, 2, 3, and 6, 1851; *Hunt’s* 15 (October 1846), 384; Hobart and Schiffman, *Information Ages*, 90-91, 103; Onno De Wit, January Van Den Ende, Johan Schot, and Ellen Van Oost, “Innovation Junctions: Office Technologies in the Netherlands, 1880-1980,” *Technology and Culture* 43 (January 2002): 54; Yoneji Masuda, *Managing in the Information Society: releasing synergy Japanese style* (Oxford, Basil Blackwell, 1990), 34-35; James C. Scott, *Seeing like a State: How Certain Schemes to Improve the Human Condition Have Failed* (Hew Haven: Yale University Press, 1998), 77-78, 82-83, 93; *Duties of Employers and Employed, Considered with Reference to Principals and Their Clerks or Apprentices* (New York: J. S. Redfield, 1849), 23.

of Renaissance inspiration replaced the formerly dominant Greek temple as the preferred style for doing business. This was not just an aesthetic revolt against federalist neoclassicism. The new architecture proved far better suited to an economy that kept expanding its floor space, adding storeys, and rearranging interiors in accordance to the shifting requirements of insurers, lawyers, brokers, and private bankers, among other tenants now vying for commercial space in the city's business district. A rental market for office "suites" quickly developed, spaces that needed to be "fitted up with gas and every other convenience," sufficient lighting and ventilation, and even "acoustic tubes" that allowed the firm's partners to communicate with porters in the basement and clerks in the salesroom without ever having to leave the desk. Safes that protected financial records and banknotes from fire were also a basic requirement, as were self-acting locks, separate rooms for controlling access to conversations and records, an array of desks with pigeon holes and vertical recesses for filing documents, newly patented "office chairs," shelving, and a vast inventory of business accoutrements ranging from pen racks to paperweights.¹²

And yet these offices remained physically modest places. Their small scale might seem to belie the immense geographies of market-sponsored exchange, but, in fact, capital was a different kind of sovereign power, one not manifest in the physical conquest of territory. A New York commission house, for instance, did business in a space smaller than twenty-five square feet. This was enough room for the four partners—the three juniors respectively put in charge of the flour, grain, and cotton "departments"—to sell shipments of Western and Southern produce to metropolitan

¹² Severini, *Architecture of Finance*, 24-26, 52-59; *New York Journal of Commerce*, July 10, 1849; *New York Times*, March 15, 1854; Deborah S. Gardner, "The Architecture of Commercial Capitalism: John Kellum and the Development of New York, 1840-1875," PhD diss., Columbia University, 1979, 101-19; William M. Thayer, *The Poor Boy and Merchant Prince; or, Elements of Success* (Boston: Gould and Lincoln, 1857), 121-23; Sharp, *Prize Essay*, 5-7, 15, 41-43; Siegfried Giedion, *Mechanization Takes Command: A Contribution to Anonymous History* (1948; New York: W. W. Norton, 1969), 56.

shippers and “home buyers.” They were assisted by a cashier, who was responsible for overseeing the office operations, and a chief bookkeeper who aspired to make partner. Two clerks kept the firm’s running accounts while a third was put in charge of the “smaller books.” Another exclusively attended to the senior partner’s personal records, which included assets and debts left over from previous partnerships. A receiving and delivery clerk worked “from early in the morning until eight to ten o’clock at night” supervising freight and storage. The firm also employed a corps of salesmen who went to “change” every day where they engaged the trade, negotiating the practical exchange of goods. In addition, a collector processed the bills received from grain-elevator operators, city weighers, and inspectors of merchandise while he also issued the firm’s own bills. He visited clients each day between ten and three o’clock, continued on to the bank, and then reported back to the cashier regarding the status of payments. Only when canal boat captains or various other personnel employed in actually moving the goods showed up at the office did the regular battery of desk and salesmen complain about distractions and overcrowded conditions.¹³

This division of commercial labor brought an end to the all-purpose trader who dominated eighteenth-century business, who had owned his own ships and served as agent for foreign houses, trading in both wholesale and retail markets while simultaneously importing and exporting, who financed and insured the transportation of his goods, and often loaned funds directly to artisans and farmers. He was replaced by an industrial system that separated out shipowners, bankers, jobbers, commission merchants, transporters, insurers, brokers, auctioneers, wholesalers, and retailers into respective specializations that were born of an attempt to narrow the scope of

