

A New Contribution to the History of Banco do Brasil (1808-1829): chronicle of a foretold failure

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ABSTRACT

The first Bank of Brazil was founded in 1808 and is usually referred to as one of the most relevant initiatives put forward by the government of D. João VI when the Portuguese court established the capital of the empire in Rio de Janeiro. However, our knowledge of the history of this institution, whose creation was conceived as a key element of the economic and financial policies to be implemented during the stay of the Portuguese court in Brazil, is still rather incomplete. It is the aim of this article to

explain the main reasons for both the creation and the failure of the Bank of Brazil. The article provides a critical survey of the main secondary literature available on the history of the Bank, while also exploring and revealing unknown and less studied primary sources that shed new light into the activities and scope of the first Bank of Brazil.

Keywords: Banco do Brasil; D. João VI; Transfer of the Portuguese court to Brazil.

The primary sources available for the history of the first Banco do Brasil, created by Charter on 12 October 1808 and terminated by law on 23 September 1829, continue to be sparse and dispersed. Nevertheless, the expectation that some archival materials will be located remains valid, thereby allowing documentary proof to be obtained that can corroborate or revise the analyses that have been produced about the history of the first (Luso-)Brazilian banking institution. This article uses unpublished sources and coeval witnesses who have been ignored or have received little coverage in the historiography of Banco do Brasil, seeking in this way to contribute with new elements for the analysis of its mission and performance.¹

It is plausible to admit that other relevant material will be located in the future, as a natural consequence of modernization processes and the making of

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inventories in the archives in which this documentation is located, dispersed or lost. We will look at some traces and vestiges that can permit the reconstruction of the promising signs of the existence of a memorial of the bank more intact than believed to exist at present.²

According to the Liquidation Law of September 1829 the operations to wind up the bank were the responsibility of the Secretary of State for Financial Affairs (*Secretaria de Estado dos Negócios da Fazenda*), which was given the task of carrying out an inventory of the bank's assets and to terminate all the operations carried out by the bank, including the gradual extinction of all the paper money it had issued. A short report was produced about the replacement of notes in circulation, in which reference was made to the "dearth of documents" and "amounts not entered in the books of the bank", which may reveal some irregularities in archival records. A reading of the work of Afonso Arinos de Melo Franco – without a doubt one of the most rigorous and complete accounts of the first phase of Brazilian banking history – shows that on 4 May 1854 the administration of the third Banco do Brasil decided to send to the Treasury the papers from the archive of the first Banco do Brasil.³

These references in themselves are proof of the existence of archive materials related to the activities of the *Junta* (board) of Banco do Brasil and the various operations attributed to it in its Statutes. Some dispersed and random documents located in the depths of archives reveal the tracks of orders and technical opinions that indicate that records of the regular activities of the bank did exist. Confirmation of these records was made by Bernardo de Sousa Franco who in a pioneering form traced out the history of the first Banco do Brasil. In his work he explicitly declares that "of the examinations carried out at the order of the government, and from what appears in the documents I have seen, it must be recognized that the bookkeeping in the bank was largely irregular".⁴ In other words, Sousa Franco used original documentation and archive sources that allowed him to register detailed information about the annual movements of subscriptions of shares, the payment of dividends, and the emission and liquidation of paper currency. However, the certainty of this information can be added to by another source: in 1848 Bernardo de Sousa Franco consulted documents related to the activities of the first Banco do Brasil, with which no other historian has worked since in a systematic form.⁵

This succinct explanation of the difficulties and the hopes of being able to deal with new sources for the history of Banco do Brasil stems from the nature of the historian's craft, made uneasy by repetitive approaches which do not unveil

other research materials and which, when other materials are uncovered, seeks to raise new questions for analysis or new interpretations which can enrich the historiographic legacy received.

The new elements that now attract the attention of the reader can allow greater consistency to be given to the explanation of the motives that explain the relative failure of Banco do Brasil to carry out its mission. The novelties added also allow us to evaluate in a new light the thesis that the failures of the Bank were due, above all, to the rules and limitations imposed on the Bank by the need to finance the expenditure of the court in Rio de Janeiro.

REVISITING THE HISTORY OF BANCO DO BRASIL

Banco do Brasil was established by Charter on 12 October 1808 and was part of the set of economic and financial measures associated with the move of the Portuguese court to Brazil. These included the inaugural Royal Letter (*Carta régia*) of 28 January 1808 which established new rules opening Brazilian ports to international trade, the new legislative framework to allow the installation of manufactures in Brazil (Alvará, 1 April 1808), and the creation or adaptation of royal institutions – such as the Board of Trade or the Royal Exchequer – to the new political environment resulting from the long-lasting presence of the court in Rio de Janeiro. These are some of the principal political actions that allow us to understand the requirement for the creation of a banking and financial instrument with the aim of organizing and centralizing the indispensable operations of monetary circulation and to finance public and private economic activities.

The deeply felt lack of metallic currency in circulation, in other words the excessive demand for money due to the opening of the ports and the consequent increase in transactions carried out – in turn related to the increase in public services and the expenses involved in the infrastructure indispensable for the establishment of the court in Brazil –, were factors which made the devising of new solutions necessary in order to make the processes of the minting and circulation of money more agile (cf. Cavalcanti, 1893, pp.31-56).

The foundation of Banco do Brasil was nurtured and designed by D. Rodrigo de Sousa Coutinho who, although he was not formally responsible for this area of governance, had a proverbial appetite for subjects related to financial administration and organization. This is shown in his pioneering plan for the

creation in 1797 of Banco Real Brigantino,⁶ as well as various proposals which he received or advocated in his position as president of the Royal Exchequer (*Real Erário*), such as the ‘Plan to form a National Bank’ presented by Feliciano António Nogueira in 1801, “The Establishment of a Bank of Portugal in Lisbon” by Henrique Palyart de Clamouse, dated 1802, and the proposal for a “Lending Bank Using Liens” drafted in 1803 by João Henriques Sequeira.⁷

These different projects had the complementary objectives of financing the state, regularizing monetary circulation due to the excess of paper currency issues that started in 1796, supporting small short term loan operations, and supporting the development of more large-scale economic activities. At the time when these projects were presented D. Rodrigo de Sousa Coutinho was concerned above all with control of the paper currency in circulation and the increasing devaluation, in the context of a global vision of the credibility of the financial system and public credit.

In Rio de Janeiro in 1808 the dominant concerns and intentions were different, which is clearly translated in the purpose contained in the charter that created Banco do Brasil and which served as a preamble for its regulatory statutes.

