

To “arrange my accounts”
— Fulfilling the Last Wishes of George Washington

by

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Almost all of us need to keep records of our business affairs, some more so, some less. In complex modern societies, as the time approaches every year for us to settle our tax obligations, many simply resort to the proverbial shoebox stuffed with a year's worth of bills and receipts, credit card statements, the reports of our checking accounts and the like. The more complicated our business interests, the more elaborate our record keeping system becomes. The largest enterprises have recourse to teams of professional accountants to deal with all their documents.

Such activities are not new. Most of the thousands of Sumerian clay tablets that crowd the shelves and drawers of the world's museums record business transactions. George Washington, a private man with extensive business interests, behaving in similar fashion, maintained and preserved the same sorts of records. He did it himself. To the long list of attributes that describe our first president, we must add that the General was a careful keeper of his business records, not baked in clay or tucked away but scratched by pen on paper. George Washington kept his own accounts, most particularly "in the meticulous ledgers of Mount Vernon."¹

Pride of place on the desk in Washington's study, resorted to almost every day, was the sine qua non of the eighteenth-century businessman's record keeping, his grand "ledger of accounts," for "almost any eighteenth-century American merchant...the epicenter of his enterprise."² In these large, unwieldy volumes, George Washington carefully

¹ In the words of Jennifer Schuessler, "The Slave Who Defied George Washington," *New York Times*, 7 February 2017, Section C, p. 5 (6 February; <https://www.nyti.ms/2lgR20l> [accessed 8 February 2017]).

² So significant were such records that colonial furniture-makers designed and fabricated combined desks and bookcases to accommodate the record-keeping needs of business owners. For an insightful essay on this subject that links progress in business practices and developments in furniture design, see Gerald W. R. Ward, "The Merchants' Real Friend and Companion," in Brock Jobe and Gerald W. R. Ward, eds., *Boston Furniture, 1700-1900*, Publications of the Colonial Society of Massachusetts, Vol. LXXXVI (Boston, Massachusetts: Colonial Society of Massachusetts, 2016), pp. 167-179 (quotation, p. 173). Ward reproduces (Fig. 9, on p. 172) John Singleton Copley's 1765 portrait of John Hancock seated at his desk, quill pen at the ready, poised to make an entry into his ledger book. One can picture George Washington in a similar pose, at his desk, in his study. See "George Washington's Study," in *The Digital Encyclopedia of George Washington*, <<http://www.mountvernon.org/digital-encyclopedia/article/george-washingtons-study/#>> (ac-

kept track of every penny he earned and every penny he spent — and, remarkably, he mostly did so himself, writing entry by entry in his own hand at the end of the nearly every day. He did so because the very success of his business enterprises depended on the information so punctiliously assembled on his ledgers' pages.

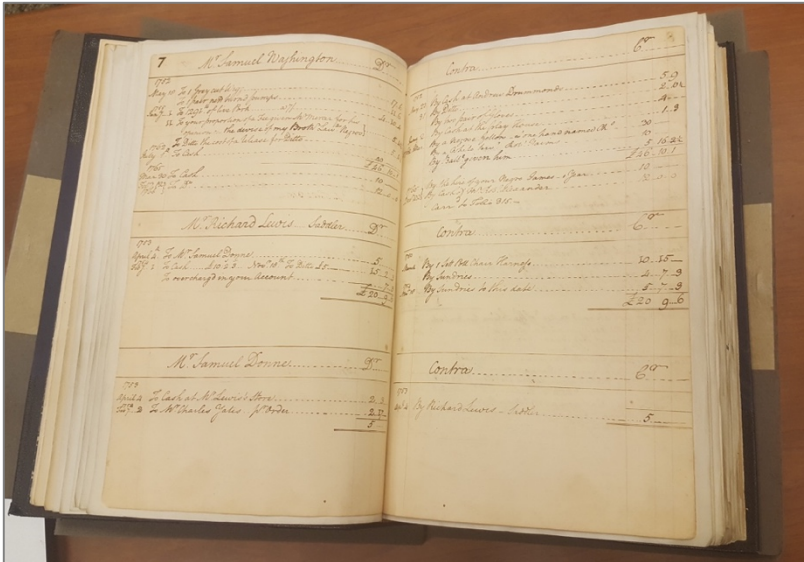


Figure 1: George Washington Papers, Series 5, Financial Papers: General Ledger A, 1750-1772, Folio 7, left and right. Photo by Erica Cavanaugh and Adrina Garbooshian-Huggins.

