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**In the shadow of the company : the VOC (Dutch East India Company)
and its servants in the period of its decline (1740-1796)**

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PART I

Power & Trade

Chapter 1: India, caught in a dead-end street

Introduction

Military victories are often the final outcome of social and economic changes which have been brewing over several decades. In the 1780s and 1790s, the military defeats of the VOC at the hands of the English bear witness to a long-term development both in Europe and in Asia. Earlier conflicts in the middle of the eighteenth century had less drastic consequences for the VOC, but already carried in them the seeds of the future. In this chapter we shall focus on the embryonic phase (1740-1770) of the VOC decline. In this period the VOC and the EIC had only one direct military confrontation (the Battle of Bedara, 1759), although the VOC was constantly seeking to find an answer to the best way to counter the increasing ambitions of its European competitors. In the preceding century, the VOC had long enjoyed the position of the dominant European power in Asia, but it was now losing its power to its French and English rivals in the battle for control of trade in India. Halfway through the eighteenth century, the European presence in South and Southeast Asia began to evolve from a trading company structure to that of a colonial state, as a result of the restructuring of the English and French presence in India. When the VOC had still been dominant, its primary aim was to keep the European competitors away from its power base on the Spice Islands and Java, leading to a reorientation of the other European companies on the Indian Sub-Continent. When the EIC took over as the dominant force, the development was reversed and the VOC was pushed back politically and commercially as the EIC began expanding from India towards the East. Consequently, we shall focus on the VOC presence in India before and after the EIC became dominant. How did the VOC and its servants react to the first signs of change?

1.The Europeans in Asia: power and trade

If we look at the long term development of the European presence in Asia, we inevitably encounter a constant discussion about whether this European presence was political and based on military power or commercial and focused on trade.²⁴ For the period under study here, this debate runs parallel to the discussion of the development of European expansion and its subsequent evolution towards colonization. The incorporation of Bengal by the EIC seems to present a breaking point in this discussion, since the debate on the period before Empire focuses on the relationship between power and trade, while after Empire it evolves into a more specific discussion about the relationship between conquest and trade. Although the connection between conquest and an increase in trade does suggest itself in the English case, the Dutch case presents a less conquest-related debate, even though in a much earlier stage in its development, the VOC had already pursued a policy of conquest in order to establish the spice monopolies in the Moluccas. The initial attraction which brought Europeans to Asia was the prospect of trading precious metal for a return cargo of these highly valued spices. Consequently the European Companies concentrated their efforts on controlling the various spice-producing areas and the main junctions of trade. During the seventeenth century, the composition of the return cargos reveals that the Companies had a strong interest in spices, mainly pepper. When the Companies started adding such new goods as coffee, tea and textiles to the return cargo, the focus on spices began to wane. In Europe a market had to be created for these new consumer products.²⁵

The European presence in trade in Asia was inseparable from the enforcement of military power, but the European Companies were never strong enough to have it completely their way. They used their superior military and naval technology to battle their way into existing trade structures. As they established strongholds at strategic

²⁴ The political dimension of the European trading presence in Asia is quite obvious if we look at its organizational concept. By establishing a royal monopoly or by founding companies with a monopoly in the trade between Asia and the homeland, a guaranteed market was created in Europe, ensuring that investments in this long-distance trade would reap profits.

²⁵ H. Furber, *Rival empires of trade in the orient, 1600-1800* (London: Oxford University Press, 1976); Gastra, *De geschiedenis van de VOC* and P. Haudrère, *La Compagnie française des Indes au XVIIIe siècle* (Paris: Les Indes Savantes, 2005).

locations, it proved almost impossible for most Asian rulers to get rid of the newcomers from the West, even if they wanted to. Once they had settled on the coast, Europeans insinuated their way into local politics by securing alliances with indigenous rulers. Certainly on the Indian Sub-Continent, European collaboration with local elites was an absolute condition for colonial expansion. This was already the case when the Portuguese arrived in the fifteenth century and continued after 1600 when the chartered companies appeared on the scene. The intense warfare in Europe considerably widened the gap in military technology between Europe and Asia. At first Europeans were only partly successful in dominating local trade. By the second half of the eighteenth century this changed as the difference in military prowess on land had assumed such proportions that the Europeans could venture outside their fortresses with confidence and move into the interior. Nevertheless, the impact of the brute force of the Europeans on Indian society should not be exaggerated. An overly strong emphasis on military force conceals another story of how the European Companies were truly innovative in organizing trade. They had no difficulty outdistancing competitors, both in Asia and in Europe, by organizing and financing long-distance trade on a global scale.²⁶

1.1 A spicy advantage to trade

For a better understanding of European expansion in Asia until 1800, it makes good sense to distinguish clearly between three periods, each with increasing European political involvement. The first period of European expansion in Asia began when the Cape of Good Hope was rounded by the Portuguese. The Portuguese expansion came in the wake of the pope's decree dividing the world as a mission field between the

²⁶ The trade between Asia and Europe most aptly illustrates the profitability and effects of long-distance trade. Although the Portuguese had previously dominated the spice trade to Europe, they had never succeeded in totally replacing and supplanting the spice route via the Mediterranean which had existed before the arrival of Portuguese maritime trade to Asia. In the old way, spices changed hands at every stop which was made along the route from Asia to the Mediterranean. The European Companies succeeded in surpassing the success of the land-route spice trade, proving the efficiency of the new long-distance trade. See: N. Steensgaard, *The Asian trade revolution of the seventeenth century: the East India companies and the decline of the caravan trade* (London: University of Chicago Press, 1975).

Portuguese and the Spanish.²⁷ Apart from the Philippines, which had to be left to the Spaniards in obedience to the papal decision, the Portuguese were left with free sway over the rest of Asia. Relying on their superior military power at sea, the Portuguese strategy was to control the maritime trading routes and to conquer the most important junctions of trade.²⁸ This tactic for gaining control of the spice-producing areas proved less successful than had been hoped, because of the strong resistance offered by the indigenous rulers. Yet, the Portuguese managed to gain a grip on the spice-producing areas by shrewdly taking sides in long existing local feuds. Control of production was not essential as long as trade to these sites was controlled from the sea by the Cartaz System.²⁹ Thus, in the Indonesian Archipelago the main trade junction in Malacca was supplemented by the creation of many fortified settlements and trading posts closer to the spice-producing areas. This system worked well, although it should not be forgotten that it was constantly challenged and that the Portuguese were not always on the winning side, nor was their power absolute.³⁰ In the Moluccas they actually lost terrain and could only hang on to the island of Ambon.

The succeeding European trading companies had to enforce their presence politically and militarily in order to surpass the extant Iberian commercial power. With the Cartaz System, the Portuguese had an effective means to control the trade in spices as long as nobody challenged their power at sea, but from 1600 their domination was challenged by the advent of other Europeans who equalled or surpassed the military skills

²⁷ The Treaty of Tordesillas (1494).

²⁸ With the conquests of Ormuz (1515) and Malacca (1511), the Portuguese controlled two main focal points of Asian trade and obtained a way to control trade in those regions. These conquests had been supported by the establishment of the Portuguese headquarters in Asia, in Goa (1510).

²⁹ With or without permission or contracts with Asian rulers, the Portuguese could control and dominate the trade in spices through their superiority at sea. To help them control the spice trade, the Portuguese invented the Cartaz System. By issuing passes, the aim of this system was to reorganize trade according to the wishes of the Portuguese. Trade with certain ports and in certain commodities was made a monopoly of the Portuguese crown; merchants could share in this monopoly and would be offered 'protection' for paying a fee and obtaining a pass. This system of passes served a double purpose. First of all, it adapted trade to the wishes of the Portuguese. Secondly, from the money they earned by issuing licences provided the Portuguese with a steady income. If merchants did not obtain a Cartaz, a ship was liable to be taken and she and her cargo confiscated. In this way, the system had to be enforced by naval power.