Here it is clear that the foundation of Banco do Brasil was motivated by the lack of funds available to the Royal Exchequer, the need to create means of payment, and also the need to remove obstacles to the development of mercantile transactions (Alvará, 12 Oct. 1808).⁸ Therefore, the Bank was designed with a triple function of guaranteeing improvements in the financing of the state (“facilitate in such a way with means and resources what my royal and public revenues need to meet the expenses of state”), monetary circulation (“put into action the sum not being used, in both commercial goods and minted specie”) and in the stimulation of productive investment (“promote national industry through the combination and circulation of isolated capital”).

The act of establishment was promptly applauded by the recently created *Gazeta do Rio de Janeiro*, which expressed, along with knowledgeable public opinion, the understanding that:

The advantage that results from the establishment and introduction of public banks in trading states, which greatly facilitate the general circulation, contributing to the reduction of interest on capitals and introducing an artificial currency which allows precious metals to be used in foreign trade and to obtain from them an annual profit without this meaning that trade is lacking or

stagnates, and also increases the utilities of the establishment of large and more extensive credit.⁹

This was an extremely ambitious program of action. Some of its good intentions were demonstrated in the manner in which the deposit, loan and emission of paper currency operations the bank was authorized to carry out were systematized in its Statutes (Article VII). Among the privileges given to the bank were the management of exclusive contracts for diamonds, Brazil wood, ivory and orchil. However, the mode of raising and subscribing capital for the new bank, the form that was designed for its administrative structure, the non-definition of questions related to the articulation between the private capital of the bank and the management of public funds by the Royal Exchequer and the absence of rules and limitations related to the emission of paper money made it easy to foresee difficulties in fulfilling its mission.

An integrated vision of this set of operations was presented by José da Silva Lisboa, shortly after the formal establishment of Banco do Brasil:

However, to prevent the misappropriation of royal rights, to facilitate payments and to prevent a lack of money, which the urgencies of war or the circumstances or trade might need, HRH has ordered expedients and regulations for this purpose, creating a royal bank; which being well administered, as in England, is equivalent to rich mines and is the Potosi of immense wealth; since it will give the nation inexhaustible public credit to make all pecuniary capitals into assets and profitable, which previously had been dead and unproductive due to the lack of useful employment.¹⁰

The mission of the new bank was designed and praised in light of a broad doctrinal framework concerning the advantages of the freedom of trade and making the instruments of monetary circulation more agile, as illustrated by the passage below:

When the operations of exchange and discounting are more generally known and appreciated, with the progress of public credit, and of science and trade; when all imbecilic fear ceases and the convenience is properly felt of letting our gold leave to be used for the most useful business in foreign countries; perhaps banknotes will become the most common currency and the great instruments and vehicle of circulation. (Lisboa, 1993, p.451)

It is interesting to note that in D. Rodrigo de Sousa Coutinho's 1797 Banco Real Brigantino project and in Henrique Palyart's 1802 Banco de Portugal project, lists of businessmen were annexed who could become subscribers to the capital of these banks. The same prior caution of identifying potential capitalists seems not to have existed in the case of the creation of Banco do Brasil, which may serve as an explanation for the delay in a year and a half for the subscription of the minimum number of shares necessary for the bank to start. It should also be noted that the founding capital of 1,200,000\$000 (divided into 1200 shares of 1000\$000) would only be reached ten years after the creation of Banco do Brasil.¹¹

An aspect that deserves special mention is related to the novelty of introducing a joint stock company such as Banco do Brasil, which was given limited responsibility (article III of the Statutes), a reserve fund consisting of one sixth of the shares subscribed (article XIX) and an administration model that broke with the practice until then current among joint stock companies, consubstantiated in the existence of a general assembly restricted to the forty largest shareholders with the power to nominate a board of ten deputies and a directorate with four members (articles IX and X).¹²

The effective commencement of the bank occurred in December 1809, with the first board of deputies and directorate consisting of important businessmen from Rio de Janeiro, notably João Rodrigues Pereira de Almeida, Manuel Caetano Pinto, Fernando Carneiro Leão, Antonio Gomes Barroso and Luis de Souza Dias.¹³

During its first two years the most significant aspect of the bank's activities was related to the role of its agency in London. The commercial houses of Antonio Martins Pedra Filho & Ca, Barroso Martins, Dourados & Carvalho e João Jorge Júnior had been nominated as the bank's agents in that city. Their main role was to serve as intermediaries of the bank to put on sale in London the products for which Banco do Brasil had the exclusive right to trade: diamonds, Brazil wood, ivory and orchil. These were sent to London both for direct sale and in compliance with contractual obligations resulting from a loan contracted with Great Britain on 21 April 1809. Nevertheless, the agents did not find it easy to act, as documented in the correspondence sent between July and November 1810 to the bank's directors, the Count (and later Marquis) of Aguiar (Fernando José de Portugal e Castro), the Minister of Foreign Affairs and president of the Royal Exchequer, and Domingos de Sousa Coutinho, plenipotentiary minister of Portugal in London.¹⁴

The agents complained vehemently about the actions of the Portuguese diplomatic representative in London, accusing him of not recognizing the status of the agents of Banco do Brasil, of questioning their legitimacy and impeding them from carrying out their role of intermediaries in operations involving the placement and sale of exclusive products. They also mention their indignation after Domingos de Sousa Coutinho deposited directly the diamonds coming from Brazil in the Bank of England, breaching all the directives and dispositions of the bank in relation to the role of its agents and legitimate representatives.¹⁵ The plenipotentiary ambassador defended himself from the accusations made against him, alleging the need to preserve secrecy and for the prudence in business and operations involving royal contracts or the payment of loans.¹⁶ Despite his diplomatic excuses, Domingos de Sousa Coutinho did not free himself from the public scrutiny of Hipólito José da Costa, who in the pages of *Correio Braziliense*, published in London, defended the commercial agents representing Banco do Brasil in that city.

The knowledge that these agents had of the market in which they operated was used as the trump card justifying the legitimacy of their actions, as illustrated by the recommendation they made that ivory not be put on sale in a particularly unfavorable scenario of market prices.¹⁷ However, the strong arm tactics they used with Domingos de Sousa Coutinho (brother of the strong man in the government of João VI in Rio de Janeiro, D. Rodrigo de Sousa Coutinho) were an unmistakable sign of the problem that the bank would face of having its capacity to take action – as well of its agents – recognized in international financial circuits.