The easiest way for us to understand the ledgers of accounts that George Washington maintained is to view them as an amalgam of our modern check books and credit card statements. Consider his ledgers of accounts as a gathering of all his business transactions.³ All income

and all expenditures are combined in one long set of pages, page after page, set out, not

cessed 8 February 2017). W[illiam] T. Baxter's book about John Hancock and company, *The House of Hancock: Business in Boston, 1724-1775*, Harvard Studies in Business History, Vol. X (Cambridge, Massachusetts: Harvard University Press, 1945), is a classic exercise in accounting history. Compare n. 18, below.

³ Two of the three of George Washington's ledger books — General Ledger A, 1750-1772, and General Ledger B, 1772-1793 — are Vol. 1 and Vol. 2 of the Mount Vernon Accounts, 1750-1793, that are part of the 34 volumes that constitute the George Washington Papers, Series 5, Financial Papers, 1750-1796, Manuscript Division, Library of Congress, Washington, D.C. (hereinafter LC). The third ledger book — General Ledger C, 1793-1799 — is in the Lloyd W. Smith Collection at Morristown National Park Library and Archives, Morristown, New Jersey. The George Washington Financial Papers Project (GWFPP) — part of the Papers of George Washington Digital Edition project based at the University of Virginia, Charlottesville, Virginia— is committed to publishing digital editions of all three volumes. Early card files and working calendars of Washington's business papers, even though far from complete, detail roughly a thousand items not including most of the records in the collections of the Library of Congress and the Fred W. Smith National Library for the Study of George Washington, Mount Vernon, Virginia. For more about this project see Jennifer Stertzler, "Working with the Financial Records of George Washington: Document vs. Data," *Digital Studies / Le Champ Numérique*, IV (2013-2014).

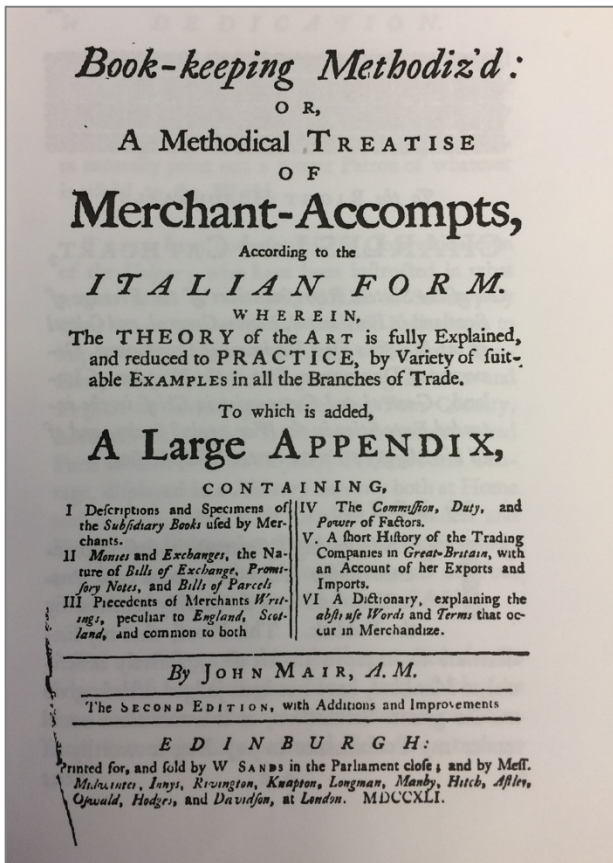


Figure 2: Mair, John. *Book-keeping Methodiz'd: Methodical Treatise of Merchants-Accompts, According to the Italian Form.* [2nd edition]. Edinburgh, Scotland: W. Sands, 1741.

chronologically, but by the names of people with whom he did business. Organized under each individual's name is everything that Washington owed to him or her, day-by-day, week-by-week, entered as a debit on the left-hand page of the open book. Across on the right-hand page of the open ledger is what that same individual owed Washington, a stream of credits. Our banks and our credit card companies keep track of what we owe them and what we have paid to them in two coterminous lists of debits and credits. So too did George Washington maintain the same kind of record of his business enterprises.

Washington adopted the best practices of business accounting in the

eighteenth century just as he pursued what worked best in much of his life. He did due diligence and sought out the latest, most authoritative guidance possible about running a business.⁴ Fortunately, the age of reason, the era of enlightenment, the times in which he existed encouraged the development of a systematic approach to the art of accountancy as it did many other learned efforts.⁵ Washington was an ardent seeker of how to

⁴ See Raymond George Peterson, Jr., "George Washington, Capitalistic Farmer: A Documentary Study of Washington's Business Activities and the Sources of His Wealth" (Ph.D. Dissertation, Ohio State University, 1970).