¹³ Giovanni Arrighi, *Long Twentieth Century* (New York: Verso, 1994), 33-34; F. R. R[eed], *Experience of a New York Clerk* (New York: F. R. Reed, 1877), 27-37, 75-82.

information necessary for doing business and so enhance one's practical mastery over what was now a market niche.¹⁴

This did not necessarily reduce the risks inherent in trade. In fact, the opposite was usually the case. The specialized merchant was more vulnerable to market commotions than his predecessor because he confined himself to a narrower segment of the economy. This effectively limited the scope of his response when encountering the invariable threats and pressures of doing business, whether these issued from changing fashions, rising duties, expensive credit, or failing crops that affected the customer's ability to pay at six, twelve, or eighteen months. Specialization, in other words, proved essential for rationalizing exchange and unifying markets, and thus allowing merchants to develop their business. At the same time, and for the same reason, it exacerbated competition, which would now be decided by ever-smaller comparative advantages. Edwin Freedley, a prolific writer on commercial subjects, consequently observed in his *Practical Treatise on Business* that in the new economy "the percentage of profits will gradually be less, but the aggregate of profits . . . will be unprecedented and astounding." The difference between success and ruin, a Boston dry goods jobber remarked a few years later, was often a matter of "five to seven and a half or ten per cent." The knowledge economy, in other words, relentlessly narrowed profit margins which, in turn, redoubled merchant dependence on information.¹⁵

¹⁴. JoAnne Yates, *Control Through Communication: The Rise of System in American Management* (Baltimore: Johns Hopkins University Press, 1989), 2-3; Frazar Kirkland, *Cyclopaedia of Commercial and Business Anecdotes* (New York: D. Appleton, 1864 and 1865). 2:672, 677; Glenn Porter and Harold C. Livesay, *Merchants and Manufacturers: Studies in the Changing Structure of Nineteenth-Century Marketing* (Baltimore: Johns Hopkins Press, 1971), 5-6.

¹⁵. Porter and Livesay, *Merchants and Manufacturers*, 9, 17-18; Pierre Gervais, "Background Discussion: What Is the 'Industrial Revolution'?" manuscript in author's possession, 26; Freedley, quoted in Harvey J. Wexler, "Business Opinion and Economic Theory, 1840-1860," in *Explorations in Entrepreneurial History* 1, no. 3 (March 1949): 15; James Kimball, *The Dry-Goods Jobbers* (Boston: Commercial Agency, 1870), 7; Michael Pryke and John Allen, "Monetized Time-Space: Derivatives—Money's 'New Imaginary'?" *Economy and Society* 29, no. 2 (May 2000): 269-70, 180-81.

That was why “never, perhaps, was it so true as now, that ‘the seller has need of a hundred eyes.’” The pedantic management practices that ensued marked a sharp divergence from a commercial past in which a few time-honored personal traits were considered enough to confidently close a deal. “But Young America has learned to make light” of the genteel parochialisms of a bygone age. The increasingly anonymous character of exchange made it impossible to infer the intentions of one’s trading partner by studying his countenance. “Face value,” as such, acquired a less tangible, and certainly a less reliable, meaning. The modern merchant had to depend instead on a disembodied collection of pertinent facts which he then sought to “harmonize into a consistent and satisfactory whole.” The hazards of trade could only be transformed into a set of calculable, and thereby controllable, coordinates by means of this proper organization of the data. Proponents of the new, and still controversial, system of credit reporting accordingly argued that the ability to purchase information about other businesses served everyone’s interests, for “what is known to one is known to all.” So effectively, in fact, did credit reports help to illuminate the opaque character of long-distance, long-term exchange that a businessman no longer needed to travel to make his purchases. “His order is as good as his presence” in a wholesale firm that kept an active file on him.¹⁶

This intensifying demand for commercial information is what gave birth to a giant clerking class, to the mass migration off the farm and workshop and into the office. Such demographics signaled a general need to retool, which led B. F. Foster, the country’s leading mercantile pedagogue, to complain that while classical and mathematical studies were well developed in America, there was no comparable course for preparing young men for business. They were consequently left to “grope

¹⁶ *Dry-Goods Jobbers*, 22, 24-25; *Hunt’s*, 24 (January 1851), 51.