³⁰ C.R. Boxer, *The Portuguese seaborne empire, 1415-1825* (London: Hutchinson, 1977), 48-49, When the Portuguese tried the same tactic of enforcing trade with the Chinese, they were even defeated at sea (1521 and 1522) and only allowed to conduct trade on the terms laid down by the Chinese authorities. To a certain extent the same interaction and negotiation existed with the Mughal, although India was more open-minded towards foreign traders.

of the Portuguese in the second period of dominance. Dutch and English rivals were better equipped militarily, because of better capitalization and organization. Since the Portuguese were no longer successful in enforcing their will at sea by displays of naval power, the Portuguese Cartaz System proved impossible to maintain. It became apparent that new means of control were needed. The chief rival of the Portuguese in the Indonesian Archipelago, the Dutch East India Company (VOC), reinterpreted the idea of controlling the spice trade.

The production sites of most spices were found in the Moluccas, a region of islands where such a monopoly was the easiest to preserve and could be most profitably exploited. The insular environment meant the VOC experienced no difficulty in deploying its superior naval power to enforce its will and isolate targeted islands. After the appropriation of the various production sites, the spice crops in surrounding production sites not controlled by the VOC were extirpated in order to curf the geographical spread of the spices. Other European competitors were chased from the vicinity of the islands producing spices, thereby ensuring competitors were kept at bay.³¹ The next chapter presents a discussion of how a similar situation evolved on Ceylon, where the VOC obtained a monopoly in premium quality cinnamon. For now it suffices to note that with the appropriation of Ambon and Banda in the middle of the seventeenth century, the VOC firmly established a monopoly in cloves, mace and nutmeg.

There were limits to what the dominant European player in the region was able to enforce and no power ever accumulated enough might to force its European competitors out of trade completely. Even though the VOC certainly became the dominant power in the Moluccan spice trade, it was not able to conquer all the spice growing areas. There was one spice which proved to be impossible to monopolize: pepper. For the European market this spice was the most important one in terms of bulk of trade.³² In contrast to the other spices, the cultivation of pepper was geographically more widespread. It not only grew in the Indonesian Archipelago: Bantam, Palembang, Jambi, Padang, and

³¹ The first victims of the new way of controlling the production sites were the Portuguese and the Spanish. See: Boxer, *Portuguese Seaborne Empire*, 110. Secondly, the English East India Company (EIC) shared the same fate when it was ejected from Ambon (1623). This process of monopolising the spice-producing areas at the cost of local populations and other Europeans was not achieved without bloodshed. With the conquest of Makassar (1669), the last leak in the region was closed.

³² Jacobs, *Merchant in Asia*, 56-58.

Banjarmasin were the major outlets, but it was also found on the south western Coastal area on the Indian Sub-Continent called Malabar, from where it originated.³³ Efforts by the VOC to monopolize pepper were unsuccessful and serious doubt has been cast on whether the VOC could have achieved a monopoly on pepper, since the achievement of such a monopoly would have outstripped its financial means. In the end, the VOC limited itself to outdistancing its other competitors for pepper by signing several profitable pepper contracts with local rulers.

There were also limitations to the degree of enforcement which could be used against the indigenous rulers. The geographical dispersion of the pepper plant and its search for suitable export products brought the VOC into contact with the bigger political entities of the larger islands in the Indonesian Archipelago, mainland South-East Asia and India. The strategy of coercion had worked successfully in the Indonesian Archipelago against the smaller islands, but it met its match in the larger islands and with the continental empires. Against these more powerful polities, the VOC encountered the same problem as had the Portuguese before it: the use of force at sea did not have the same impact on the mainland as it did have in the insular part of South-east Asia. The reasons for the failure of a stronger VOC policy on the Indian Sub-Continent are various. On the Malabar Coast and other parts of India, the VOC and the other European Companies could not gain dominance and had to limit themselves to trading posts. Even if the Europeans blockaded the harbours, the land route offered alternatives.

Once several VOC monopolies had been established, it was time for the Company to pay its investors. The main goal of any East India Company was to make a profit for the shareholders by selling Asian products in Europe. The Gentlemen XVII, directing the VOC trade from the Dutch Republic, always emphasised that the Republic was financing the whole operation and was not a mere commercial office for Asian products.³⁴ European interests were conceived to be of prime importance, and employees in Asia had to be aware that their task was simply to supply the goods for Europe as cheaply as possible in order to guarantee the highest possible profit for the shareholders. The profits of the intra-Asian trade conducted by the VOC generated extra capital and enabled the

³³ Jacobs, *Merchant in Asia*, 58-60.

³⁴ Steur, *Herstel of Ondergang*, 50-53.

Dutch to purchase the spices at a better price in Asia. It also served to offset military costs, so that they would not affect profits in the Republic detrimentally. Once the monopolies had been obtained, the VOC grew more reluctant to go to war. Only if the monopolies or its political position were threatened was military intervention deemed an option, but it was clearly understood that if such action was undertaken, the costs had to be earned back afterwards by trade.

1.2 Change in government

The commercial position of the Europeans in Asia has often been described in a manner to suggest that the Europe had little to offer to Asia except precious metal. This assumption hides the less acknowledged fact that European markets for Asian products were also limited. New markets were indeed created for Asian consumer goods in the eighteenth century, but naturally these markets had a saturation point. Even without extensive territorial possessions and an expected commensurate growth of opportunities in trade on the short-term this saturation point of trade was soon reached. This was doubly true for the Republic with its relatively small internal market. In the eighteenth century the Gentlemen XVII realized that the acquisition of more territorial possessions would not necessarily generate more trade, hence more profit in Europe. In order to conquer territories, military force was needed, and this inevitably costs money. Apart from the costs of maintaining this military power, any war would cause a fall in trade, both these conditions having a negative effect on the prime target of profit in Europe.

A focus on taxation presented a fundamental danger to the companies, as this diverted attention from the trade which was their very reason for existence. Although the acquisition of territorial possessions and the pursuit of expansion for tax purposes may not have seemed a logical step for a commercial Company to take, the EIC emerged as a territorial power in Bengal after the Battle of Plassey (1757). Irrevocably, this territorial expansion required a new approach to solve new problems, and this was difficult to reconcile for a Company with shareholders who had short-term profit on their minds.

Although the dividend was quickly raised after Plassey, it was an uphill battle for the Directors to maintain the profits at such a level they could meet the overheated expectations of the shareholders.³⁵ Even when the EIC did extract money from taxation, it was difficult to invest this money in profitable goods for the Europe. The market for Indian products in Europe only grew slowly and costs kept rising as a result of the persistent warfare. More importantly, the prospect of larger revenue attracted the attention of the Government. This ultimately led to usurpation of the EIC's rights by the British Government and the development of a colonial state, which no longer required a merchant company at its helm.

It beggars belief that the EIC, a company lagging behind in the seventeenth century could reinvent itself in the early eighteenth century and reach a position of dominance on its own strength alone. Yet this is exactly what has been proposed in academic literature. In this, there is a strong insistence on the growing private trade by indigenous merchants in and around the English settlements in India, leading to conflicts with local governments.³⁶ The true origins of these conflicts lay in the unrest and civil war which began to plague India when the decline of the Mughal Empire set in. Whereas in the seventeenth century, the VOC used military means to obtain monopolies, in the eighteenth century the EIC had to arm itself against the inherent threat war posed to its existing trade.³⁷ The litany of historiography insists that the unrest was considered so dangerous that immediate action was necessary. The decline of the Mughal Empire and subsequent civil strife in India were a precondition to the rise of the EIC and enabled it to intervene at the time of Plassey. The question remains why such an initially relatively weak Company as the EIC was so successful in its pursuit of conquest.

Anglo-Saxon historians have often interpreted the English military dominance in India as a result of the success of English private trade and trade patronage. This partly paralleled in the great success of English private trade in the later times and as a

35 H.V. Bowen, *Elites, Enterprise and the Making of the British overseas Empire 1688-1775* (New York: St. Martin's Press, 1996), 87.

36 S. Mentz, *The English gentleman merchant at work: Madras and the City of London 1660-1740* (Copenhagen: Museum Tusculanum Press, 2005); C. Bayly, *Imperial Meridian, The British Empire and the world 1780-1830* (Harlow: Pearson Education, 1989).