⁵ For a broad view of what was happening in the early modern world of accounting, see Jane Gleeson-White, *Double Entry: How the Merchants of Venice Created Modern Finance* (New York, New York: W.W. Norton & Company, 2012). See also Michael J. Mepham, "The Scottish Enlightenment and the Devel-

better himself. We know of him as a gentleman farmer, an “improving farmer”; gentlemen farmers kept good books. The confirmation of his command of bookkeeping is the way in which he kept his books.⁶ In so doing he applied the accounting practices taught and followed in Great Britain.⁷ The preeminent English-language guide to accounting in the eighteenth century was John Mair’s *Book-Keeping Methodiz’d*. It was issued and re-issued in more than two dozen versions between the 1730s and 1810.⁸ Washington not

opment of Accounting,” *Accounting Historians Journal*, XV (Fall 1988), 151-176. Compare W[illiam] T. Baxter, “Accounting in Colonial America,” in *Studies in the History of Accounting*, edited by A[nanias] C. Littleton and B[asil] S. Yamey (Homewood, Illinois: Richard D. Irwin, Inc., 1956), pp. 272–287. See also M[ichael] F. Bywater and B[asil] S. Yamey, *Historic Accounting Literature: A Companion Guide* (London, England: Scolar Press; Tokyo, Japan: Yushodo Press, 1982). Lending another insight into the role of increasingly sophisticated (“enlightened”) accounting practices in “tabulating improvements” in the management of plantations is Justin Roberts, *Slavery and the Enlightenment in the British Atlantic, 1750-1807* (Cambridge, England]: Cambridge University Press, [2013]), pp. 56-68.

⁶ See Anthony J. Gambino, and John R. Palmer, *Management Accounting in Colonial America*, National Association of Accountants, Publication, No. 7685 (New York, New York: National Association of Accountants, [1976]), p. 14: “George Washington...kept meticulous accounts throughout his life.” Compare Helen M. Cloyd, “George Washington as an Accountant,” *Accounting Historians Journal*, VI (Spring 1979), 87-91. See Peterson, “George Washington, Capitalistic Farmer,” especially pp. 152-179: Chapter VII: “Financial Records”; and William G. Shenkir, Glenn A. Welsch, and James A. Bear, Jr., “Thomas Jefferson: Management Accountant,” *Journal of Accountancy*, CXXXIII (April 1972), 33-47.

⁷ Albert F. Voke, “Accounting Methods of Colonial Merchants in Virginia.” *Journal of Accountancy*, XLI (July 1926) 1–11. See also Almand R. Coleman, William G. Shenkir, and Williard E. Stone, “Accounting in Colonial Virginia: A Case Study,” *Journal of Accountancy* CXXXVIII (July 1974): 32-43. Cloyd, “George Washington as an Accountant,” detected the impact on the young George Washington of the very popular book by George Fisher, *The Instructor: Or Young Man’s Best Companion...*, [1st edition] (London, England: Edward Midwinter, 1727). Not only was this book reprinted in London some ten times by 1750 but in 1748 Benjamin Franklin issued a pirated edition titled *The American Instructor: Or Young Man’s Best Companion...* (Philadelphia, Pennsylvania: B. Franklin and D. Hall, 1748) which could well have been the source of Washington’s school exercises.

⁸ John Mair, *Book-Keeping Methodiz’d: Methodical Treatise of Merchants-Accompts, According to the Italian Form*, [1st edition] (Edinburgh, Scotland: W. Sands, 1736). Under this title it was revised and republished in eight editions in Edinburgh through 1765. At least ten unauthorized reprints of these editions were printed in Dublin. In 1768 Mair thoroughly revised the work and re-titled it *Book-Keeping Moderniz’d*. It appeared posthumously in 1773. Nine editions of this revised text were published by 1807 along with a fair number of pirated Dublin versions.

The third edition of *Methodiz’d* (1749) introduced a section on the tobacco colonies and the accounts of merchants and store-keepers there (“The Produce and Commerce of the Tobacco Colonies”). The text of this section remained essentially unchanged for the next half-century. It was reprinted in the *William and Mary Quarterly*, [1st Series], XIV (October 1905), 87-93. The fifth edition (1757) added new sections on

only practiced what Mair preached but he also placed at least one copy in the hands of another, younger Virginia planter. In 1762 he ordered from London a copy for his stepson, John Parke Custis, apparently at the request of the eight-year-old boy's Scottish tutor.⁹ Unfortunately, young Jacky, not much of a student, had trouble with all things mathematical; he certainly never mastered compound interest.¹⁰

The records that George Washington kept of his numerous business activities take many forms like all such businesses in the period. While they can all be grouped under the general label "business records," only a portion of them are account books and fewer still "financial papers." In the interest of taxonomical accuracy and shared clarity, it is necessary to view them exactly for what they were, to understand how they were different and how they interrelated. The people who created them knew the difference; so must

shop-keepers accounts and on the commerce of the sugar colonies, on keeping accounts for wharf managers and plantation owners. M[ichael] F. Bywater and B[asil] S. Yamey, *Historic Accounting Literature: A Companion Guide* (London, England: Scolar Press; Tokyo, Japan: Yushodo Press, 1982), p. 165, argue that "Almost all of these latter additions Mair plagiarized" from William Weston, *The Complete Merchant's Clerk: Or, British and American Compting-House...to Which is Added, an Appendix Shewing the Method of Drawing Common and Current Accompts, Bills of Exchange, Accompts-Sales, &c.: With an Account of the Course of Exchange with Jamaica...* [1st edition] (London, England: R. Griffiths, 1754).