Start-up difficulties and the irregularities covered by the Charter of 27 March 1811¹⁸ caused important alterations in the bank's way of working, consubstantiated in the legislation approved in August and October 1812.¹⁹ The entrance of the Royal Treasury into the capital of the bank, through a fund consisting of new taxes charged on consumption goods, taxes especially created for this purpose, as well as the attribution of graces and honors to new subscribers who wanted to adventure their capital, were measures which gave new impetus to the institution and which allowed it to correspond positively to the growing needs resulting from the enthusiasm of national and foreign traders in Rio de Janeiro. Despite the revitalization achieved then, the documentation available about the activities of the board of Banco do Brasil in 1813 - 1814 reveals signs of difficulties in attraction of shareholders and, above all, obstacles related to the payment of the new taxes,²⁰ which certainly

can explain the succession of legislative measures to clarify the content of the Charter dated 20 October 1812 (cf. Annex 2).

The new impulse given to Banco do Brasil in 1812 has largely contributed to reinforce its main role as a bank issuing paper money, especially from 1814 onwards. This has been considered by those who have studied its history as the factor that most negatively contributed to the lack of success that Banco do Brasil would come to encounter.²¹

In fact, as can be seen in the reading of Annex 1, between 1810 and 1813 the emission of bank notes was compensated by their regular redemption or destruction. Nonetheless, between 1814 and 1821 the quantity of paper money in circulation increased drastically, despite the non-existence of means or instruments to prevent or take precautions against the inherent risks.²² There was no statutory disposition for the control of emissions of paper money, and due attention was not paid in these emissions to market requirements or to the metallic funds available to serve as a guarantee for them. The basic principle of proportion between the notes in circulation and their metallic support, in other words the existence of funds that could be given in exchange for the paper presented, was not respected in the least. Above all, there was no inspection process or public scrutiny of the bank's public acts, in particular the regular publication of reports of activities and its accounts was lacking.

As well as serving as a vehicle for the acceleration of the court's expenses, the emission of money also served as an expedient for the construction of public works in which Banco do Brasil was involved, notably the acquisition of its own premises and the building of the Intendancy of Policy and the Stock Exchange, also called Praça de Comércio (now called Praça da Alfândega). Another important work directly administered by Banco do Brasil was S. João Theater, financed by a lottery managed by the bank, as documented in various letters and information issued by the board of the bank between 1817-1819.²³

This status as the source of funds for the government to meet current expenditures and provide financing for the most expensive public projects, justified the privileges that the Bank demanded in the areas of fiscal and penal execution in relation to bad assets (Charter, 24 Sept. 1814). When this prerogative was not respected due to the pressure of debtors on the government and the court, it was the actual board of the bank which registered the aid given constantly by the bank to the Royal Treasury – reaching the annual sum of five or six million cruzados (2000 - 2400 *contos* of *réis*) – and which threatened to reduce its contribution to the payment of the consignations of the Royal

Exchequer, as well as to alter the conditions of concession of credit to private individuals.²⁴

The demands and complaints presented by the bank's administration did not hide the state of excessive dependence on the Royal Treasury and on other entities involved in economic and financial administration. The situation was consensually diagnosed as an obvious sign of the non-fulfillment of the function it had been entrusted with, with the exception of the always optimistic and encomiastic attitude of José da Silva de Lisboa who continued to say that Banco do Brasil was "one of the most decisive monuments of the justice of the government and the excellence of its liberal system in Brazil" or the "great machine for saving time and labor in business".²⁵ But at this time, when Cairu raised the benefits of the actions of D. João VI in Brazil to the pedestal of the highest honor, Banco do Brasil was showing signs of immense fragility. The incomes obtained from the exclusive contracts for diamonds and Brazil wood, ivory from Angola and orchil from Cape Verde had been found to be irregular and the practice of smuggling could not be avoid.²⁶ The creation of branches of the bank in São Paulo, Bahia and Minas Gerais did not create the desired effects.²⁷ Increases in capital and the continued issuing of paper currency were easy expedients to respond to the problems created by the bank itself.

At the beginning of March 1821 the crisis being faced by the bank was explicitly demonstrated in a decree that created a commission charged with analyzing and finding solutions to the bank's difficulties. Bearing in mind that this year the amount of paper money issued was more than three times the bank's capital, the concern with the state of insolvency that the bank had reached was no wonder. Moreover, the impossibility of complying with possible requests to exchange or redeem paper currency was obvious due to the debt of the Royal Exchequer which had reached 4,800,000\$000, around twice the bank's capital.

The recognition of the gravity of the situation was confirmed in the Decree of 23 March 1821, which assumed the bank's liabilities as a national debt, since it had resulted from loans to finance public expenditures, with the commitment of the Royal Exchequer being given in guarantee through the (promise of) delivery of diamonds and jewels to pay off these debts. A few days later it was decided to seek a foreign loan in favor of Banco do Brasil. Nevertheless, when D. João VI and his court returned to Lisbon on 26 April 1821 – thirteen years after their triumphal arrival in Rio de Janeiro – the generous gestures of rehabilitation of Banco do Brasil were contradicted and invalidated, since the

bank suddenly found itself stripped of the metallic funds and precious goods in its guardianship. From then on the endemic difficulties of the bank could not be resolved and even after independence solutions of indebtedment and the issuing of paper money were pursued leading to its natural decline and to the inevitable insolvency of the institution which no longer served as a support for the banking and financial organization of Brazil.²⁸

The report that has just been made presents new elements that can help strengthen and consolidate the knowledge acquired about the history of Banco do Brasil.²⁹ In addition, the opportunity still exists to examine sources that are little, or even not, explored, seeking to understand better the reasons for the failure, in particular in the phase than ended with the return of D. João VI to the European continent.

BANCO DO BRASIL EVALUATED

One of the members of the commission appointed to analyze the situation of the bank in 1821 was José António Lisboa. His reflections were published after the departure of the royal family. He witnessed the worsening situation of public suspicion and disbelief which the event had created in public opinion regarding Banco do Brasil and the notes it had issued.³⁰

José António Lisboa had no doubt about stating the advantages of circulation and credit banks, which could facilitate and increase the volume of transactions and could allow the accumulation of capital in sufficient amounts to stimulate economic activity. In the concrete case of Banco do Brasil these abstractly conceived attributes were clearly expanded through the direct and privileged entrance of funds coming from taxes and from commissions it charged on contracts.

Despite everything, for this trader and member of the board of Banco do Brasil, the institution lack proper administrative care:

The administration, preserved there by the former Ministry, had license to dispose of its funds at its pleasure and to carry out as many prevarications as it wished, once that they were candid and no debt would be incurred on the requisitions of the same Ministry, or on its verbal insinuations. (Lisboa, 1821, pp.12-13)

Notwithstanding the rigid rules for the funds established by the Charter dated 27 March 1811, the disorder was too evident, creating situations of abuse and corruption that needed to be denounced. In effect the bank continued to be the victim of successive dilapidations effected by its administrators and directors who discounted bills for their own advantage, fled after effecting embezzlement, and who went bankrupt or were declared bankrupt and insolvent and as a result were incapacitated to pay the debts created in the bank they were supposedly administrating (cf. Cavalcanti, 1893, pp.83-84; Franco, 1948, pp.78-81).