[their] way in comparative ignorance.” *Hunt’s*, too, bemoaned the “general and widely-felt want” of systematic business education that would train a reliable cadre of market bureaucrats. That shortage, and the business opportunities it presented, now spurred the founding of innumerable “commercial academies” throughout the country. Thomas Jones, Foster’s former partner, opened his own school a few blocks further up New York’s Broadway in 1839, announcing in a style typical of the genre that he “will receive on the 1st September next, a class of young gentlemen to whom, during a daily session of four hours, he will devote his exclusive attention.” Most of that attention was given over to bookkeeping, commercial arithmetic (“embracing the most ready calculations of interest, Exchange, and Equation of Payments”), and business writing. Like scores of others in the field, Jones also began to produce textbooks in hopes of cashing in on the highly competitive publishing market for instruction manuals—“so as to qualify thoroughly for all the duties of the desk”—that vied for the endorsement of state and city boards of education now that business subjects were being incorporated into the common school curriculum.¹⁷

Desk and ledger thus rivaled the machine as both sign and praxis in the age of capital. Paperwork dedicated to precision, unambiguity, knowledge of the files, continuity, discretion, and subordination—a list borrowed, again, from Max Weber—amplified mental labor no less spectacularly than the steam engine had augmented humanity’s physical efforts. The Price Current was worth far more than its weight in gold in an economy where, as we have seen, “trade increases the wealth of a nation

¹⁷ *Hunt’s* 1, 77 (July 1839); 39 (October 1858), 412-14; B. F. Foster, *Prospectus of the Commercial Academy* (New York, 1837); *125 Years of Education for Business: The History of Dyke College, 1848-1973*, n.p. (chap. 2). For writing masters see *New-York as It Is, in 1833* (New York, J. Disturnell, 1833), 224. Benjamin R. Haynes and Harry P. Jackson, *A History of Business Education in the United States*, (Cincinnati, Southwestern Pub. Co., 1935), 21-22; Jones in *New York Tribune*, August 31, 1841; *New York Herald*, September 30, 1839; *Gem* (1844), 7; Leverett S. Lyon, *Education for Business* (Chicago: University of Chicago Press, 1922), 233-34, 235, 237-39; William H. Eaton, *Eaton’s Self-Instructing Counting-Room Arithmetic* (Boston, 1866); Bryant, Stratton & Co., in Warshaw Collection of Business Paraphernalia, Box 2, Business Colleges, Smithsonian Institution, Washington, DC.

without the labor of producing or fabricating a single article.” Veteran New Yorkers still remembered Michael Boyle making his rounds of Pearl Street and Maiden Lane, “panting under the load of a bag of silver” in collecting on the various notes that had come due that month. Boyle’s old-fashioned exertions were replaced by a system of discarnated records arranged, catalogued, and indexed in standard taxonomies of assets and debts that could then be reproduced, exchanged, and spread with infinitely greater facility. “All the instants of time and all the places in space can be gathered in another time and place,” as Bruno Latour has described modern science’s technical success in processing empirical knowledge, a technique that proved equally relevant to doing business.¹⁸

Indeed, capitalism was equally infused with civilization’s general bias toward abstraction, that which allowed humanity to distill the confusing flux of nature into its constituent parts and then reconfigure them into more useful patterns. “By ‘business’ I mean habit,” William Ross wrote in *The Accountant’s Book and Business Man’s Manual* (1852). “Paradoxical as it may appear at first sight, business is nothing in the world but habit, the soul of which is regularity. Like the fly-wheel upon a steam-engine, regularity keeps the motion of life steady and unbroken—thereby enabling the machine to do its work unobstructively.” The proverbial race after riches seemed, thus, to have been reduced to the organization of information, which promised to bring the mayhem of the free market under manageable control.¹⁹

In fact, however, the opposite was closer to the truth. That is to say, the market was not a living system that needed to be regulated and regularized by means of

¹⁸ Hunt’s 4, 142; Hobart and Schiffman, *Information Ages*, 4-6, 90-91, 103; Bruno Latour, “Visualization and Cognition: Thinking with Eyes and Hands,” in *Knowledge and Society: Studies in the Sociology of Culture Past and Present*, vol. 6 (New York: Jai Press, 1986), 22-23

¹⁹ Wm. P. M. Ross, *The Accountant’s Own Book and Business Man’s Manual*, 2nd ed. (Philadelphia: Thomas, Cowperthwait and Co., 1852), 11. On the market’s flattening of space see Elizabeth Blackmar, *Manhattan for Rent, 1785-1850* (Ithaca, NY: Cornell University Press, 1989), 94-100.