All references hereinafter to John Mair's book are to *Book-Keeping Methodiz'd: Or, A Methodical Treatise of Merchant-Accompts, According to the Italian Form...*, 5th edition (Edinburgh, Scotland: W. Sands, and A. Kinkaid & A. Donaldson, 1757). For Mair, see M[ichael]. J. Mephram and W[illiard]. E. Stone, "John Mair, M. A.: Author of the First Classical Bookkeeping Series," *Accounting and Business Research*, VII (Spring 1977), 128-134.

⁹ Purchase order sent by George Washington, at Williamsburg, Virginia, to Robert Cary, at London, 15 November 1762, Copybook of Invoices and Letters, 1754-1766 [formerly Account Book 1, 1755-1766], [fol. 124a], Mount Vernon Accounts, 1750-1793, Vol. 3, George Washington Papers, Series 5, Financial Papers, 1750-1796, LC. Washington rather logically kept copies of both his purchase orders, his covering letters, and the related replies from his factors (with their invoices) all in the same volume.

¹⁰ Frank E. Grizzard, Jr., "Custis, John Parke ('Jacky') 1754-1781," *George Washington: A Biographical Companion* (Santa Barbara, California: ABC-CLIO, Inc., [2002]), pp. 67-70. By contrast, see the section on "Compound Interest" in the first of George Washington's surviving school exercise books, *School Copy Book*, Vol. 1, 1745, fols. 65r-65v, George Washington Papers, Series 1, Exercise Books, Diaries, and Surveys, ca. 1745-1745, LC.

we.¹¹ We who consult them for our own purposes need to call them by their proper names.¹²

To understand the different roles played by each type of business record and how those roles intersected, it is useful to follow an individual business man or woman in the eighteenth century through a day in his or her life. Doing so supports the case that every “account book” is not the same while demonstrating there was a considerable degree deal of useful complementarity among them.

The starting point of such records was, necessarily, a crude one. Washington’s contemporaries even referred to such rough records as “waste books,” “pocket books,” “day books” or “memorandum books,” all such labels underscoring their ephemeral character.¹³ As a promise was made, as a deal was done, before the details slipped a person’s mind, he or she scribbled the particulars into his “day book.” All ensuing

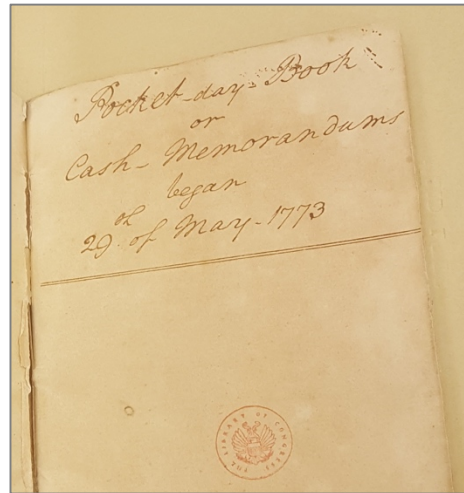


Figure 3: George Washington Papers, Series 5, Financial Papers: Pocket Book of Cash Expenses, May, 1773 - March, 1774, entitled “Pocket-day-Book or Cash-Memorandums began 29th of May 1773.” Photo by Erica Cavanaugh and Adrina Garbooshian-Huggins.

¹¹ Compare Robert J. Wilson, III, *Early American Account Books: Interpretation, Cataloguing, and Use*. American Association for State and Local History, Technical Leaflet, No. 140 (Nashville, Tennessee: American Association for State and Local History, 1981); Rosemary E. Boyns, Trevor Boyns, and John Richard Edwards, *Historical Accounting Records: A Guide for Archivists and Researchers* (London, England: Society of Archivists, 2000); and “Financial Records Guide and Glossary.” Philadelphia, Pennsylvania: Historical Society of Pennsylvania, 2015 <<http://hsp.org/collections/catalogs-research-tools/subject-guides/financial-records-guide-and-glossary>> (accessed 8 February 2017).

¹² “But, to complete an accomptant...more is necessary than even a thorough acquaintance with the nature of the Waste-book, Journal and Ledger. He must...also understand the form and use of the subsidiary books commonly kept.” Mair, *Book-Keeping Methodiz’d...*, 5th edition (1757), p. ix. For the subsidiary books, see *ibid.*, pp. 179-188.