Arguing with José António Lisboa, even though this actually reinforced the point of view of the latter, João Ferreira da Costa Sampaio stated that “It was not so much the loans to the Exchequer or Treasury, as the abuses and defects of the foregoing internal administration of the Bank which dug the abyss of its needs and embarrassments”.³¹

From this perspective, after independence the authors who poured over the state of Banco do Brasil and its reform came to reinforce that idea that the imminent bankruptcy was undoubtedly due to the accumulated debts of the Royal Exchequer and to the debts that the Portuguese court had not paid.³² Reform for this reason was necessary “when the credit of the bank had still not been reestablished from the profound wounds inflicted on it by the previous administration”, and when its statutes “being little provident had so facilitated the abuses practiced to the harm of its shareholders and the public”.³³

This line of argument came to be consecrated later in the interpretation of Amaro Cavalcanti, according to which it was the initial nature of Banco do Brasil itself as the institution that financed the growing public expenditure that was the essential cause of its discredit and poor functioning:

As for us, it is very important to keep in mind the principal aim of the government in creating Banco do Brasil – *providing the necessary resources for public expenditure* – which original sin, contaminating the acts and facts of its existence was undoubtedly the *first and constant* cause of the great difficulties through which it had to pass and the actual discredit and consequent dissolution which much was obligatory. (Cavalcanti, 1893, p.74, emphasis added)

Arinos de Melo Franco also reinforced this idea by defining Banco do Brasil as the “docile instrument in the hands of the state which drew from it ever

more freely, until its usefulness was diluted in the wave of discredit” (Franco, 1948, p.33).

Despite the plausibility of this interpretation, it also has to be born in mind that the constant requests for financing from the Treasury were not the only or sufficient reason to lead Banco do Brasil to ruin. The problem was, above all, the easy expedient found to satisfy these requests through the issuing of fiat money; which brought with it a problem of credibility and public commitment, due to the impossibility of fulfilling obligations, if the holders of this paper money intended to convert these assets into metallic currency coin.

There also existed a problem of opportunity costs in operations of financing the state which impeded the consistent activities of Banco do Brasil as an investment bank, mobilizing savings assets and factors of industrial growth and mercantile activities, especially in relation to the expansion of the foreign market. In fact, this type of activity came to be fulfilled by other financial institutions, but whose initial vocation was different, as was the case of the insurance companies established in Rio de Janeiro starting in 1810.³⁴ The participation of wealthy businessmen in the constitution of the capital of these companies seemed to demonstrate their preference for more profitable and safer solutions for their investments, freed from the excessive guardianship or dependence that the state exercised over the administration of Banco do Brasil. Related to this is a curious case of a demand for payment of dividends to a shareholder who was going bankrupt, which required the bank and the Royal Treasury to show an unequivocal demonstration of trust and credibility to avoid the “collapse of shareholders, since merchants, when their interests and advantages are diminished, do not have as the primary object of their speculations the entrance of their money into Banco do Brasil”.³⁵

Irrespective of the limitations imposed on the type of activity and the bank’s mode of functioning, it should not be forgotten that shareholders did not have any reason to complain about the dividends received (cf. annual rate of valorization of capital presented in Annex 1, which between 1810-1821 reached an average annual rate of 10%).³⁶ This is an element that proves the presence of a logic of private interests which – being the rationale of the organization of the bank’s activities and functioning as an incentive for this –, were shown to be a factor that impeded the proper administration of Banco do Brasil, as was promptly recognized by José António Lisboa in 1821 and much earlier by Hipólito José da Costa in the pages of *Correio Braziliense* (1811, V, p.247).

AN INNOVATIVE PROPOSAL

From the presentation and revision of the existing historiographic legacy, it must be concluded that Banco do Brasil failed in relation to its intentions, essentially due to a bad solution (uncontrolled emission of paper money) and bad management (fraud and the prevalence of petty private interests) of the funds used to finance the public expenditure of the Royal Exchequer in Rio de Janeiro. Could its destiny have been different if solutions based on advanced administration had been used?

This is a question that cannot be conclusively answered, since the course that the institution followed is not one that can be reversed. Nevertheless, it is worth stressing that some warnings were received and preventive measures attempted in relation to a trajectory later classified as ‘ruinous’, at a decisive moment in the history of the bank, a few months before the important reforms resulting from the legislation published in August 1812.

I refer to the presentation of a technical report on the state of the public revenues and expenditure in Brazil which contained a number of mentions to the role to be played by Banco do Brasil. This is a document that does deserve more attention and which, as I will try to show below, is a fundamental witness, not just for the study of the institutions to which it explicitly refers (the Royal Exchequer and Banco do Brasil), but also for the global understanding of the economic and financial meaning of the presence of the Portuguese court in Rio de Janeiro.

The document in question is entitled “Exposition of the current state of the revenues and public expenses of the Royal Exchequer of Rio de Janeiro, and the method which should be followed for all payments that may be made in currency on their precise due dates.” It is written by Manuel Jacinto Nogueira da Gama, who on the date it was presented, 5 February 1812, held the position of Secretary to the Council of the Royal Exchequer.

The text had only a limited circulation at the time³⁷ and would only come to be published in 1851 as an appendix to the biography of Nogueira da Gama, who in the meantime had been made Marquis of Baependi, written by Justiniano José da Rocha.³⁸ The recondite character of the publication certainly contributed to Gama’s text being consigned to almost total oblivion.

Without referring to the place or form of publication, Amaro Cavalcanti transcribed a passage from the *Exposition* which he interpreted from the perspective of the evaluation of Banco do Brasil as a privileged institution to

hasten the rise in public expenditure.³⁹ Without discarding this possible reading, I do not believe that this is the most relevant meaning or message of the *Exposition*.