artificial information technologies. It was itself an artifice. Business, it could thus be said, administered the market by inventing it. Before anyone could produce for exchange it was necessary to produce a system of exchange: to form structures that would allow goods to “encounter” each other by famously suspending all their other attributes save what made them mutually replaceable. “The commodities are transformed into bars in the head and in speech before they are exchanged for one another,” Marx wrote in 1857. “They are appraised before being exchanged, and in order to appraise them they must be brought into a given numerical relation to one another.” This money economy was a cultural achievement, not a force of nature, which meant that the market was a quintessentially industrial event, a manmade reconstitution of the material world. That was the practical significance of the oft-discussed and much maligned category of “mental labor,” which was identified with capitalism’s abstract, even counterintuitive, practices. The temporal, physical, and political boundaries and constraints that were once considered essential for guaranteeing order and stability, as Karl Polanyi famously argued, were now relentlessly violated in turning apples into oranges, upstate butter into French silk shawls, and healthy plow-boys into lank and sallow clerks.²⁰

Such transformations, and the profits they generated, were the foundations of a new social order. This is why Jacksonians celebrating hard money and the natural origins of the market identified the Bank of the United States as the source of “artificial distinctions [that] make the rich richer and the potent more powerful,” as Jackson himself famously declared. They understood only too well that the new knowledge regime was creating a fungible, plastic world governed by organizations such as the Bank that were in the best position to collect and subsequently control

²⁰ Karl Polanyi, “Our Obsolete Market Mentality,” in Polanyi, *Primitive, Archaic, and Modern Economies*, ed. George Dalton (Boston: Beacon Press, 1968).

information. The clerk was deeply implicated in these suspicions. Indeed, his paperwork proved to be an essential complement of paper money. Equally detached, and subversive, of the age-old certainties of land and landed hierarchies, both paper systems demonstrated a remarkable ability to transcend distance, reshape relations, and refocus power in the hands of men who had no obligations but to capital.²¹

III. Accounting for Capitalism; or, Bookkeeping as Ideology

Of all the numerous claims made on behalf of bookkeeping in the nineteenth century its importance as an ideology was never noticed. In fact, it was adamantly ignored. The exploding number of those charged with posting accounts, and with teaching others how to do so, all preferred to emphasize bookkeeping's rigorous, scientific character, together with its consequent ability to uncover the truth buried within a mass of disinterested figures. Frederick Beck made a representative claim in his *Young Accountant's Guide*, first published in 1831: "Mercantile Book-keeping is the art of recording and stating accounts in such manner, that the true state of each and all the accounts, and the merchant's situation, may at any time be easily, speedily, and distinctly comprehended and known."²² In other words, accounts, which would obstinately refuse to add up if anyone tried to make them tell anything but the whole story, were perceived as an island of disinterested neutrality in the era's tidal wave of profit seeking. They were, so to speak, an ontological check on what everyone agreed to be the national free-for-all in pursuit of riches.

²¹ Jackson quoted in Sellers, *Market Revolution*, 325.

²² Frederick Beck, *The Young Accountant's Guide: or an Easy Introduction to the Knowledge of Mercantile Book-Keeping* (Boston: Stimpson and Clapp, 1831), 5.

In fact, locating incontestable truth within the very heart of business avarice had considerable ideological value in the age of capital. Christopher Columbus Marsh, an author of accounting manuals and bookkeeping promotional literature, explained in 1835 that the science of bookkeeping was distinct from the art of trading. “You may be an excellent business man, and no book-keeper at all; or, an accomplished book-keeper and possess few requisites indispensable in the character of a merchant.” The latter, as everyone knew, was bound “by a thousand threads” to “every change in the market.” It was little wonder, then, that the merchant was invariably so anxious, animated, depressed, and disappointed, for those threads “may be severed in an hour by a wave on the ocean of political opinions, policy, or local interests.” Bookkeeping, on the other hand, was immune to such shocks for it was dependent on nothing but itself. It recognized no other policies or interests, and certainly no political opinions. As a result, the bookkeeper “eats and sleeps as usual,” in contrast to the merchant. In fact, the widespread public interest in bookkeeping during the early decades of industrial revolution meant that everyone slept a little better.²³