37 C. Bayly, *Imperial Meridian*, 61-63.

predecessor of the free-trade world.³⁸ The English country traders outran all their competitors in the intra-Asian trade, including the VOC, thanks to their relative freedom of action. One author even asserts indigenous traders were also drawn to the EIC not only because of their estrangement from local authorities, but also because of the freedom they were allowed. The estrangement from local authorities was attributed to unrelenting violence and extortion; to escape this the indigenous merchants willingly settled in the English settlements and paid tax to the English Company. This produced income for the English which in turn fuelled the military expansion and protection of trade, which to an even larger extent strengthened the alliance between the EIC and indigenous merchants.³⁹

An alternative explanation for British expansion in India, one which has often been branded Eurocentric, is the view that State support from Europe had helped the EIC to establish its power. Although in times of peace the influence of the metropolis was limited, a comparison between the situation of the VOC on the one hand and of the EIC and French Company on the other, reveals a fundamental difference. Until 1784 the VOC never received any direct support from the Dutch Republic, in the sense that a naval ship or armies under command and authority of the Republic were sent to Asia to assist it.⁴⁰ This meant that in the Dutch case there was no State interference in Company authority and policy in Asia. The situation faced by the French and English Companies was different. Here, in both cases we see a rising influence of State power. First Royal fleets were sent from Europe to help both Companies, and during the Seven Years war (1756-1763) Royal soldiers were also sent. Their arrival mainly coincided with the sudden English progress in Bengal. This was certainly an advantage to the EIC, even though the State sent these troops to fight the French, with no thought at all of creating a colonial empire.⁴¹

This explanation of the impulse behind English expansion also provides an alternative explanation to the rise of English country trade in the pre-imperial era. The

³⁸ Furber, *Rival empires of trade in the orient 1600-1800* (St. Paul: North Central Publishing Company, 1976), 331.

³⁹ I. B. Watson, *Foundation for Empire, English Private Trade in India 1659-1760* (New Delhi: Vikas 1980).

⁴⁰ G. Knaap red, *De Verenigde Oost-Indische Compagnie: tussen oorlog en diplomatie* (Leiden: KITLV Uitgeverij, 2002).

⁴¹ P.J. Marshall, *British Expansion in India in the Eighteenth Century: A Historical Revision*, in: *Trade and Conquest, studies on the rise of British dominance in India* (Great Yarmouth: Variorum, 1993), VII, 30.

intrusion of the navy and the army can also be seen in the light of an economic stimulus which created new economic and commercial possibilities for the EIC and the English country traders. In the debate about the presence of English garrisons around the Atlantic, it has been shown that the regions in the neighbourhood of army settlements experienced an economic boost. A similar effect was also noticeable in Madras, when it received military support from England after it had been ravaged by war. The presence of the British armies probably radiated out towards the economic activities in the other EIC settlements on the Indian Sub-Continent too. We shall return to the effects on country trade later, here it suffices to note that the military reinforcements helped the EIC to attain a level of military and economic involvement it would not have been able to sustain simply on the basis of its commercial performance.

2 The Indian battlefield: a land of opportunity

During the Anglo-French wars of the mid-eighteenth century, ‘the Company’ and ‘the State’ clearly shared a common interest in sending sufficient military power to India to safeguard the trading possessions, but neither combatant had an official plan of campaign or design for colonial exploitation. War upset trade and the East India Companies and their shareholders were loath to have to bear the costs of military operations, preferring the more peaceful alternative. In principle, even the rival parties, the EIC and the French Company (CIO) preferred a peaceful existence:

*During the War of Spanish successions an unofficial truce was made between the two companies. An attempt by the French to make a similar arrangement with the English Company in the War of the Austrian Succession (1740-8) was defeated however, by the action of the English Government in sending a fleet to harass the French in these valuable possessions.*⁴²

⁴² L. S. Sutherland, *The East India Company in eighteenth-century politics* (Oxford: Clarendon Press, 1952), 45.

After having dispatched naval fleets to Asia during the War of the Austrian Succession (1740-1748), the English Crown decided to commit itself more deeply during the Seven Years War, and sent along Royal troops.⁴³

Although there was no official plan to extend territorial power, the unsettled political and military circumstances on the Indian Sub-Continent soon held out a temptation to toy with such an idea. The reinforcements from Europe not only tipped the balance towards the English in the Seven Years' War, they also transformed the EIC into a party to be reckoned with in the struggles between indigenous rulers. This sudden boost in power came at a time when there was more opportunity than ever to exploit it. With central authority on the decline, civil strife erupted among Indian princes and the political map of the Indian Sub-Continent was redrawn along the lines of smaller political entities. Since there was no longer a large, powerful polity which had the might to control the Europeans, these could assume a new role as power brokers in local politics, intervening in and playing out local politics. It is often supposed that Europeans were forced to shoulder this military responsibility in order to protect their own trading interests, but this explanation seems flawed, since colonization was never part of official policy.

The goal of the EIC directors in London which was to maintain neutrality and stimulate trade was not shared by the employees in those regions affected by war. The same desire to avoid the costs of war was also illustrated in the case of the French Company. Not long after the war of the Austrian Succession had finished, the CIO recalled its most successful Governor, Joseph François Dupleix. Its Directors felt he had continued to wage the war without their approval, by putting his troops under the nominal command of local Indian allies. In return for this assistance, Dupleix had hoped the French Company would be rewarded by its Indian allies with extensive domains and the concomitant tax concessions. Personally, he had hoped to produce quick and impressive results, so that the directors at home would forgive him for the fact he had taken the liberty of acting on his own. However, Dupleix was unsuccessful and had simply incurred more costs for the CIO. This forced the Directors to recall and impeach him.⁴⁴

⁴³ Sutherland, *East India Company*, 46.

⁴⁴ P. Haudrère, *La Compagnie française des Indes au XVIIIe siècle* (Paris: Les Indes Savantes, 2005).

Even after Dupleix was recalled, the English still felt threatened and reacted by making the entire Carnatic area 'a theatre of war, revolving, nominally at least, around rival Indian claimants'.⁴⁵

The trade-oriented agenda of the French and English Companies was disturbed not only by wars transferred from Europe onto local civil strife but was also thrown into disarray by the personal ambitions of the men-on-the-spot. The Company servants working on the Coromandel Coast were in favour of military intervention and thought the costs of war could easily be compensated by income to be derived from taxation. When Dupleix wrote a memoir after his return to France to defend his policy of intervention, he specified the advantages the French Company could have expected from an enlargement of its territorial possession. He began by comparing the circumstances of the French Company with the situation of the VOC. While the VOC enjoyed a large and steady income from its monopolies on spices, the French Company did not possess similar advantages. This meant the VOC could maintain its trading empire and pay for the costs of military intervention with income from trade. The French Company was left vulnerable in the event of war because it lacked similar funds and depended on the home country to supply it with money. If the colonies were cut off from contact with France, this would be catastrophic.⁴⁶ So, local income from taxation was needed to secure France possessions in India in the event of a European war. In times of peace, the income from tax meant that sufficient military forces could be maintained. In the event of a new war, these forces could be immediately employed, instead of having to wait for support to arrive from Europe.⁴⁷ Even the employees of the other Companies on the Coast admired Dupleix's work in India, and thought the French Company had made a mistake in summoning Dupleix back under the present state of affairs, meaning they implicitly agreed with his policy.⁴⁸

⁴⁵ Winius, *Merchant-warrior*, 116.

⁴⁶ Archives Ministère des Affaires étrangères, mémoires et documents, fonds divers, sous Asie, nr 4, mémoires Dupleix.

⁴⁷ Ibidem, 3-10.

⁴⁸ Martineau, *Dupleix et l'Inde Française 1749-1754*, IV, (Paris: Société d'édicions géographiques, maritimes et coloniales, 1928), 465.

2.1 The Anglo-French struggle for power

The symbol of the nascent British Empire is the Battle of Plassey (1757), where all the factors and developments we have depicted in the previous sections converged. After the Battle of Plassey, the English were increasingly able to seek a quasi-colonial control over the rich province of Bengal. The cause of the conflict leading to the Battle of Plassey was the English refusal in 1756 to present the customary monetary gift to honour the accession of the new Nawab of Bengal. While the Dutch and French did pay, the English declined to hand over such gifts on legal grounds. They estranged themselves even more from the Nawab by strengthening their fortifications in Calcutta and by giving asylum to one of his known enemies.⁴⁹ These actions were seen by the Nawab as an infringement on his position as sovereign of Bengal and he decided to react.⁵⁰ Fort William was taken after only a short siege and its fall was followed by the famous Black Hole incident.⁵¹ The English on the Coromandel Coast swore vengeance and sent a small expeditionary army to Bengal under Robert Clive. After retaking Calcutta in 1757 and after conquering the Nawab's fort at Hughli, the Battle of Plassey followed, which ended in a British victory. The Nawab was forced to abdicate and replaced with their own claimant and, through him, the English controlled Bengal from then onwards. After 1765, the English deposed of their own Nawab and took direct control of Bengal.