¹³ For instance, in mid-seventeenth century Springfield, Massachusetts, William Pynchon frequently referred to entries in the “old Booke”, entries “in [a] pocket Booke,” and in “day Booke”. *The Pynchon Papers [1651-1700]*, ed. Carl Bridenbaugh, 2 vols., Colonial Society of Massachusetts, Vol. LX-LXI (Boston, Massachusetts: Colonial Society of Massachusetts, 1982-1985), II, 208, 209, 210, 484. See also, below, n. 18.

business records began with the details jotted in that day book, a record of transaction after transaction, written in the order that they occurred, chronologically, down across a day. George Washington seems never to have left home without a “day book” in his pocket.¹⁴

Sometime later, the keeper of the day book (or his or her clerk or secretary) copied these notes into a more formal, fuller, more detailed documentation of what transpired, organized again, hour-by-hour, day-by-day, the record of each day’s business: the “journal of accounts.”¹⁵ One needed time to do this. George Washington seems to have attended to this task towards the end of his day, in the evening, after dinner, before going to bed, making entries in his journal of accounts as well as answering letters received and recording his thoughts in his diary.¹⁶ Doing this also afforded the opportunity to enter transactions more completely and accurately, adding pertinent detail, even to the extent of correcting errors and filling in missing information such as the full name and residence

¹⁴ Wherein “the transactions of trade come next to be jotted down; which is a daily task, to be performed as they occur.... The narrative ought to exhibit transactions, with all circumstances necessary to be known, and no more.” Mair, *Book-Keeping Methodiz’d...*, 5th edition (1757), p. 5. See also, *ibid.*, pp. 5-7 et seq. There are many such “memorandum books” among the George Washington Papers, Series 5, Financial Papers, 1750-1796, LC. They all served essentially the same function. None of them were cash books, for which, see Mair, *Book-Keeping Methodiz’d...*, 5th edition (1757), pp. 179, 379-383.

¹⁵ “The Journal is the book wherein the transactions recorded in the Waste-book are prepared to be carried to the Ledger....” Mair, *Book-Keeping Methodiz’d...*, 5th edition (1757), p. 8. See also, *ibid.*, pp. 8-13 et seq.

¹⁶ But, we must note, not always as regularly as he wished. He once confessed to a colleague that, every day, after dinner “I resolve...[to] retire to my writing Table and acknowledge the letters I have received; but when the lights are brought, I feel tired, and disinclined to engage in this work, conceiving that the next night will do as well; the next comes, and with it the same causes for postponement, & effect; and so on.” Letter from George Washington, at Mount Vernon, to James McHenry, at Philadelphia, 29 May 1797. in *The Papers of George Washington Digital Edition: Retirement Series*, ed. Theodore J. Crackel (Charlottesville, Virginia: University of Virginia Press, Rotunda, 2008), I, 159.

of an individual who was party to a transaction.¹⁷ The rough day book could then be discarded or relegated to a trunk or attic.¹⁸

A simple farmer or the owner of a small business could stop here and rely on such a limited record as a journal of accounts and his or her own memory of what happened and when. If there were no more elaborate records of transactions required, this single-entry form of account keeping worked quite satisfactorily. We find such journals of account frequently among the surviving records of farmers and tradesmen. Either in their rougher form or in their more polished form, the crude memorandum book and the more complete journal of accounts were the foundational records of any business's accounts.

¹⁷ As Jacob Price has explained, larger business concerns employed one or more clerks to make such entries, to keep such books. See Jacob M. Price, "Directions for the Conduct of a Merchant's Counting House, 1766," *Business History*, XXVIII (July 1986), 134-150; and Arthur H. Cole, "The Tempo of Mercantile Life in Colonial America," *Business History Review*, XXX (Autumn, 1959), 277-299.

¹⁸ Daniel [F.] Vickers, "Errors Expected: The Culture of Credit in Rural New England, 1750-1800," *Economic History Review*, [2nd Series], LXIII (November 2010), 1032-1057, was based largely on the entries in day books. Compare Winifred Rothenberg, "Farm Account Books: Problems and Possibilities," *Agricultural History*, LVIII (April 1984), 106-112.