Why was this so? Because keeping accounts became as important to the social life of a market society as it was to proper business administration. Nineteenth-century capitalists were frantic system builders, not because of any innate personality trait or some vague ethical imperative handed down by the Protestant Reformation, but because they had destroyed the existing foundations of social order in their rise to power. Such “creative destruction” gave birth to a post-agrarian conundrum, which defined the liberal age: how could stability be founded on the ever-shifting value of

²³ Terry K. Sheldahl, “Forward to C.C. Marsh’s 1835 ‘Lecture on the Study of Book-Keeping, with a Balance Sheet,’” *The Accounting Historians Journal*, vol. 15, no. 2 (Fall 1988), 191-2.

exchange—that is, on the fluid relations governing merchandise, consignments, stocks, shipments, moveables, bills receivable, bills payable, drafts, remittances, commissions, insurance, and interest payments? These were all bookkeepers' categories, of course, and they became the basis of a balanced picture of the whole economy, “easily, speedily, and distinctly comprehended and known,” as Frederick Beck claimed. Bookkeeping, in other words, proved that the constantly varying signs of value—whether Mr. Holmes's broadcloth, Mr. Brown's hardware, Mr. Lloyd's miscellaneous merchandise, or Mr. Jones's bill payable at thirty days' sight—could serve as the foundation of equilibrium and that the perpetual movement of commodities was actually the key to stability. In a dialectic suited to such revolutionary times, the problem thus became its own solution. Once the source of instability, monetized trade and the individual ambition that drove it now emerged as the foundation of certainty, if not, in fact, of truth: that is, of the “bottom line.”

This is why a technology invented in the fourteenth century achieved unprecedented popularity in the nineteenth. By the 1830s bookkeeping was a subject of common-school curricula, of scores of competing instructional methods, of public lectures on the fast-growing Lyceum circuit, of morning and evening classes in Mercantile Libraries and in the country's numerous new “commercial academies,” and even of parlor entertainments that filled leisure hours. For instance, Henry Patterson, a young business clerk recently arrived to New York City from Suckasunny, New Jersey, attended a double-entry study group every Tuesday

evening, which counted among its regular participants “Mr. and Mrs. Crane, Ann Maria, Turner, and Edgar.”²⁴

“No gentleman’s education is complete without it,” Frederick Beck exclaimed, and the hyperbole was not without basis. Benjamin Franklin Foster likewise declared in his *Origin and Practice of Book-keeping* (1852) that the science teaches “those things which the [young] will need to practice when they come to be men.” Foster, who was referred to as a “counting-house oracle” by the *Educational Times*, was the author, in addition to the *Origin and Practice of Book-keeping*, of *The Counting-House Assistant*, *A Concise Treatise on Book-keeping*, *The Clerk’s Guide*, *Hints to Young Tradesmen*, *Foster’s School Book-Keeping*, *Commercial Book-keeping*, *The Merchant’s Manual*, *Double Entry Elucidated*, and *The Origin and Practice of Book-keeping*, among other related works. Foster also offered courses in bookkeeping at his Commercial Institute on Broadway in New York City, as did C. C. Marsh, and Brown and Pond, and a Mr. Renville, and Mr. Dolbear, and Mr. Paines. All were pedagogical entrepreneurs seeking to build an enterprise out of the close relationship between the expanding market and the democratic spread of business ambition. Thus, C. C. Marsh could claim with a perfectly straight face that “book-keeping is so extensively required, that it becomes difficult to say who may not stand in need of the knowledge embraced under its name.”²⁵

The knowledge itself—namely, the system used to organize accounts—was singular. That is, none of the competing manuals or courses of study offered a

²⁴ Beck, *Young Accountant’s Guide*, n.p.; B.F. Foster, *The Origin and Progress of Book-Keeping* (London: C.H. Law, 1852), 4; Harry C. Bentley and Ruth S. Leonard, *Bibliography of Works on Accounting by American Authors*, vol. 1, (Boston: Harry C. Bentley, 1934), 16-7.

²⁵ C.C. Marsh, *The Science of Double-Entry Book-Keeping* (New York: John C. Riker, 1857), 5. For accounting classes offered along Broadway see a sampling of advertisements in the *New-York Daily Times*, May 28, 1853; May 5, 1853; Dec 7, 1854; May 8, 1856; Sept 20, 1858.

different technology but only a purportedly better method for learning “the theory and practice of the art.” At the same time, these sundry teaching methods all shared a common pedagogical principle, asserting that the student needed to grasp the business logic of accounts rather than simply learn by rote the rules for listing debits on one side of the ledger and credits on the other.