The main epicentre of the English and French military struggle had always been the Coromandel Coast, but strangely the most important military battle took place in Bengal. As a consequence, Bengal has often been seen by British historians as a special case, which even before Plassey represented the cradle of the British Empire.⁵² It is generally overlooked, that Clive's troops came from the Coromandel Coast. The strength of the British in Bengal after Plassey bore no relationship to the meagre British presence in Bengal in earlier times. In contrast, the situation on the Coromandel Coast had been

⁴⁹ The Dutch and the French respectively paid Rs 450,000 and Rs 350,000. The declared enemy of the Nawab was called Raj Kishendas.

⁵⁰ Winius, *Merchant-Warrior pacified*, 125.

⁵¹ This refers to an incident in which the Nawab allegedly locked a large group of inhabitants in a room which was far too small, causing several men to succumb to the dreadful conditions.

⁵² P.J. Marshall, *East Indian Fortunes, The British in Bengal in the Eighteenth Century* (Oxford: Clarendon Press, 1976).

much more dynamic than in Bengal, fuelled by the competition between the French and English. In Bengal, there was no such interaction.⁵³ In the conflict situation simmering on the Coromandel Coast, the French had held the initiative from 1746 until 1756.⁵⁴ In the Seven Years' War (1756-1763),⁵⁵ the French again seized the initiative on land,⁵⁶ while the English maintained their superiority at sea.

The eventual decline of the French position on the Coromandel Coast can be attributed in equal parts to indigenous resistance and to the English rise to dominance. The expedition to Bengal led by Robert Clive after the Black Hole incident left a void on the Coromandel Coast which the French used to expand their activities by securing indigenous alliances. Eventually, this widespread involvement led to an over-extension of the French power. At the moment the French were preparing to deal a final blow to the English by taking Madras in 1758, the army of the Marquis De Bussy, who was marching down from the north to converge with the local contingent to besiege Madras, was held up by the Marathas. This delay allowed the Comte De Lally time to move his army to Tanjore to force the king to contribute 55 lakhs of pagodas to the French cause. When the king refused to pay, a siege of Tanjore in order to force him became inevitable. That siege deteriorated into a disastrous adventure for the French when the king of Tanjore launched a nocturnal counterattack and slaughtered their enemy, which could not retaliate because of a shortage of gunpowder.⁵⁷ In the northern part of the Coromandel Coast in

⁵³ This is reflected by the fact that employees on the Coast were more afraid the French would achieve victory, than that the English would emerge the victors.

⁵⁴ In collaboration with the French fleet commanded by Mahé de la Bourdonnais, sent from France to India precipitating the war, in 1746, after a siege of only six days, the French succeeded in capturing the English capital of the Coromandel Coast: Madras. This caused a conflict with the Indian ruler who thought Madras fell under his authority and that it had been attacked without his permission. Mahé de la Bourdonnais wanted to ransom the city to this ruler, but his fleet had to sail because of a storm, leaving the French commander, Dupleix, in the city with only a small force. He decided to defeat the Indian ruler and demolish the city. The EIC wanted to avenge itself and sent a fleet to shell Pondicherry and cut the city off from the mainland. See: Winus, *Merchant-Warrior pacified*, 126-129, Before the Seven Years' War (1756-1763), the French was the first Company to resort to state support successfully, which gave it an edge. The VOC reluctantly participated in this siege, since it was officially allied to the EIC. The two VOC detachments were led by Roussel, the man who would later lead the ill-fated VOC expedition to Bengal. In 1748, at the peace of Aix-la-Chapelle, Madras was returned to the English for geopolitical reasons. See: Martineau, *Dupleix*, 76-77 and Winus, *Merchant-warrior*, 113.

⁵⁵ England and France were again waging war all around the world and this time the Republic remained neutral.

⁵⁶ The success of the French in the first two years of the war is symbolized by the conquest of English Fort St. David, north of Madras.

⁵⁷ Of the 2500 men only 600 returned to Pondicherry.

the mean time English troops had defeated the army under the command of the Marquis De Conflans.⁵⁸ After the defeat of Conflans, the commander of another French army in the north also took flight, leaving his army trapped.⁵⁹ Having lost momentum after their disastrous siege of Tanjore, the French returned to Pondichery, searching ways to re-invigorate their war effort.⁶⁰

Just as their position became precarious, the problems of the French were relieved by the arrival of reinforcements from France. Amid rumours of more reinforcements in the near future, three King's regiments of 100 men each, accompanied by 1500 volunteers, arrived from France on a fleet of fourteen ships.⁶¹ The French could now dispatch an army of 8 to 9000 soldiers to Madras and their thoughts again turned to capturing the city. They realized this would be more difficult because the English had been in time to reinforce the city.⁶² The French were strong enough to encircle and to isolate Madras at a distance of 3 to 4 miles from the city and their first assaults were directed at a fortified garrison outside of the city. It was their intention to mount the real siege upon the arrival of their ships, which would allow them to isolate the city also from the sea.⁶³ Yet the luck of the French changed when an English naval squadron arrived from Bombay, breaking the blockade and forcing the French to retreat.⁶⁴ The arrival of the English ships meant that the French efforts to conquer the city by blockade on land would be futile, and so they ended the siege. After the siege of Madras, the English received further reinforcements in the form of 1000 soldiers of the king on six warships, tipping the balance against the French.⁶⁵

⁵⁸ NA, Van Eck, 20, 245, 29 December 1758, Van Eck to Visscher.

⁵⁹ NA, Van Eck, 20, 391, 13 December 1759, Van Eck to Van Teylingen.

⁶⁰ NA, Van Eck, 20, 129 21 September 1759, Van Eck to unknown and NA, Panthaleon van Eck, 55, 5, 13 April 1758, Van Eck to Van Teylingen. The French were very short of funds and in order to solve the problem they sold their possession of Naour to an indigenous ruler for 150,000 rupees. NA, Van Eck, 26, 3, 12 February 1759, unknown to Van Eck. The English did not face the same problem, in 1759 they received £ 20,000 from parliament.

⁶¹ NA, Van Eck, 20, 25, 28 June 1758, Van Eck to Vermont.

⁶² NA, Van Eck, 20, 184, 18 October 1758, Van Eck to van der Parra.

⁶³ NA, Van Eck, 20, 211, 18 November 1758, Van Eck to Van Teylingen.

⁶⁴ NA, Van Eck, 20, 266, 17 February 1759, Van Eck to Loovenaar.

⁶⁵ NA, Van Eck, 20, 59, 3 August 1758, Van Eck to Orme and NA, Van Eck, 20, 155, 8 September 1758, Van Eck to Mossel. The defeat at Tanjore annihilated the plans of French, allowing the English in Madras extra time to strengthen the city's fortifications and to obtain reinforcements. The English managed to bring their number of men up to 2500 Europeans and 6000 sepoys, making it much harder to take Madras than if the French had moved on Madras after the conquest of Fort St David. NA, Van Eck, 20, 212, 18 November 1756, Van Eck to Vermont. Although the King of Tanjore refused to send any help to the English, it was

After the failed sieges of Tanjore and Madras had damaged the French position, it was the Battle of Wandiwash which dealt the deathblow to French aspirations in the Seven Years' War.⁶⁶ In the aftermath of the Battle of Wandiwash, the French had lost all their previous conquests to the English and a siege of Pondicherry threatened.⁶⁷ Now the English were also blockading Pondicherry from the sea.⁶⁸ Two more warships arrived from Bombay with 500 soldiers on board, bringing the total fleet to fifteen ships.⁶⁹ The English even blockaded Pondicherry by sea during the monsoon, braving the storm.⁷⁰ When their indigenous allies deserted them, there was no escape left for the French.⁷¹ Soon afterwards Pondicherry fell and its fortifications were destroyed.⁷²

3. An unresponsive VOC

While its main European competitors were slugging it out in India, the VOC remained neutral and tried prudently to limit its military expenditure. This was done partly from a

clear that their fortunes were changing. The situation became pressing for the English and they reacted by sending Colonel Fort from Bengal. He landed at Visinigapatnam with 400 to 500 Europeans and 1500 sepoys, but he was cut off and not able to help at Madras. As he waited, the French plundered the black quarters of Madras, which were situated outside of the wall.