Manuel Jacinto Nogueira da Gama built his career in public administration in Brazil under the protection and in the confidence of D. Rodrigo de Sousa Coutinho. He began in 1791 as a substitute Professor of Mathematics of the Royal Academy of the Navy in Lisbon and it was certainly in this position where he met D. Rodrigo de Sousa Coutinho, when the latter assumed the position of Minister of the Navy and Overseas Dominions in 1796. In 1801 he was nominated Inspector General of the niter-beds and the powder factories in Minas Gerais and the following year he was nominated as Deputy and secretary of the *Junta da Fazenda* (Council of Finance), a position he would not actually exercise because he only returned to Minas Gerais in March 1804, then in the position of secretary to the government of the Captaincy. Finally, with the court and D. Rodrigo having arrived in Rio, in 1808 he was invested with the functions of secretary to the Council of the Royal Exchequer, in which position he prepared his *Exposition*.⁴⁰

Manuel Jacinto Nogueira da Gama was not just a man esteemed technically and politically by D. Rodrigo de Sousa Coutinho. He was part of his close network in the professional sphere, and also a person he trusted intimately and a frequent visitor to the Linhares family home in Rio de Janeiro.⁴¹ The *Exposition* was dated 5 February 1812, in other words a week after the death of D. Rodrigo. With its rigorous analysis, the perceptiveness of his thought and the pertinence of his proposals it can be considered as the best tribute to the person of his friend and patron, even though the speculative hypothesis can be strongly advanced that the *Exposition* was only made public after the death of D. Rodrigo so that the latter would not be confronted with the accusation that there existed excessive public expenditures in sectors of governance of his direct responsibility.⁴² However, irrespective of the existence of divergences or annoyances related to this question, in between the lines of Nogueira da Gama's text can be read the tacit consent or the implicit agreement of D. Rodrigo, specifically in relation to the lack of credibility of institutions that do not fulfill their duties to the public, the criticism of the "ruinous system of anticipating revenue" and the "terrible, oppressive and fatal resort to paper money". The influence of his mentor can also be noted in the decided form that he declared that "with firmness, activity, exactions and impartiality, the lost credit will be reborn, and there will be no embarrassments in the future for the partition of finances".⁴³ This interposed connection with the mode and the style with which

D. Rodrigo de Souza Coutinho faced the resolution of the financial problems of the state confers on Nogueira da Gama's text an institutional weight that goes beyond the mere connection of its author with the Council of the Royal Exchequer.

Some of the suggestions presented to attract capital for the new subscription of shares of Banco do Brasil were included in the Royal Letter of 22 August 1812. However, the privileged object of its attention was not Banco do Brasil itself, but the way this institution could serve as an instrument for the resolution of a more general problem of the organization of the system of public finances. It is precisely this global vision of the problem that stands out when we read the *Exposition*. In a manner that must be brief, we will look at the steps with which he constructs his argument.

The first step was the presentation of an estimate of the public revenues flowing into the Royal Exchequer, based on the values registered in 1810 and 1811, as summarized in Table 1. The values given on each line correspond to the figures determined in the meticulous tables that the author constructs separately. In the case of the Captaincy of Rio de Janeiro, the value corresponds to the sum of all the taxes and revenues collected by the Royal Exchequer. For the other captaincies the values indicated correspond to the desired transfer of part of the balances between revenues and expenses that the author demonstrated numerically exist in each of these captaincies.

Table 1 – Estimate of the revenues of the Royal Exchequer for 1812

Item	Revenue
Revenues collected directly by the Royal Exchequer (Rio de Janeiro)	1,604,000\$000
Balance from the Captaincy of Bahia	600,000\$000
Balance from the Captaincy of Pernambuco	480,000\$000
Balance from the Captaincy of Maranhão	300,000\$000
Balance from the Captaincies of Minas Gerais, Angola and Ceará	150,000\$000
Total:	3,134,000\$000

Source: Gama, 1812.

The next step consisted of determining the amount of expenditure expected by the Royal Exchequer, as summarized in Table 2. Here each figure given by the author is meticulously broken down, due to the information he had available due to his position as Secretary to the Royal Exchequer.

Table 2 – Estimate of the expenditure of the Royal Exchequer for 1812

Item	Expenditure
Royal Household	887,462\$985
Civil Lists, Ecclesiastical, pensions, interest and annuities and others	375,000\$000
Army	674,000\$000
Royal Navy	848,000\$000
Courts of Justice	51,229\$477
Extraordinary expenditure on the construction of public works	102,012\$298
Total: ⁴⁴	3,014,000\$000

Source: Gama, 1812

Based on this provisional calculation of revenues and expenditure Nogueira da Gama concluded that there was a positive annual balance in the public accounts of around 120,000\$000, which could banish any negative specter hovering around the failure of the state to fulfill its obligations. Nevertheless, the author found that there was a problem of a temporal lapse between the making of payments and the collection of revenues, the reason for the balance which caused intense and legitimate protests on the part of public employees and the suppliers to the Royal Exchequer. To resolve this problem, Nogueira da Gama carried out the monthly division of expenses and revenues, paying attention to the period of implementation, to conclude that there was a need to anticipate funds to allow the timely payment of expenditure, especially the costs of the staff of public administration. It was precisely to be able to fulfill the plan of a budget divided into monthly installments that Nogueira da Gama proposed the financing resource guaranteed by Banco do Brasil, with a monthly interest rate of 0.5% (far above the rate in practice during the initial years the bank was in operation, as can be shown in a reading of Annex 1). In this way the black scenario of the resort to the issuing of paper money could be pushed

aside and the state given an effective means to restore its credibility and the trust of the public.

In relation to Banco do Brasil, the essential piece in this process, Nogueira da Gama believed that it would be possible to aim for a new successful direction:

I have no doubt that developing the spirit of patriotism and enthusiasm, which so distinguished the Portuguese nation, the respectable corporation of merchants will compete to increase the funds of Banco do Brasil, to obtain the consideration due to it, and so that with its credit it can help the Royal Exchequer, allowing it to make its payments on time with a decided advantage to the state, and with a respectable profit for the bank's shareholders. (Gama, 1812, p.65)

EPILOGUE

Leaving aside the relevance and technical details of Manuel Jacinto Nogueira da Gama's proposals, it is worthwhile insisting on the essence of the dual political message it transmits. In first place is the quantifiable demonstration of the positive balance of the public accounts. Second is the well-founded argument that Banco do Brasil was not condemned to ruin itself by helping to increase the expenditure of a state that, after all, was not so spendthrift as had been supposed. Or, if it actually were, it was time to correct this behavior.

The reading of Nogueira da Gama's *Exposition* allows us speculate about the possibility of finding a new direction for the operations and administration of Banco do Brasil, if there had been an opportunity for following his advice. The course of events and the administrative practices of Banco do Brasil did not pay justice to the preventative and rigorous spirit of Nogueira da Gama who, loyal to the guidance he had inherited from D. Rodrigo de Sousa Coutinho, knew well that it was important to control the emission of paper money and to rationalize in a technically competent manner the financial administration of the state. These were the essential questions and the decisive factors that explain the bank's lack of technical success, as well as its incapacity to serve in a sustainable form as an auxiliary instrument of the state's economic and financial policy and its administration.