Thomas Jones explained in his *Analysis of Bookkeeping as a Branch of General Education* in 1842 that “when [the pupil] understands the *theory* [my emphasis] of debit and credit, . . . [then] he makes his journal entries without any necessity of help from his teacher, he knows what must be done in order to get at his result, and he perfectly understands how each step bears upon it.” Likewise, James Bennett in his *American System of Practical Bookkeeping* wrote that “in order to make a correct Journal entry, it is first necessary perfectly to comprehend the business transaction on which it is founded.” And so, Samuel Crittenden’s *Elementary Treatise on Bookkeeping* promoted the day-book, which contained the initial record of each transaction, to the center of its course of study, challenging the student to then “depend upon his own mental resources” in deciding whether to list the transaction in the cash book, the bill book, the journal, the invoice book, the sales book, the accounts current, the book of commissions, the expense book, copy book, letter book, ships’ accounts, receipt book, bank book, check book, or memoranda book.

The aim was for “the learner [to] exercise his judgment” and so become “a responsible and free agent.” Such responsible use of freedom was not just a desideratum of business, of course, but an essential trait of political life in the republic, which turned bookkeeping into something of a civics lesson. Further, with principles as demonstrable and universal “as those of Euclid,” the bookkeeper became

part of an accounting profession with a standard skills set bound to no particular industry or individual. C. C. Marsh explained, “A person may keep correctly the accounts of the house in which he was brought up, but as the business may be quite different in any other house, change his situation, and he who was capable will be incapable . . . Not so with the individual who is master of the science, he is at home in the accounts of any business.” And so, for instance, graduates of Comer’s Commercial Academy in Boston were qualified for any employment “from Maine to California.” Like all important industrial technologies, bookkeeping knowledge became interchangeable, which meant that a fluid labor market in bookkeepers could develop, essential for an economy undergoing revolutionary growth that now required legions of clerks to administer all the new exchanges.²⁶

In the double-entry system of accounts that everyone was learning, each transaction is recorded twice in the books—each transaction, that is, actually consists of two exchanges. If something is debited, something else needs to be credited. If I sell Dan Raff ten thousand pipe cleaners for one hundred dollars, then I record a credit in my books for the outgoing cleaners and a debit for the incoming cash. This symmetry is what promised an “equilibrium of results” and is what made the books a neutral ground, always balancing a record of what goes out with one of what comes in. If we were, theoretically, to line up all the accounts being kept by double entry, we would have a complete picture of the economy—of the great chain of exchange—since someone’s debits would always appear as someone else’s credits, and vice versa. In fact, if the market—which no longer manifested itself in any specific time or place—had a tangible existence in industrial society, it was here in the bookkeeper’s

²⁶ Marsh, *Science*, 6-8; quote on 7; Peter Miller, “Accounting as Social and Institutional Practice: An Introduction,” 19, in Anthony Hopwood and Peter Miller, *Accounting as Social and Institutional Practice*; Comer’s Commercial College, *Annual Register* (1865), 6.

ledger. This was where all parties met. And this was where flesh and blood commodities became abstract equivalents, making the movement of capital synonymous with the economy (while disqualifying other activities as no longer economic at all, such as the efforts of the village cobbler who “does not keep accurate accounts of the progress of his business.”)²⁷

Thomas Jones, whose system for teaching double entry had recently garnered the endorsement of New York’s American Institute, explained in an early number of *Hunt’s Merchant’s Magazine* that bookkeeping is a “problem of arrangement.” In other words, comprehension of the business transaction that was now required of everyone was a taxonomic exercise of knowing where to list each transaction within the matrix of accounts. “Each class of items has therefore its proper place assigned, and to know these places, and the object of each collection, is to know the plan.”²⁸

How, exactly, were these “proper places” assigned? And how was the “plan” itself created? An instructive example is to be found in a controversy that erupted in the merchant banking firm of Brown Brothers in the 1850s. The controversy concerned the proper manner for recording bad debts in the company’s books. Debts had been listed as a company asset because they were money owed to the firm. As such, they had benefited the senior partners, whose income was derived from those assets. But because some debts were bad debts and thus would probably never actually be collected, the partners were effectively receiving payments “which [have] not been fully earned.” This meant that they were pocketing money that would never

²⁷ Archibald Russell, *Principles of Statistical Inquiry; as Illustrated in Proposals for Uniting an Examination into the Resources of the United States with the Census to be Taken in 1840* (New York: D. Appleton, 1839), 121-2.