A lifetime accumulation of such records was considerable. The men appointed to compile the probate "inventory and appraisement of all the goods and effects belonging to Francis Stuart," late merchant of Beaufort, South Carolina, specified in detail the extent of their efforts. Establishing the "schedule of the debts due" to his estate as of 5 August 1767 involved their examining "4 Ledgers Containing 1398 pages 11 Journals containing 4094 pages and 30 Waste Books containing 7411 pages." Inventory Book X (1768-1769), pp. 101-114 (quotations pp. 101, 107), South Carolina, Secretary of State, Recorded Instruments, Inventories of Estates, 1736-1774, Record Group No. 213000, South Carolina Department of Archives and History, Columbia, South Carolina. I am grateful for this reference to Peter A. Coclanis; see his "Bookkeeping in the Eighteenth-Century South: Evidence from Newspaper Advertisements," *South Carolina Historical Magazine*, XCI January, 1990), 26, n. 9. He laments that "None of these mercantile records has survived" (*ibid.*). I concur.

Larger, more complex businesses created a third record book that utilized double entry accounting, the “ledgers of accounts.”¹⁹ These were the most complicated account books generated by businesses in the eighteenth century.²⁰ While the small, pocket-sized



day book and even the somewhat larger journal of account were frequently simply paper-covered booklets, loosely bound, the ledger of accounts was usually a physically massive volume of large dimensions and many pages, bound in leather. Even though some individuals kept day books and

Figure 4: George Washington Papers, Series 5, Financial Papers: General Ledger A, 1750-1772, cover. Photo by Erica Cavanaugh and Adrina Garbooshian-Huggins.

¹⁹ “A method of bookkeeping that recognizes both sides of a business transaction by debiting the amount of the transaction to one account and crediting it to another account so the total debits equal the total credits.” *Merriam-Webster’s Collegiate Dictionary*, 11th edition. Compare John [L.] Hanson, *A Dictionary of Economics and Commerce*, [1st edition] (London, England: Macdonald and Evens Ltd., 1965), p. 122.

²⁰ “The Ledger is the principal book, wherein all the several articles of each particular accmpt, that lie scattered in the other books according to their dates, are collected and placed together, in the spaces allotted to their dates, are collected and placed together, in spaces allotted for them, in such manner, that the opposite parts of every accmpt are set directly fronting one another, on opposite sides of the same folio.” Mair, *Book-Keeping Methodiz’d...*, 5th edition (1757), p. 70. See also, *ibid.*, pp. 70-95 et seq.

journals of accounts in their own hand, the ledger of account was usually the product of a wide-ranging business, a grander enterprise, and, perhaps, kept by a trained clerk of accounts — an accountant — with a much more polished penscript as his signature. They can be things of beauty. That George Washington, at the end of his day, carefully entered each transaction in his double entry ledger books is an indication of just how seriously he considered himself in his role as a businessman with sophisticated business interests.

All three of these account books existed in a tightly linked chain, but each was different in function and in form. The ledger of accounts had its origins, of course, in the journal of accounts which had its origins in the day book. The day book and the journal of accounts listed entries day-by-day, transaction-by-transaction. The purpose of the ledger of accounts was to restructure the daily records of business activity into a record of business activity organized client by client. It could be less detailed because of its close connection to the journal of accounts from which it sprang, kept close-to-hand for reference purposes. Contemporary authors of bookkeeping manuals encouraged clerks to make the linkage explicit by recording the page numbers of the journal of accounts as they copied them into the margins of each entry in ledger of accounts. Washington followed that practice.

Similar records are still kept today, obviously in a much more elaborate form. The twenty-first century reader can understand these practices more clearly in the light of his or her own business transactions as they are entered into the computers of our credit card companies. Our automated “accountants” begin by processing each piece of information fed to them and creating a rough day book or waste book of business transactions.

9		Morris Pound D ^{rs}	
1772	To Balance from Ledger A	100	£15 0 0
<hr/>			
N. Harrison Hanley - D ^{rs}			
Jan 1	To Cash upon Ledger A	115	£8 18 5 1/2
Dec 13	To 3 Bottles of Torri's drops for Miss Molly Hanley from Dec 1772	9	
	To 2 Baskets of Marjoram on Mich. May 1771	1	1 1/2 0
	To 2 Baskets of Marjoram on Mich. May 1771	1	1 1/2 0
	To Ball Credits p ^o Contra	16	18 6 1/2
		30	2 6
<hr/>			
N. Marg ^o Hanley - D ^{rs}			
Jan 1	To Cash p ^o Mich. Book - 20 shill ^o Bond	13	1 10
Dec 17	To Cash p ^o M ^o Hanley his Ledger	21	3 9
1772	To Cash p ^o M ^o Hanley his Ledger	1	6 0
1771	To Cash p ^o M ^o Hanley his Ledger	16	10 0 1/2
		52	9 9 1/2
<hr/>			
1774	To Cash p ^o M ^o Hanley his Ledger	1	8 11
1773	To Cash p ^o M ^o Hanley his Ledger	10	0
Jan	To Ball Credits p ^o Contra	50	11 1
		52	10 0
<hr/>			
Dec 15	To Cash p ^o your p ^o that I should as per	12	10 -
March 2	To Cash p ^o M ^o Hanley	2	8 -
	To Settlement	35	3 5
		50	11 1

Figure 5: Image of General Ledger B, Folio 9, left. Photo by Erica Cavanaugh and Adrina Garbooshian-Huggins.