Referring to the lack and irregularity of payments in the various public sectors, a well placed observer complained and lamented that "The plans of Manuel Jacinto have not been accepted yet ... but I hope that God will impose some limit on this disorder, satisfying our desires".⁴⁵ Nogueira da Gama could not in the silence of his opinion prevent the unfolding of the history of an

announced failure. However, an attentive reading of his forgotten testimony helps to understand better the solutions that the presence of the Portuguese court inevitably raised, making the functions accomplished by an efficient and properly equipped bank indispensable and preminent.

Annex 1 – Principal indicators of the activities
of Banco do Brasil (1809-1829)

Year	Shares subscr.	Accumulated Capital	Total Dividends	Rate of remun.	Notes issued	Notes destroyed	Notes in circulation
1809	116	116,000\$	_____	_____	_____	_____	_____
1810	4	120,000\$	1,254\$579	1.03%	160,000\$	_____	160,000\$
1811	2	122,000\$	3,755\$568	3.06%	100,000\$	155,800\$	104,200\$
1812	50	172,000\$	5,064\$200	4.06%	_____	44,200\$	60,000\$
1813	225	397,000\$	18,048\$542	5.99%	130,000\$	60,000\$	130,000\$
1814	105	502,000\$	43,267\$700	9.67%	912,500\$	_____	1,042,500\$
1815	79	581,000\$	74,113\$900	13.71%	157,200\$	_____	1,199,700\$
1816	109	690,000\$	120,297\$961	18.96%	662,580\$	_____	1,862,280\$
1817	499	1,189,000\$	153,409\$074	14.88%	738,070\$	_____	2,600,350\$
1818	530	1,719,000\$	202,027\$018	12.87%	1,032,000\$	_____	3,632,350\$
1819	318	2,037,000\$	208,072\$868	10.76%	2,886,000\$	_____	6,518,350\$
1820	178	2,215,000\$	227,139\$274	10.10%	2,048,100\$	_____	8,566,450\$
1821	20	2,235,000\$	353,223\$578	15.35%	536,000\$	1,031,530\$	8,070,920\$
1822	13	2,248,000\$	281,891\$819	11.98%	2,100,000\$	1,000,000\$	9,170,920\$
1823	109	2,357,000\$	391,778\$128	16.38%	2,023,400\$	1,200,000\$	9,994,320\$
1824	305	2,662,000\$	424,003\$755	16.31%	2,196,000\$	800,000\$	11,390,920\$
1825	938	3,600,000\$	451,204\$150	12.66%	1,330,000\$	780,000\$	11,940,920\$
1826	---	3,600,000\$	640,029\$087	16.98%	2,870,000\$	1,420,000\$	13,390,920\$
1827	---	3,600,000\$	669,401\$616	17.63%	8,584,000\$	400,000\$	21,574,920\$
1828	---	3,600,000\$	716,206\$206	18.75%	691,000\$	910,000\$	21,355,920\$
1829	---	3,600,000\$	686,493\$395	17.89%	569,000\$	2,750,000\$	19,174,920\$
TOTAL	3.600	3.600.000\$	5.670.686\$418	12,45%	29.726.450\$	10.551.530\$	19.174.920\$

Source: Franco, 1848; Cavalcanti, 1893.

Annex 2 – Summary of legislation referring to Banco do Brasil during the stay of the court in Rio de Janeiro (1808-1821)

Charter 12 Oct. 1808	Foundation of Banco do Brasil
Decree 24 Jan. 1809	Nomination of the directors and deputies of the Board of Banco do Brasil
Charter 27 Mar. 1811	Definition of rules to withdraw sums from the funds deposited in Banco do Brasil
Decision 8 Aug. 1812	Entrance of the Royal Treasury Real into the capital of Banco do Brasil through a fund created by the charging of taxes
Royal Letter 22 Aug. 1812	Attribution of honors and graces to the subscribers of the capital of Banco do Brasil
Charter 20 Oct. 1812	Establish taxes that reverted in favor of Banco do Brasil
Decision 12 Dec. 1812	Resolution of doubts about compliance with the provisions of the Charter of 20 Oct. 1812
Decision 24 Nov. 1812	Resolution of doubts about compliance with the provisions of the Charter of 20 Oct 1812
Decision 2 Dec. 1813	Resolution of doubts about compliance with the provisions of the Charter of 20 Oct. 1812
Charter 24 Sept. 1814	Definition of the execution of the debts of Banco do Brasil as fiscal debts
Law 16 Feb. 1816	Creation of branches of Banco do Brasil
Decision 5 Mar. 1816	Register on donations for the creation of a fund in Banco do Brasil whose revenues are to be used to promote national instruction
Decree 4 July 1818	Creation of an office in Banco do Brasil for the purchase of gold and silver
Royal Letter 2 Sept. 1818	Creation of branches of Banco do Brasil in the Captaincy of Minas Gerais for the trade of gold dust

Decree 29 Oct. 1818	Repetition of the content of Charter of 24 Sept. 1814 about the execution of the debts of Banco do Brasil
Decision 24 July 1819	Help for the branch of Banco do Brasil in São Paulo
Decision 29 Dec. 1819	Recommendation about the functioning of the branches of Banco do Brasil in the Captaincy de Minas Gerais
Decision 3 July 1820	Determination of the acceptance of payments of the Royal Treasury with notes issued by Banco do Brasil
Decision 1 Sept. 1820	Determination of the exchange of coins minted by the Board of Trade of Bahia for notes from Banco do Brasil
Decree 5 Mar. 1821	Creation of a commission to analyze the condition of Banco do Brasil
Decree 23 Mar. 1821	Declaration of the loans made by Banco do Brasil to the Royal Exchequer as national debts and the commitment of delivery of diamonds and jewels as payment
Decree 28 Mar. 1821	Obtaining of a foreign loan on behalf of Banco do Brasil
Charter 29 Mar. 1821	Negotiation and administration of the foreign loan to Banco do Brasil
Decree 29 Mar. 1821	Nomination of the new Board of Banco do Brasil

Source: *Colecção das Leis do Império do Brasil*, www2.camara.gov.br/legislacao/publicacoes/doimperio.

NOTES

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² It was this type of exercise that led to the location of a significant group of the letters from the Board of Banco do Brasil kept in the National Archives in Rio de Janeiro (Ministério do Reino e Império, Caixa 763, pacote 1).

³ Cf. *Relatório da Comissão Liquidadora do Banco, por parte do Governo, apresentado à Assembléa Geral Legislativa na Sessão de 1834*. Rio de Janeiro: Tipografia Nacional, 1834, pp.4-5; and Franco, Afonso Arinos de Melo. *História do Banco do Brasil* (Primeira fase 1808-1835). São Paulo: Instituto de Economia da Associação Comercial, 1948, p.34.