²⁸ Thomas Jones, “Analysis of Bookkeeping as a Branch of General Education,” reprinted in *The Accounting Historians Journal*, vol. 4, no. 2 (Fall, 1977); originally published in *Hunt’s Merchant’s Magazine*, December, 1842).

exist, a practice that discriminated against those not included in the firm's profit sharing and that injured the firm's solvency in general.²⁹

The practice provoked protest within Brown Brothers, which led to the creation of a "suspense account" for listing such questionable debts. The suspense account was to be written off against the senior partners' personal capital accounts, thus reducing their income in accordance with the amount of bad debt. However, the amount written off was less than the entire sum of bad debt. Part of the debt was left on the books as a full asset, thus showing up in the firm's balance sheet as profit and consequently lining the partners' pockets.

This compromise between rival personal interests at Brown Brothers became the company's effective financial reality. Of course, it had nothing to do with "material reality," neither with the legal status of the debt as outstanding nor with the practical recognition of the debt as worthless. But "material reality" was a non sequitur anyway since no firm could sell all its paper, debts, and assets on a given date each year in order to determine their true market value. What, then, constituted true value? On what did the balancing act between creditors, debtors, goods, receipts, and cash rest? Actually, it rested on none other than the firm's own definition of balance. For regardless of how interested or even arbitrary these specific categories may be, they satisfied scientific accounting criteria as long as they strictly and systematically adhered to internal laws and logic. The invention of a new entity called a "suspense account" for certain debts thus proved to be a most practical solution even though it exposed the "science of accounts" as an entirely artificial phenomenon. Of course, there was no actual contradiction here since such artificialities were highly suited to

²⁹ Edwin J. Perkins and Sherry Levinson, "Partnership Accounting in a Nineteenth Century Merchant Banking House," *Accounting Historians Journal*, 7/1 (Spring 1980). See too "Problems in Accountantship," *Hunt's*, vol. 7, 567-9.

an increasingly plastic, fungible world. The solution was practical, furthermore, because the categories that effectively guided the business's activities were invented by the business in the first place. Brown Brothers functioned on the basis of its balance sheet, which rested on categories the firm had made up. These, in turn, gave it considerable power to act in the economy. Such tautologies, it turned out, were double-entry bookkeeping's strength—proof that accounting's perfect Euclidian logic required no referent outside of itself to be true.

“The transactions of business are little better than fictions,” Joseph Hopkinson observed in a “Lecture upon the Principles of Commercial Integrity” in 1832. It was a provocation that continued to reverberate, which is why an ostensibly technical “question for accountants” over whether wares drawn out of a company should be valued at cost or their present worth could still ignite controversy in the pages of *Hunt's*. Up-to-date professional opinion endorsed the latter solution, as B.F. Foster had already argued in 1837. But a protest was now registered, for in “the constant and almost ever-varying fluctuations in trade,” as a correspondent explained, present worth might very well prove to be lower than the original cost of the goods. The result was counterintuitive, if not an insult to one's intelligence, for it “exhibit[ed] an *apparent loss* on merchandise *not yet sold!*” Conversely, if the present worth was higher, then the books would show a gain “on what was *'never sold.'*” The real subject of contention, in fact, was the status of intrinsic value itself which, like the labor theory of value on which it rested, was being rendered obsolete by the market's “every-varying fluctuations.” Fiction, however, was the wrong word for this phenomenon, and that is because accounting categories were not actually designed to represent economic reality but to create it. The finality of the “bottom line” was based on its usefulness for acting rather than for actually measuring a concrete,

external reality. Indeed, the very clarity of the books' measurements and their outcomes was a sure indication of their engineered character. Only by abandoning absolutes could universality be attained. The objective truth as revealed in the account books is valid, in other words, "not in spite of its relativity but precisely on account of it." This is also why it became so important to standardize accounting practices and ensure uniform outcomes that transcended the identities of whoever was keeping the books. Accounting might have ushered in a world shorn of intrinsic value, in other words, but it insisted on the existence of a neutral, binding, discoverable truth.³⁰