The computers are programmed next to sort the details of every transaction chronologically, transaction-by-transaction, hour-by-hour, day-by-day thereby effectively creating a “journal of accounts.” Computers then reorganize these lists, grouping sets of transactions by individual account, customer by customer: think “ledger of accounts.” In the ledger of accounts, each customer was treated as a separate entity, with a chronological list of transactions under his or her name, separating debits from credits just as we see in our monthly bank or credit card

statements. In a ledger of accounts, open on a desk before us, purchases one made are on the left-hand side of the ledger and payments received are on the right-hand side of the ledger — or, in the parlance of eighteenth-century accounting, debits on the left hand, credits of the right hand.²¹ Every so often — monthly in our dealings with our credit card companies — their automated accountants total both sides of each individual’s activities and send us our statements of account. If one’s debits outweigh one’s credits, the corporate computer demands that a payment be made, and the account be balanced.

²¹ Or, “as every schoolboy knows, for every debit there must also be a credit.” Basil S. Yamey, “Accounting and the Rise of Capitalism: Further Notes on a Theme by [Werner] Sombart [revised],” *Journal of Accounting Research*, II (Autumn, 1964), 134.

What computers do today, individual business entities did in the seventeenth and eighteenth centuries, with one considerable difference: the transactions entered into each account in each ledger of accounts were NOT settled on a regular basis. The lists of an individual's debits on the left-hand page, credits on the right-hand page in George Washington's ledgers of accounts continued on for as long as he and his business associate agreed to continue doing business. If the entries begun on one page trailed on long enough that they filled up that page, Washington extended the account onto a later page, either in the same ledger book or into subsequent ledgers, debits following debits and credits following credit flowing chronologically down the pages. Should a new page be necessary, he recorded at the foot of the initial page the number of the next page where the entries carried over, even, frequently, to a page number in the next ledger.

Both parties kept their own ledgers of account, of course. When either party wished to do so, a copy of the information could be extracted from a ledger and transcribed onto a separate sheet of paper and sent to the other party: a statement of account, an account current. This then became the basis for a settlement of the account as it stood on the date the account current was tendered. The expected effect was to generate a payment against the balance due, but it did not necessarily mean an ending of the relationship — any more than your monthly statement from your credit card company terminates your connection with American Express or Citibank.

The statement of account thus constitutes the fourth of the four fundamental documents of George Washington's business life, but there are many others just as we can see in any review of the calendar of Washington's business documents, some of them volumes with many pages, some of them mere scraps of paper.²² While each of them has its own character — and thus, my point, each one needs to be precisely identified and described — the information in them all comes together in the composition of and on the

²² Once again, for these subsidiary books, see Mair, *Book-Keeping Methodiz'd...*, 5th edition (1757), pp. 179-188.

pages of, first, the daybook, then the journal of accounts, then the ledger of accounts, and then the statement of account. The journal of accounts was based in the daybook and became the parent of the ledger of accounts and the grandparent of the statement of account. Or, as John Mair put it:²³

“This book they call the Ledger...differs from the Waste-book only in form, not in matter. The Ledger is the Waste-book taken to pieces, and put together in another order: the transactions contained in both are the same, but recorded in a different manner. The Waste-book narrates things in a plain, simple, natural way, according to the order of time in which they were transacted; the Ledger contains the very same things, but artificially disposed, so as things of the same kind are classed together, and all the particular items and articles belonging to the same subject are collected and united.... Hence it is evident, that the great business of this art is, to teach the easiest and best method of digesting the Waste-book into the Ledger form, and reducing things from the confused and scattered order of the former, to the regularity and distinctness of the latter.”

One additional, but quite distinct, even if very important kind of business record that complements all of these others is business correspondence, either the copies of outgoing letters sent that were kept by the sender or the original letters received and retained by the recipient. Some business owners kept separate copybooks of letters sent to business associates; many bundled and archived the letters they received. Some organized letter books and letters received by business activity. All too many individuals bunched and blended all their letters sent in one continuous set of volumes (“letter books”) or packets tied-up in red tape, just as they — and, reciprocally, their correspondents — combined news about business affairs and personal matters in the same letter. The point here is simply that business correspondence needs to be associated with the other records of the

²³ Mair, *Book-Keeping Methodiz'd...*, 5th edition (1757), p. 3.

business — and adequately described as such. But letters were not accounts and bundles of letters were not account books, however much they complemented each other.