⁶⁶ Furber, *Rival empires*, 169. At Wandiwash, the English under the command of Colonel Eyre Coote pitted 1500 Europeans and 3000 sepoys against the French army of 2500 Europeans and 9000 sepoys. After the battle the French had lost 200 Europeans and 400 French soldiers were captured. The English only lost sixty-eight men and had 128 wounded, all Europeans. NA, Van Eck, 32, 1, unknown to Van Eck. Skirmishes with the French Cavalry continued from 6 in the morning till 4 in the afternoon. The English not only captured twenty-one canons, they also seized one of the main figures in the French military circles: Bussy. Hyder Ali withdrew his support for the French after the battle, having seen the number of troops Coote was amassing for the siege of Pondichery.

⁶⁷ NA, Van Eck, 20, 432, 12 March 1760, Van Eck to De Jong.

⁶⁸ NA, Van Eck, 20, 465, 2 May 1760, Van Eck to Bisdorn.

⁶⁹ NA, Van Eck, 20, 474, 25 May 1760, Van Eck to De Jong.

⁷⁰ NA, Van Eck, 20, 555, 22 October 1760, Van Eck to De Klerk, NA, Van Eck, 20, 579, 6 January 1761, Van Eck to De Jong and NA, Van Eck, 20, 587, 27 January 1761, Van Eck to Tallefert, During a storm a large number of the English ships were lost The final damage being three ships of the line, one frigate and one East Indiaman and its fire ship lost, four ships lost all their masts and on the Malabar Coast the Cumberland carrying sixty guns was lost.

⁷¹ NA, Van Eck, 20, 580, 9 January 1761, Van Eck to Schreuder. A good example is the former Nawab of the Carnatica, a strong ally of the French, who fled the Coast, taking refuge at Jaffna and later on the Malabar Coast.

⁷² NA, Van Eck, 20, 636, 21 May 1761, Van Eck to Mossel. In retaliation for the destruction of Madras by Dupleix in the previous war, the English raided Dupleix's palace, all monasteries and churches and all the Company houses.

strategic point of view and partly out of economic necessity.⁷³ Military expenditure had to be kept in line with trading activities.⁷⁴ If we compare the support received by the EIC and French Company in Asia from the homeland with the situation in which the VOC found itself, we see a totally different situation. The Dutch Company had to take care of its own fleet and army in Asia. At best, the VOC received assistance from the Republic in European waters, where the Dutch navy would escort the ships home. Nevertheless, there was also a positive side to the lack of direct involvement of the homeland. Since there were no troops or fleets in Asia under the command of the Republic, the VOC could manage any participation in wars in Asia on its own terms. In the eighteenth century the behaviour of the VOC in India was comparatively peaceful, and as a consequence the Dutch have been termed the best-behaved and most beneficent of all the major European powers once present on Indian soil.⁷⁵ At the same time the men-on-the-spot constantly warned their superiors that fundamental changes were stirring in India and asked for resources to counter the imminent threat to the Company's position there.

The direct consequence of the VOC's policy of neutrality allied to its lack of military muscle was that it had trouble protecting its possessions against its competitors. This lack of military force was the direct cause, Masulipatnam, one of the oldest VOC fortresses on the Coromandel Coast, was taken by the French in 1756. Hope of regaining Masulipatnam was irretrievably lost in 1759 when the English conquered the port from the French.⁷⁶ During the Seven Years' War, the French temporarily captured another VOC outpost on the Coromandel Coast: Sadraspatnam. They promised to return the fort after the French siege of Madras.⁷⁷ Illustrative of the VOC-policy is the fact that the employees in the fortified settlement Sadras did not even offer any resistance to the French when they were attacked, but just handed over the keys of the gate. At sea the situation was similar. In retaliation for the English capture of a French ship the *Roby* in the roadstead of Nagapatnam, the French took the VOC ship the *Haarlem* just of the

⁷³ During the Austrian War of succession the Dutch were officially on the side of the English, but managed to avoid untoward expenses.

⁷⁴ NA, Panthaleon Van Eck, 55, 32, 15 January 1759, De Klerk to Van Eck.

⁷⁵ Winus, *Merchant-warrior pacified*, 1.

⁷⁶ Winus, *Merchant-warrior pacified*, 117.

⁷⁷ NA, Van Eck, 26, 1, 1 January 1759, Canter Visscher to Van Eck, The aim of the French in conquering the fort was merely to avoid the English taking control of it. The French did indeed return the fort in 1761.

coast of Pondicherry.⁷⁸ During the war she was used to provision the French armies and the ship was only returned after the war.

Even the principal fortresses of the VOC were not safe from foreign intrusion. When the French, in search of provisions landed before the gates of Nagapatnam on their way to Trichypoli and Tanjore, the incumbent Governor Steven Vermont opened his gate. He let in a 100 French hussars, accompanied by infantrymen, although protocol only obliged him to receive the commander and his guards. His action amazed the other employees on the Coast, since there were only 150 VOC soldiers garrisoned there. The French army was also granted such special concessions as free and uncontrolled entry to the city even during the night.⁷⁹ The French bought up all available provisions and as a result made life very expensive for the inhabitants.⁸⁰ The situation even induced intimidation and violence by the French against the citizens and the Company servants.⁸¹ After the French army left, Vermont asked to be relieved of his post in order to preclude the embarrassment of dismissal. The High Government clearly found Vermont's behaviour reprehensible, damaging to the reputation of the VOC and more importantly a danger to neutrality. Vermont returned to Batavia, but he was never penalized for the incident. By them electing Van Eck, the High Government aimed at avoiding embarrassing incidents in the future and Van Eck promised not to follow his predecessor's bad example.⁸² In 1765, however, his successor disobeyed orders again by

⁷⁸ NA, Van Eck, 19, 57, 13 September 1758, Pfeiffer to Van Eck and NA, Van Eck, 19, 54, 8 September 1758, Vermont to Van Eck. The master was accused of carrying English goods. The ship was taken together with a privately owned ship of one of the servants, called the *Experientia*, which had arrived from Batavia. The Governor protested against the taking of the *Haarlem*, and sent word to the Republic, omitting the fact that a private Dutch ship had also been taken. Before the crew of the *Haarlem* was released, thirteen of them had already gone over in the service of the French company. The rest of the crew was sent to Batavia.

⁷⁹ NA, Van Eck, 20, 48, 28 July 1758, Van Eck to Vermont.

⁸⁰ NA, Van Eck, 20, 49, 26 July 1758, Van Eck to Van Teylingen.

⁸¹ The situation deteriorated further when the French commissioner was called 'insolent', because he was claiming to be an official ambassador of the King of France. According to the servants, he had never shown proof of his official capacity, so instead of calling him ambassador, they called him a purchaser of proviands. The French took this as an insult to the King, transposed into violence against citizens and VOC-personnel.

⁸² NA, Van Eck, 20, 289, 15 April 1759, Van Eck to Van Rheden. Although employees found it hard to adjust, the VOC clearly wanted to uphold neutrality. A few years previously, when a French army wanted to enter Porto Novo, Lubbert Jan van Eck, at that time chief of Porto Novo, showed his worth as an employee by keeping the French out of the city and not giving into their demands. This decision meant Van Eck had proved himself to be able to protect the Company's interest and it made him a logical next

helping an English fleet land their army in front of Nagapatnam, assisting them on their way to Trichypoli.