An 1849 article in *Hunt's* devoted to the subject of appraising the value of goods at the Customs House provides another example of this modern industrial ontology. It was observed that "the invoice price, or even the price actually paid for an article of merchandise, is by no means a true criterion of [its] fair market value." There were concerns that the price which appeared on the invoice might have been fraudulently marked down in order to pay a lower duty on the imported goods. Or the same surprisingly low price might be the result of short-term trade fluctuations. In such instances of "under valuation," the authorities charged with collecting duties argued that the price commanded in the marketplace was not the true market price. The claim flew in the face of common sense, of course. How could it be that "the price ... paid for an article of merchandise, is by no means a true criterion of [its] fair market value?" Capitalism, however, was not based on fair market value, but on the political need to bring the market under control, that is, into account. "Market value" had consequently nothing to do with the fluid dynamics of pricing except as an

³⁰ Joseph Hopkinson, *Lecture upon the Principles of Commercial Integrity* (Philadelphia: Carey and Lea, 1832), 13; Roy J. Sampson, "American Accounting Education, Textbooks and Public Practice Prior to 1900," *The Business History Review*, vol. 34, no. 4 (Winter 1960), 463; *Hunt's*, vol. 11, 573-4; Deborah Valenze, *The Social Life of Money in the English Past*, 40-3.

attempt to overcome those dynamics. In this case, a committee of five merchants chosen for their “integrity and fair dealing” were appointed to review challenges to the appraisals of customs officers, any differences to then be decided by the collector of the port, who, if opting for the lower valuation, “will give the reasons for the same in his statement, to be forwarded to the [Treasury] department for record.” A three-tiered bureaucracy was put into place, in other words, for determining a “fair and disinterested” price for the goods, the market proving to be anything but fair and disinterested, let alone dependable. “Fair market value” thus became another artificial category, necessitated by the need to make a consistent, predictable tariff duty possible and “to secure uniformity of action at the different ports.” Like Brown Brothers, the federal authorities found themselves inventing standards that would help to govern the constant flux of exchange.³¹

The accounting paradigm proved to be not only descriptive but prescriptive. That is, the “proper place” for recording transactions was not just that which best reflected market activity but that which best managed market activity and, in managing it, largely created and even defined it. Bookkeeping showed that that system was stronger than reality, or that that system—in this case, a system translating qualitative differences into common financial values—was reality. Accounting not only revealed how the essence of goods lay in their exchangeability but demonstrated just how naturally commodifiable everything was.

Anthropologists and sociologists have correctly argued that this view of value as a single, impersonal, rational instrument of civilization is a naked ideologization, if not a fetish, and that money actually assumes a great variety of forms and uses, even

³¹ *Hunt's*, vol. 20, 223-5.

in capitalist societies.³² But the more important historical task is to understand how money did, after all, become colorless (in Simmel's famous aphorism³³) and acquire a universal status—how it came to function as an absolute standard, applicable to all equivalences, and, as such, was seemingly free of any political commitments. This contributed to the creation of an environment of calculative norms by which an economic science was detached from the caprice of avarice and seemingly grounded in objective material logic itself. It naturally followed that capitalists would claim common sense as their own.

And so, ideology might be too modest a description for the political work carried out by accounting. Epistemology might be more to the point. Businesses might fail, resulting in bankruptcies that traumatize personal lives and disorder society, but at the level of paradigm, double entry can explain them—and often predict them—making such apparent failings of the market an entirely normal economic event. (Indeed, bankruptcies were presented as the result of a failure to maintain proper accounts.)

Bookkeeping thus proved capable of naturalizing and then taming the market, an essential contribution to the rise of industrial capitalism. What's more, by organizing the mass of individual acquisitions (and personal acquisitiveness) into a single matrix encompassing all of the economy's agents, by turning the short-term, self-interested activities of our atomized lives into the stuff of a broad, secular social and scientific order, bookkeeping helped to synthesize the potentially destabilizing dualities at the heart of the liberal paradigm: freedom and order, fluidity and stasis,

³² Viviana A. Rotman Zelizer, *The Social Meaning of Money* (Princeton: Princeton University Press, 1997); J. Parry and M. Bloch, eds., *Money and the Morality of Exchange* (New York: Cambridge University Press, 1989).

³³ Georg Simmel, "On the Psychology of Money," 343, in *Simmel on Culture: Selected Writings*, David Frisby and Mike Featherstone, eds. (London: Sage Publications, 1997).

individuality and universality. It is little wonder, then, that of all the competing forms of knowledge jockeying for position in an age yet to be crowned the age of capital, bookkeeping proved to be one of the most powerful of all.