George Washington's business records are remarkably complete. Thus, for instance, every one of the individual letters with their enclosed lists of things ordered that he sent to his London factor and their responses and invoices of cargoes sent that were gathered and recorded in his order book for 1755-1766 could theoretically be matched with items purchased and recorded in his journal of accounts and vice versa.²⁴ Certainly, this is what George Washington had as his purpose as he collected and compiled his business records. What all this means for the historian is that we should be able to reconstruct in a forensic fashion records that might have gone missing. In other words, working in reverse from the ledger of accounts, we should be able to reconstitute George Washington's journal of accounts, though probably in less detail. The surviving business records of many other planters are much less complete than Washington's and the possibility of recreating a missing record working backwards employing such techniques is an exciting prospect for this economic historian who is interested in assembling from business records data series of such things as commodity prices and foreign exchange rates.²⁵

There is another point to be made in this regard that is much to be applauded: the digitization of Washington's business records makes possible the establishment and expansion of electronic linkages ("hot links") among every aspect of Washington's business records and between them and all of the other George Washington papers — and, by extension, to all similar sets of documents that undergo the same digital publication. That

²⁴ See above, n. 9.

²⁵ Similarly, the amount of detailed information about individuals contained in such business records makes them a rich source for genealogical researchers, social historians, and more. See, e.g., Robert Bloom and John Solotko, "Elucidating Needs, Lifestyles, and Community: Researching a Late Eighteenth-Century Account Book from Lexington, Virginia," *Accounting History: Journal of the Accounting History Special Interest Group of the Accounting Association of Australia and New Zealand*, New Series, XIII (August 2008), 333-352. See also Williard E. Stone, "1794 Middletown, Delaware — From Accounting Records," *Accounting Historians Journal*, VI (No. 1, 1979), 39-52.

possibility will help correct a once fashionable but abominable archival practice of separating out separate business records from the rest of a collection.²⁶ The reintegration of George Washington’s business records with all the rest of his papers is central to our understanding of both sets of materials and restores the integrity of the entire collection of George Washington papers.

About half past 4 o’clk, he desired me to ask Mrs Washington to come to his bed side—when he requested her to go down into his room & take from his desk two Wills which she would find there, and bring them to him, which she did. Upon looking at them he gave her [one] which he observed was useless, [545] as it was superceeded by the other, and desired her to burn it, which she did, and then took the other & put it away. After this was done, I returned again to his bed side and took his hand. He said to me, “*I find I am going, my breath cannot continue long, I beleived, from the first attack it would be fatal, do you arrange & record all my late Military letters & papers—arrange my accounts & settle my books, as you know more about them than anyone else, and let Mr Rawlins finish recording my other letters, which he has begun.*” He asked “*when Mr Lewis & Washington would return*”?⁷ I told him I beleived about the 20th of the month. He made no reply to it.⁸

Figure 6: Excerpt from Tobias Lear's Narrative Accounts of the Death of George Washington. *The Papers of George Washington Digital Edition*. Charlottesville: University of Virginia Press, Rotunda, 2008. <http://rotunda.upress.virginia.edu/founders/GEWN-06-04-02-0406-0001> [accessed 20 Feb 2017].

Just as Washington himself took great care of his business records employing state-of-the-art practices, so do we who continue to work with his records benefit from the latest digital technology. We can even imagine him having wished that he had what we have available. His assiduous attention to his accounts — which sharpens our own appreciation of what he left for contemporary historians — is no where better confirmed than by his own words from his deathbed in the late hours of 14 December 1799. As Washington’s end neared, his secretary, Tobias Lear, noted that “The General” spoke up

²⁶ This was most horrifically done, in my view, to the Neil Jamieson Papers, LC. The letters and their contents were still all together when I first used them — and I made my notes with reference to them as discrete units and numbered as such. Sometime later the staff of the library reorganized the entire collection, separating the correspondence from the enclosed bills of exchange, receipts, statements of account, invoices, and the rest, irretrievably breaking the connection between some documents, making any subsequent correlation difficult if not impossible. The staff could have provided a concordance between the older and the newer arrangements but chose not to do so. In addition to destroying the internal coherence of the collection, they not only rendered incorrect all of my — and other people’s — citations but crippled any effort to reconstitute the units.

and asked him to “arrange my accounts & settle my books.”²⁷ Very likely the account book he had most immediately in mind was his “Ledger C”.²⁸

²⁷ Tobias Lear, “The Journal Account of the Last Illness and Death of George Washington,” in *Papers of George Washington Digital Edition: Retirement Series*, ed. Crackel, IV, 542-546 (quotation, p. 545).

²⁸ Washington’s last entry — in the name of his nephew Lawrence Lewis — was dated 3 December 1799. General Ledger C, fol. 58, left, Smith Collection. Compare *ibid.*, fol. 55, right.