Although the High Government was worried by the intrusions made on its power, most of its attention was still directed to trade. Every year the local employees of the Indian establishments received their orders about the kinds of cloths expected next year. The Governor of the Coromandel Coast divided the *Eijsch* between the different settlements on the Coast. The next year the cloth was gathered and sent to Batavia. Most of the correspondence between the Coast and Batavia is on this subject and, as long as the *Eijsch* was met at a reasonable price by the Coast settlements, Batavia was satisfied. Unfortunately, the protracted war had negative effects on trade, even though the Company tried to preserve its neutrality. The *Eijsch* was still met, but the quality did not always meet with approval in Batavia and the cloth often did not pass muster with officials in the Republic.⁸³

3.1 A furtive response to fundamental dangers

The fundamental danger to the VOC was not the war between the French and the English, but the threat of subjection to another European power. The situation which might result from dominance of another European company was felt to be of life-threatening proportion to the Company. In that event, the Company would no longer pay tribute to an independent indigenous ruler but indirectly, or even directly, to a European rival who would also dictate trade. Such a situation was unacceptable and would have had enormous consequences for the VOC trade. Before the siege of Madras (1758), the employees on the Coast observed that the English only had Madras and Trichypoli left, while the French were besieging Tanjore. If the French had succeeded in capturing this

Governor of the Coast. His resolute behaviour had even been applauded in Holland as the best way to act in the interests of the Company.

⁸³ NA, Van Eck, 24, 1, 30 November 1755, Teijlema to Vermont. While Vermont was Governor, he received a letter from a warehouseman representing the VOC in the Republic, indicating that he had not seen such a bad quality of cloth in forty years. The quality of some of the cloth proved too poor to be offered for sale, the loss obliterated profit for the company.

city and subduing the King of Tanjore, the VOC and Nagapatnam would have become a tributary to the French. Fortunately, the actions of the King of Tanjore had averted this threat. In Bengal, the situation was even worse, since in the aftermath of Plassey such a situation existed with the English.

The new state of affairs in Bengal was a threat to the VOC and forced it to react militarily. The real possibility of living under the indirect rule of the British spurred the VOC to take action. Van Eck hoped that Batavia and the Gentlemen Seventeen would not accept this situation and would consider the struggles for power in India of prime importance.⁸⁴ Soon after Plassey, it was rumoured that the English in Bengal were encountering growing problems in their efforts to impose their rule. There was also a rumour that the army of an indigenous ruler supported by French troops was approaching Bengal, and this news presented an opportunity for the VOC to intervene. Batavia had plans to enlarge the garrison in Hughli to 3000 men, in order to create an alternative power centre to counter the rising English influence. It was assumed that such a force would tempt those who wanted to oppose the English to the Dutch side. This plan had priority, because it was believed that the moment the English on the Coast had their hands free, they would send their troops to Bengal to take full control (a foreboding which proved correct in 1765). Under such English political control, an end to the trade of the VOC in Bengal was anticipated. This led to the decision of the High Government to send an expeditionary force, which would be reinforced by the 900 soldiers destined for the Coast.⁸⁵

In order to avoid being drawn into the Seven Years' War, the VOC played the card of manoeuvring only to limiting the power of the indigenous ruler of Bengal. Although the expedition was, unofficially, devised to destabilize the newly won English influence after their victory at Plassey, officially it was specifically aimed at the newly inaugurated English-orientated Nawab and his 'unreasonable' behaviour. Although the

⁸⁴ NA, Van Eck, 20, 591, 7 February 1761, Van Eck to Schreuder. The Governor of Ceylon, Jan Schreuder, agreed that the policy of neutrality of the VOC maintained was detrimental to its position. NA, Van Eck, 20, 56, 1 August 1758, Van Eck to Bisdom. Van Eck hoped that troops would be sent to effect a change. The hazardous predicament of the VOC was, according to Van Eck, attributable to one man: Adriaan Bisdom, the Director in Bengal. He had not been resolute enough when he declined a reinforcement of 2,100 men for his forces after the Battle of Plassey. And even before Plassey, he had not handled negotiations with the indigenous rulers well, leading to a loss of face for the VOC.

⁸⁵ NA, Van Eck, 20, 302, 30 May 1759, Van Eck to Bisdom.

VOC maintained this behaviour was the reason it attacked, its neutrality would be protected as it would not be breaching its peace with the English. In the end, the Company planned to send 1500 troops from Batavia.⁸⁶ The only problem the authorities in Batavia foresaw was the fact that they had to use their own ships, which were no match for the larger Royal Navy ships sent from England as warships.⁸⁷ The VOC was not totally confident about what results could be achieved in a battle on land either and decided caution would be advisable. It was reasoned that the time was ripe for military action since the main English preoccupation was still the French presence on the Coast. This would keep the English fleet busy, while the VOC focused on Bengal. When the calculation of the expenses of the expedition was made, it was estimated it would cost around 360,000 rds, which was almost the same amount as the *Nawab* exacted from the Company two years earlier. In the long run, this policy of war was deemed to be less expensive than allowing the situation to drift on in its current state. Unfortunately for the VOC, all assumptions of success proved completely wrong.⁸⁸ The English were forewarned and waiting for the expedition, since one of the Dutch ships had arrived six weeks before the others, betraying their plan. Even before any ship had arrived news must have leaked out, since the French already knew of the proposed expedition.⁸⁹

The expedition was a military debacle for the VOC, because it simply did not possess the European resources of its competitors.⁹⁰ The first stage of the Battle of Bedara was fought at sea. On its arrival in Bengal the Dutch fleet captured two English ships. Then three English ships came down the river and joined battle with all seven VOC ships, confirming the High Government's worst fears. Before the VOC ships were taken,

⁸⁶ NA, Van Eck, 20, 307, 5 June 1759, Van Eck to De Jong, to the highly placed servants in the neighbourhood, the two De Jong's of Malabar and Jaffna. To them he indicated that he was convinced that the troops he had send would not only safeguard the VOC's possessions and commerce, but would also be the precursors of better times ahead. NA, Van Eck, 20, 361, 18 October 1759, Van Eck to Faure, 2/3 Europeans and 1/3 Malayans.

⁸⁷ NA, Van Eck, 20, 364, 15 October 1759, Van Eck to Van Rheden.

⁸⁸ NA, Van Eck, 20, 364, 15 October 1759, Van Eck to Van Rheden. Now that Batavia was responding, the servants were happy with their augmented offensive power. The attack was expected to be a success. Van Eck was convinced that once the expeditionary force showed up in Bengal, the English and the French would give up.

⁸⁹ NA, Van Eck, 26, 60, 15 August 1759, Sutton to Van Eck. Before this, the French were already wondering about the large amount of troops arriving on the Coast from Batavia. NA, Van Eck, 26, 63, 5 November 1759, Dumont to Van Eck. They even offered to organize a joint attack in Bengal, stressing the importance of secrecy, NA, Van Eck, 27, 16, 18 January 1760, Nicolas to Van Eck. and they wanted the VOC to bring French troops to Bengal from the Coast.

⁹⁰ J.P. Lawford, *Clive, Proconsul of India, A Biography* (London: George Allen & Unwin Ltd, 1976).

they had already unloaded an expeditionary force, so the next phase of the battle took place on land. A VOC detachment armed with cannon had been sent out from Chinsura, the VOC settlement in Bengal, in order to join up with the expedition force. On the way, this detachment ran across an English garrison, on which it launched a surprise attack.⁹¹ This created disorder in the English ranks, but they recovered and inflicted heavy losses on the VOC detachment, which was forced to return to Chinsura, leaving all its artillery behind.⁹² The next day, the English army targeted the expeditionary force. After this force had been cut off from sea, for four days it tried desperately to reach Chinsura ploughing along the muddy banks of the river. An English force was sent out to tackle the expeditionary force head on. Consisting of 900 Europeans, 75 volunteer horsemen, 500 indigenous Cavalry and 2000 *sepoys* with four cannon, it far exceeded the VOC force of only 500 Europeans and 600 Malays without cannon, as the rendezvous with the artillery from Chinsura had failed. The English mounted their cannon and fired, which caused the majority of the Malays the VOC had brought along to flee and caused the defeat of the remaining soldiers. Four hundred troops were captured and 300 went over to the English, according to the Company because they felt they had been poorly led.⁹³ Negotiations commenced and it was agreed that the captured ships would be returned, but it was also stipulated that from that time on the VOC was only allowed to quarter 120 soldiers in its compounds in Bengal. Apart from the humiliating military defeat, the VOC was forced to pay 16 *lakhs* of rupees to the *Nawab*, although it was later denied that any money had been paid.⁹⁴

After its defeat by the EIC, the VOC hid behind the excuse that it had merely set out to embark on a conflict with the indigenous ruler. The Dutch were convinced Robert Clive should have acted more moderately, instead of pretending to be an auxiliary of the Nawab. Van Eck, at that time Governor of the Coromandel coast, claimed it was Clive who made war under this pretext and not the VOC. When the next year the English were

⁹¹ NA, Van Eck, 20, 432, 12 March 1760, Van Eck to De Jong.