⁴ Franco, Bernardo de Sousa. *Os Bancos do Brasil*. (1.ed. 1848). Brasília: Ed. UnB, 2.ed., 1983, p.22.

⁵ Additional information was added by Cavalcanti, Amaro. *O meio circulante nacional (1808-1835)* (1.ed., 1893). Brasília: Ed. UnB, 2.ed., 1983, without the explicit identification of the sources used, certainly coming from archives other than Banco do Brasil, but which may contain elements related to the activities of the bank.

⁶ Cf. Coutinho, D. Rodrigo de Sousa. Projecto de Alvará de criação do Banco Real Brigantino (1797). In: *Textos políticos, económicos e financeiros (1783-1811)*. Lisboa: Banco de Portugal, 1993, Tomo II, pp.110-119 (introdução e direcção de edição de Andrée Mansuy Diniz Silva). This banking project was first published by Macedo, Jorge Borges. *Elementos para a História Bancária de Portugal, 1797-1820*. Lisboa: Instituto de Alta Cultura, 1963, pp.24-36.

⁷ To read the full text of these proposals, as well as the explanation of their practical sense and their doctrinal classification in light of contemporary reflection on financial and monetary problems, cf. Cardoso, José Luís. *Novos elementos para a história bancária de Portugal*. Projectos de Banco, 1801-1803. Lisboa: Banco de Portugal, 1997.

⁸ All the legislation cited here was consulted in *Colecção das Leis do Império do Brasil*, available at www2.camara.gov.br/legislacao/publicacoes/doimperio.

⁹ *Gazeta do Rio de Janeiro*, 1808, n.13, in: Silva, Maria Beatriz Nizza. *A Gazeta do Rio de Janeiro (1808-1822): cultura e sociedade*. Rio de Janeiro: Ed. Uerj, 2007, p.166.

¹⁰ Lisboa, José da Silva. *Observações sobre a prosperidade do Estado pelos liberais princípios da nova legislação do Brasil* (1810). Rio de Janeiro: Imprensa Régia. In: _____. *Escritos económicos escolhidos, 1804-1820*. Lisboa: Banco de Portugal, 1993, Tomo I, p.451 (dir. ed. António Almodovar).

¹¹ The information about the subscription of the capital was found in Franco, Bernardo Sousa, *Os Bancos do Brasil*, 1848, and can be consulted in Annex 1, which summarizes the essential quantitative information available about the first Banco do Brasil.

¹² In relation to the innovative aspects of this corporate model cf. Marcos, Rui Manuel de Figueiredo. *Rostos legislativos de D. João VI no Brasil*. Coimbra: Almedina, 2008, pp.62-63. This model seems to have been inspired by the Spanish experiences in Banco de San Carlos, in that elective and management capacities were the prerogative of a restricted number of shareholders, as described in Mayordomo García-Chicote, Francisco; Peyró Vilaplana, Encarnación. La reglamentación del control interno del Banco de San Carlos entre 1782 y 1789: funciones de la junta general, la junta de dirección y la teneduría general de libros. *De Computis – Revista Española de Historia de la Contabilidad*, 2007, no. 7, pp.119-145.

¹³ Cf. Franco, 1948, p.35, and Piñeiro, Théo Lobarinhas. Negociantes, independência e o primeiro banco do Brasil: uma trajetória de poder e de grandes negócios. *Tempo*, no. 15, 2003, p.83.

¹⁴ Arquivo Nacional do Rio de Janeiro, Ministério do Reino e Império, Caixa 763, pacote 1: *Banco do Brasil, Ofícios da Junta*. Ofícios e cartas de 25 jul., 2 ago., 10 ago., 7 set., 12 set., 13 set., 18 set., 22 set., 24 set., 4 out., 8 nov. e 11 nov. 1810.

¹⁵ Caixa 763, pacote 1, carta de 7 set. 1810.

¹⁶ Caixa 763, pacote 1, carta de 10 ago. 1810.

¹⁷ Caixa 763, pacote 1, carta de 12 set. 1810.

¹⁸ The motivation for this Charter was the establishment of clear procedures for raising the funds to be deposited in the bank. Examples of this concern with the frauds that could be committed are given in the official letters of Banco do Brasil of 13 and 15 March 1811 (Caixa 763, pacote 1).

¹⁹ Cf. Annex 2, which refers to the legislation published about Banco do Brasil during the period the court remained in Rio de Janeiro.

²⁰ Cf. letters from the Board of Junta do Banco do Brasil dated 13 August and 21 Nov. 1813 and the reports and pleas for exemption from payment of the new taxes. Cf. also the letter from Manuel Jacinto Nogueira da Gama to the Marquis of Aguiar, dated 7 Dec. 1814, showing the lack of fiscal revenues obtained and asking that the supplications of the poor owners of fishing canoes be granted, maintaining only the taxes on freighted canoes (AN-RJ, Ministério do Reino e Império, Caixa 763, pacote 1).

²¹ Cf. amongst others, Aguiar, Pinto de. *Bancos no Brasil Colonial*. Salvador: Livraria Progresso, 1960; Andrada, Antônio Carlos Ribeiro de. *Bancos de Emissão no Brasil*. Rio de Janeiro: Editora Livraria Leite Ribeiro, 1923; Cavalcanti, 1893; Franco, 1948; Souza, Carlos Inglês de, *A anarquia monetária e suas consequências*. São Paulo: Monteiro Lobato & C^a, 1924; e Viana, Victor. *O Banco do Brasil: sua formação, seu engrandecimento, sua missão nacional*. Rio de Janeiro: Tipografia do Jornal do Comércio, 1926.

²² According to a letter from the Board of Banco do Brasil sent to Marquis of Aguiar on 15 July 1814 the watermarked paper used to issue 20,000 notes was produced in the Royal Factory of Alenquer and sent to Rio de Janeiro, where the notes were printed (Caixa 763, pacote 1).

²³ Among the documentation related to these questions existing in ANRJ (Caixa 763, pacote 1), the request presented to the government by the bank on 25 August 1819 deserves special attention. In this it is asked that the various current expenditure and investment actions in which the bank was involved be confirmed, authorization also being sought to increase monetary emissions. This increase actually was authorized, and the amount of paper currency issued was tripled between 1818 and 1819, as shown in the documents in Annex 1.

²⁴ Representation of the Board of Banco do Brasil, 12 Nov. 1817 (Caixa 763, pacote 1). Cf. also Representation of 28 May 1818, where the suspension of privileges and preferences in the discount of bills of exchange was denounced. This and other similar pressures of the bank were duly acknowledged in the publication of the Decree dated 29 Oct. 1818, which reaffirmed the level of benefits and privileges already granted to the bank in the Charter of 24 Sept. 1814.