⁹² NA, Van Eck, 20, 410, 21 January 1760, Van Eck to Schreuder.

⁹³ NA, Van Eck, 20, 425, 5 March 1760, Van Eck to Van Teylingen and NA, Van Eck, 20, 432, 12 March 1760, Van Eck to De Jong. The basis of the English success was the firing of grape, to which the Dutch troops were unaccustomed and to which they were unable to reply as they had no artillery (As the rendezvous with the expedition from Chinsura had failed).

⁹⁴ NA, Van Eck, 20, 410, 21 January 1760, Van Eck to Schreuder and NA, Van Eck, 20, 425, 5 March 1760, Van Eck to Van Teylingen.

afraid that Batavia was planning another invasion, Van Eck quickly refuted this saying that Batavia had no such plan and would leave it to the Gentlemen Seventeen to negotiate a solution to the troubles in Bengal.⁹⁵ The attack gave the English the opportunity to punish the VOC for its audacity. They denied it the right to trade freely in valuable goods. Its supply of saltpetre was strictly limited, leaving barely enough gun powder to fire salutes for foreign ships.⁹⁶ In the long run, the Battle of Bedara woke the VOC to the realization that direct confrontation with English forces on land and at sea should be avoided.

On the Coast things matters a different turn as the VOC did not seek open conflict with the English. While the VOC still squabbled with EIC over war-related issues,⁹⁷ the French were devising schemes to force the Dutch into the Seven Years' War. When the fortunes of war turned against the French, they sought a rapprochement with the VOC. The Dutch, however, were wary of French intentions and hinted that French behaviour in the past had introduced a coldness into their relationship.⁹⁸ In a final effort, the French commander Lally planted letters supposedly exchanged between the French and the Dutch, containing incriminating information about the latter, which were discovered by the English. The Dutch were quick to deny the charges and repaid Lally for his trickery: they handed over a recent letter from Lally in which he scolded the VOC for not helping the French. In this letter, Lally labelled the non-existent help from the Dutch the main reason for the fall of the French nation in India. Other pretexts and ruses were devised to

⁹⁵ NA, Van Eck, 20,414, 29 January 1760, Van Eck to Du Pré & Ross and NA, Van Eck, 20, 532, 15 September 1760, Van Eck to Sutton.

⁹⁶ NA, Van Eck, 20,415, 29 January 1760, Van Eck to Van Teylingen and NA, Van Eck, 27, 5, 10 January 1760, Van Teylingen to Van Eck.

⁹⁷ NA, Van Eck, 20, 590, 5 February 1761, Van Eck to Sutton and NA, Van Eck, 20, 716, 30 July 1763, Van Eck to Van der Parra. Being a neutral party in the Seven Years' War also entailed receiving war-related requests. The English also ordered some of the prisoners-of-war from Pondicherry to go to Nagapatnam, but the VOC refused to let any Frenchmen into the city, since they had orders to not let them in because of Sadras and because there was no official English request to do so.

⁹⁸ NA, Van Eck, 20, 289, 15 April 1759, Van Eck to Van Rheden and NA, Van Eck, 20, 260, 5 February 1759, Van Eck to Van der Parra. Their arrogant tone towards the VOC changed. Suddenly the opinion of the VOC counted again: the French commander Lally asked Van Eck to honour the friendship between the two nations by the installation of a new French Resident in Nagapatnam. The answer from the VOC was that it would no longer be a one-sided friendship, had the French side honoured it earlier. They had promised to return the fort in the state in which they had taken it, when the English threat to the fort had passed. When the siege of Madras collapsed, the French left in the middle of the night without notifying the VOC chief. NA, Van Eck, 27, 41, 18 February 1760, Mme Boyelleau to Van Eck. In 1760, during the siege of Pondicherry the French in their turn deposited their valuables with Van Eck. NA, Van Eck, 20, 590, 5 February 1761, Van Eck to Sutton and NA, Van Eck, 20, 716, 30 July 1763, Van Eck to Van der Parra.

involve the VOC, as it stoutly maintained its neutrality. As the French saw their power on the Coast slipping away, they decided to raid Benkulen in Sumatra and succeeded in capturing it. Afterwards these possessions were offered for sale to the High Government in Batavia, which gently declined the offer.⁹⁹

3.2 A failed design to emulate

The indigenous civil strife and the Anglo-French struggles in India caused the employees to consider new strategies to safeguard the position of the VOC. As stated earlier, the primary aim of the expedition to Bengal was to reinforce Chinshura. Similarly, propositions were made to make the VOC position on the Coast more readily defensible, by stationing a larger garrison there. Caught up in wars elsewhere, the English and the French had focused on one single stronghold each on the Coast: Madras and Pondicherry respectively. The Dutch contemplated emulating the French and English and taking on board a similar strategy of having one stronghold which could be held against all costs, instead of the old policy of dividing resources between several small fortresses to stimulate trade.¹⁰⁰ With a garrison of at least 1200 to 1500 European and 1000 Malay soldiers in Nagapatnam, Van Eck hoped to secure the VOC position by instilling respect in the native rulers and the other Europeans.¹⁰¹ When reinforcements finally arrived on the Coromandel Coast, they did not reach the requirements and they were, moreover, lost not long afterwards as a result of the expedition to Bengal.

Focusing on one stronghold also meant augmenting the cost expended on fortifications so that it could withstand an attack by an European army.¹⁰² The importance of fortifying Nagapatnam was further championed by stressing its function as the gateway to Ceylon. There was however a problem in signalling the bad state of the

⁹⁹ NA, Van Eck, 20, 488, 27 June 1760, Van Eck to Schreuder, NA, Van Eck, 20, 501, 24 July 1760, Van Eck to Van Teylingen and NA, Van Eck, 20, 592, 16 January 1761, Van Eck to Stevens.

¹⁰⁰ NA, Van Eck, 26, 42, 25 Mai 1759, Cordua to Van Eck, such as Sadras, Bimelepatnam and Jagernaykpoeram.

¹⁰¹ NA, Van Eck, 20, 260, 5 February 1759, Van Eck to Van der Parra.

¹⁰² NA, Van Eck, 20, 155, 8 October 1759, Van Eck to Mossel.

defensive works of Nagapatnam. Nobody dared to write about the lamentable state of the fortifications because Governor-General Jacob Mossel was the last Governor to have made reinforcements during his term of office on the Coast. Asking for repairs could be interpreted as suggesting he had not done his job adequately.¹⁰³ Since the situation was alarming, Van Eck took a gamble by asking Mossel directly for funding to repair the fortifications. He estimated the costs at a 'mere' 670,000 pagodas, but later ran into trouble when he commenced construction too soon and at too great an expense without official authorization.¹⁰⁴

In emulation of the English, the VOC expected that its increased military presence would be partly paid for by local income, but the idea of increasing the taxation on the local population proved illusionary. In Madras, the English had successfully instituted a tax on houses, but so far in Nagapatnam such amounts of tax had not been levied. The VOC tried to follow the English example and was successful initially in raising the taxes on the indigenous inhabitants, but soon these began to leave the village to escape the burden.¹⁰⁵ In comparison with the success of the English raise in exacting taxes in Madras, the VOC had more trouble in convincing people of the benefits to be derived from such taxes. If the English had not done so, there was a high risk of Madras being destroyed again, but no such a threat was imminent in Nagapatnam, since the VOC scrupulously guarded its neutrality. Admittedly, simultaneously, the English garrison brought plenty of money and commercial opportunities to Madras, offsetting the increase in tax.

¹⁰³ NA, Van Eck, 20, 278, 15 April 1759, Van Eck to Van der Parra and NA, Van Eck, 20, 289, 15 March 1759, Van Eck to Van Rheden.

¹⁰⁴ NA, Van Eck, 20, 480, 6 June 1760, Van Eck to Mossel. NA, Van Eck, 20, 739, 25 April 1763, Van Eck to the High Government and NA, Van Eck, 20, 495, 17 July 1760, Van Eck to Van Teylingen and NA, Van Eck, 20, 554, 20 October 1760, Van Eck to Mossel. He thought he had obtained permission. However, later he was accused of having started constructions without permission as he was following his own plan instead of the plan sent from Batavia. He had reinforced parts of the fortress, although he reduced the cost to 250,000 pagodas.

¹⁰⁵ NA, Panthaleon van Eck, 55, 34, 31 January 1760, Van der Parra to Van Eck.

3.3 Negotiating with indigenous rulers

The relationship between the VOC and indigenous rulers sometimes verged on violence. Van Eck argued it was hard to continue the old policy of reasoning with the indigenous rulers and violence was the only alternative. 'Let us cure ourselves of the misplaced illusion that we may win something from the rulers of the West through courtesy as in former days. It is violence or power they fear, that keeps them within the bounds of reasonableness and nothing else, certainly if we do not show our teeth, it will not be long before this will lead to the total ruin of the interests of the Company.'¹⁰⁶ Troops were needed not just to repel the English and the French, but also to command the respect of indigenous rulers.

At all times, it was normal in India to avert violence by bribes, which also proved a effective method of indirect taxation. Every time a local ruler needed money, he would physically move his army around his territory to collect. When the King of Tanjore arrived in the vicinity of Company territory, he asked for the usual gifts. The VOC decided to present him with these gifts, as had been done in the years 1753 and 1756, to a value of 300 to 400 *pagodas*. To a certain extent, this tax depended on his actual presence: if he was not physically present, subjects did not feel obliged to pay. This was also the case for the VOC. When Van Eck was summoned to pay tax by a local ruler, he prepared himself to see the ruler and pay. When he had arrived, the ruler had already left, which prompted Van Eck to decide that no tribute had to be paid. How often such a bribe had to be paid depended on the perceived power-relationship. When the *Nawab* of Bengal tried to obtain a bribe from the VOC again in 1758, this was related to his shrewd assessment of the weak position of the VOC throughout the whole of India.¹⁰⁷ Prince Ananda Rasoe tried the same tactic on the Coromandel Coast, although the VOC had already paid the normal sum. He insisted on another 20,000 rupees, but the VOC declined, saying that there was no more room for expenses for the prince.¹⁰⁸ At the same time, the relatively strong financial position of the VOC guaranteed independence and yet offered room to

¹⁰⁶ NA, Van Eck, 20, 638, 24 May 1761, Van Eck to De Klerk.

¹⁰⁷ NA, VOC, 20, 167, 8 August 1758, Van Eck to Van Rheden.

¹⁰⁸ NA, Van Eck, 26, 58, 9 August 1759, Bronsveld to Van Eck.

manoeuvre in dealings with indigenous rulers. The fact that indigenous rulers obtained loans from the VOC provided the VOC with leeway to negotiate more favourable trading privileges.¹⁰⁹ When bargaining proved of no avail, the VOC considered violence an appropriate instrument by which to obtain trading privileges. The chief of Bimilipatnam, for example, was ordered to investigate if he could accede the local ruler to new trading concessions with a force of 500 to 600 soldiers. Of course, the costs of military intervention had to be transferred to others. The Company needed local allies who would pay for the military action and wanted to profit from the military might of the VOC. In return, the VOC would be granted new territories and sovereignty over the village.¹¹⁰

Conclusion

Initially, the power of the VOC had been based on its initial large share capital and its profitable intra-Asian trade, which ensured it with a stronger economic and military position than its competitors. Later, the superiority of the VOC's position in comparison to that of its competitors declined. This decline was attributable to unfavourable trade conditions and increasing European competition. Both developments, the decline in trade and rising costs, forced the Company to economize in order to survive, a policy which was continued until the end of the VOC era.¹¹¹ Another factor which contributed to the change in the balance of power between the European Companies was the steadily increasing amount of military State support European competitors received. Unless it had received reinforcements from home on terms similar to those of the English, the VOC would never have been capable of competing militarily with the English.¹¹² At

¹⁰⁹ NA, Van Eck, 26, 61, 18 August 1759, Bronsveld to Van Eck. In Bimilipatnam, the VOC gave up parts of the territory outside of the city in order to claim the city as the property of the VOC, also promising the local ruler more gifts. This would have to outweigh the return on investment by higher taxations, which could mean the VOC did not lose any money on the agreement.

¹¹⁰ NA, Van Eck, 20, 321, 10 July 1759, Van Eck to Bronsveld.

¹¹¹ ANRI, VOC, 4516, "So many regulations, stipulations and cutbacks have been made, that should people continue making such inroads, the tree they want to prune would consequently die."

¹¹² ANRI, VOC, 4516, "(...)absolutely no parallel can be made between us and the English and, should there be a breach of the peace, we can never hope for the requisite assistance from the Netherlands, because we shall be left wanting, and no possibility exists of obtaining or keeping such power in India (...) and (...) In

the same time, the augmented power of its competitors forced the company to increase its military expenditure leading to increasing costs. The situation became critical during the fourth Anglo-Dutch Sea War (1780-1784).¹¹³

Although operating on a lower level of military and political involvement than its competitors, the Company assessed the potential gains from trade in India surpassed the potential gains from territorial expansion. Since the Company sought neutrality, its main aim was to uphold the old status quo. This was reflected in the way it dealt with the indigenous rulers on the Indian Sub-Continent. While the English and French became partners of the most powerful rulers, the Dutch never reached the same level of involvement and declined offers of co-operation with local rulers. The VOC still believed that the main aim of the Company was trade and that war was only a tool by which to obtain new trading privileges or to safeguard trade. The directors of the VOC believed that their competitors would have to come to terms with the war debt after the Seven Years' War in Europe had ended. It was hoped that the English and French military efforts would be engulfed in the enormity of India. Nevertheless, the English and French chose territorial expansion in order to fuel their war efforts with an increasing income from tax.

This difference in the home-support accorded European companies was also revealed in the behaviour of the servants. Having received reinforcement because of the wars in Europe, the English and French servants acted without worrying about the consequences of their warlike behaviour. They hoped to present the home country for a positive colonial 'fait accompli' before they could be recalled. When a battle was lost, they were certain the home country would bail them out or had already sent new troops. In search of territorial expansion and the fulfillment of their private ambitions, the French and English servants juggled dexterously with State and Company priorities. Without the

the previous century we were able to maintain the balance with our competitors, but since at the least sign of rupture these competitors are immediately supported by a squadron of doughty ships of the line and other ships and frigates, I no longer believe in any concept of balance and consequently of offering any offensive power, unless we also are supported from Europe. (...).

¹¹³ANRI, VOC, 4581, It is known that in the last forty years during the succeeding reigns Governors-General Mossel, Van der Parra, Riemsdijk, De Klerk en Alting more than ever has been busy to obtain redress of the situation: In these times, several 'memorien Bedenkingen en Consideration' have seen the light, in order to improve trade in general, especially to decrease the big turn over, and also to inquire within the high rising costs.

power on hand in India to act offensively against the stronger indigenous powers, the VOC possessed neither the power to fight the other Europeans in India to which the Battle of Bedara bears witness. Even when Batavia was willing to send reinforcements, the VOC forces could not rival the newly established English power at sea or on land.

The loss of initiative on the Dutch side is exemplified by the servants' eagerness to emulate English and French tactics. The VOC had always preferred spreading its interests over trading possessions instead of limiting its presence to a few military strongholds. Squeezed by increasing political and military tension, the servants in India proposed a change of tactics, focusing on one big stronghold per region and an enlargement of its garrisons. Only with this new tactic could the Company hope to remain on a par with the French and the English. The complete lack of State support from the Republic and the declining intra-Asian trade, however, made all these plans uncertain. In the Fourth Anglo-Dutch War the lack of support from home was palpably felt and the VOC had to depend on the naval power of its French ally. When a State sponsored naval squadron from the Republic arrived after the war, it was too little too late. The debts incurred during the Fourth Anglo-Dutch War were already pushing the VOC to the brink of bankruptcy.