²⁵ Lisboa, José da Silva. *Memória dos benefícios políticos do governo de El-Rei Nosso Senhor D. João VI*. Rio de Janeiro: Imprensa Régia, 1818, pp.94-96.

²⁶ Cf. Letter from the Board of Banco do Brasil, 27 Oct. 1819 (Caixa 763, pacote 1) which discusses the types of products exported exclusively in 1818 and 1819 and in the case of ivory the number of points and the respective weight transacted by Banco do Brasil between 1809 and 1819. The annual average of points of ivory leaving Angola was 2690, sold at an average unit price of 400 réis. In the final years of this period the number of points of ivory traded fell to 1411 (in 1818) and 1755 (in 1819).

²⁷ Despite the attempt to achieve some sort of geographic diversity, Banco do Brasil continued to be a bank based in Rio de Janeiro. The *Lista de Accionistas do Banco do Brasil* (Rio de Janeiro: Imprensa Régia, 1821) provides a complete list of the bank's shareholders per captaincy and geographic territory and is a document of capital importance to discover the economic, political and social agents with direct interest in the bank's life. Of the 2235 shares in the bank's capital fund in 1821, 61.7% belonged to shareholders from Rio de Janeiro, 15.8% from Bahia, 8.7% from Minas Gerais, 5.6% from São Paulo and 8.2% from the remaining regions and territories, including metropolitan Portugal.

²⁸ In relation to the difficulties and problems that the first Banco do Brasil had encountered between independence and the closure of the bank (1822 - 1829) and the failed attempts to reform its operations, cf. Piñeiro, Théo Lobarinhas. *Negociantes, independência e o primeiro banco do Brasil: uma trajetória de poder e de grandes negócios*. *Tempo*, no. 15, pp.86-90, 2003.

²⁹ In addition to the works already mentioned in note 20, see the more recent and synthetic work of Müller, Elisa; Lima, Fernando Carlos Cerqueira. *Breves reflexões sobre o primeiro Banco do Brasil (1808-1829)*, 2002, available at: revistatemalivre.com/Moeda-Credito.html.

³⁰ Lisboa, José António. *Reflexões sobre o Banco do Brasil, oferecidas aos seus accionistas*. Rio de Janeiro: Tipografia Nacional, 1821, p.11.

³¹ Sampaio, João Ferreira da Costa. *Carta dirigida aos accionistas do Banco do Brasil, em consequência de certas reflexões sobre o mesmo*. Rio de Janeiro: Tipografia Nacional, 1821, p.10.

³² This is the point of view of Mota, Frutuoso Luís da. *Indicação apontada à Junta do Banco do Brasil...* Rio de Janeiro: Oficina de Silva Ponto e Comp., 1825.

³³ Ferreira, Gervásio Pires. *Projeto de reforma e aditamento dos Estatutos do Banco do Brasil*. Rio de Janeiro: Imprensa Nacional, 1823, p.3.

³⁴ Cf. Gorenstein, Riva. Comércio e política: o enraizamento de interesses mercantis portugueses no Rio de Janeiro (1808-1830). In: Lenira Menezes Martinho e Riva Gorenstein, *Negociantes e caixeiros na sociedade da Independência*. Rio de Janeiro: Prefeitura da Cidade do Rio de Janeiro, 1992, pp.159-165.

³⁵ ANRJ, Ministério do Reino e Império, Caixa 763, pacote 1, Parecer sobre o requerimento do negociante José Luís Alves de 27 out. 1819.

³⁶ Naturally there existed exceptional situations when dividends were not paid or the honors and graces promised in the Royal Letter of 22 August 1812 were not granted. These situations are proven in some of the miscellaneous manuscript documentation located in the National Library of Rio de Janeiro, especially mss: C-075, 20; C-361, 26; C-366, 02; and C-527, 19.

³⁷ It is registered in the Library of the Academy of Sciences in Lisbon (Série Azul, MS 648, n.34), with the title "Plan of the effective improvement of Portuguese finances in Rio de Janeiro 1812".

³⁸ Rocha, Justiniano José da. *Biografia de Manuel Jacinto Nogueira da Gama*. Rio de Janeiro: Typ. de Laemmert, 1851.

³⁹ Cavalcanti, 1893, pp.73-74. Using the same interpretative approach, citing only the excerpt of a page used by Cavalcanti, is Peláez, Carlos M.; Suzigan, Wilson. *História monetária do Brasil*. Brasília: Ed. UnB, 1976, p.41.

⁴⁰ In relation to the career of Manuel Jacinto Nogueira da Gama, and the way he achieved public positions under the protection of D. Rodrigo de Sousa Coutinho, cf. Cunha, Alexandre Mendes. *Minas Gerais, da Captaincy à província: elites políticas e a administração da fazenda em um espaço em transformação*. Doctoral Dissertation Universidade Federal Fluminense. Niterói (RJ), 2007, pp.275-289. After independence Nogueira da Gama (who meanwhile achieved the title of Marquis de Baependi) came to exercise relevant functions as a deputy to the Constituent Assembly, councilor of state and a number of times as Minister of Finance. His presence was strongly felt in the financial organization of the Brazilian state.

⁴¹ This fact is proven by the numerous references made to him by D. Gabriela de Souza Coutinho, the wife of D. Rodrigo, in the private correspondence she maintained with her brother-in-law Principal Sousa, a resident of Lisbon (cf. Silva, Andrée Mansuy-Diniz. *Portrait d'un Homme d'État*: D. Rodrigo de Souza Coutinho, Comte de Linhares 1755-1812.

Lisboa e Paris: Centre Culturel Calouste Gulbenkian, v.II (L'homme d'État, 1796-1812), 2006, pp.648-652.

⁴² This is the interpretation given by Alexandre Cunha, 2007, p.283, related to the opportune timing for the dissemination of Nogueira da Gama's text.

⁴³ Gama, Manuel Jacinto Nogueira da. "Exposição do estado actual das rendas e despesas públicas do Real Erário do Rio de Janeiro, e do método, que se deve seguir para que todos os pagamentos se possam fazer em moeda corrente nos precisos dias dos seus vencimentos" (1812). In: Rocha, 1851, p.28.

⁴⁴ The total value is wrong in the original. The sum of the expenditure given is 2,937,704\$760.

⁴⁵ Marrocos, Luís Joaquim dos Santos, *Cartas do Rio de Janeiro 1811-1822*. Lisboa: Biblioteca Nacional, 2008, p.154 (Carta de 8 nov. 1812).