



Universiteit
Leiden
The Netherlands

The Dutch East India Company's tea trade with China, 1757-1781
Liu, Y.

Citation

Liu, Y. (2006, December 6). *The Dutch East India Company's tea trade with China, 1757-1781*. Retrieved from <https://hdl.handle.net/1887/5421>

Version: Not Applicable (or Unknown)

License: [Licence agreement concerning inclusion of doctoral thesis in the Institutional Repository of the University of Leiden](#)

Downloaded from: <https://hdl.handle.net/1887/5421>

Note: To cite this publication please use the final published version (if applicable).

CHAPTER FIVE

THE SALE OF THE “VOC TEAS” IN EUROPE

Introduction

When the China Committee took control of the VOC China trade at the end of the 1750s, the procedures regarding the entire voyage of the China ships changed virtually completely from those which had been followed in the previous phases.¹ From then onwards, the China ships set out any time between September and December every year (or rarely at the beginning of the next year) from the Dutch Republic, and arrived in Canton in the summer, or October at the latest, of the next year; the ships left Canton late that same year (in October, November or December) or early the following January or February, and arrived home at any time between June and October.²

The homecoming of a China ship after a voyage which may have taken as long as three years did not yet herald the conclusion of the whole trading venture. The greatest concern of the Company about the voyage still had to take place: the sale of the return cargoes, in other words, the realization of the Company's trading profit. In the case of the Company's tea trade, this was done at one or two Company auctions held between the second half of the year and the first half of the next year separately by the various chambers.

Such Company auctions were not the final destination of the “VOC teas”. Once they had taken place, the “VOC teas” were resold by the domestic tea-dealers, both wholesalers and retailers, to shopkeepers from whom they were purchased by the consumers. Not all tea remained in the Dutch Republic. Dutch traders re-exported some part of the “VOC teas” to other European countries which did not import tea directly from China and on whose domestic market there was a demand for more teas.

Company auctions of the “VOC teas”

The Gentlemen Seventeen of the VOC represented the six Chambers of Amsterdam, Zeeland, Delft, Rotterdam, Hoorn, and Enkhuizen, whose delegates also participated in the China Committee.³ These chambers fitted out ships under their own control for the Dutch-Asian trade, and they each received their share of the return cargoes of tea when the China ships

returned home. Therefore, a number of barges were dispatched by the Chambers of Zeeland, Delft, and Rotterdam to unload the goods ordered once the China ships made port in the southern estuaries of Zeeland and Holland. The Chambers of Hoorn, Enkhuizen, and Amsterdam did the same when the China ships anchored in the roadstead of Texel in the north.⁴

Subsequently, according to the rule of the Gentlemen Seventeen, the return cargoes were sold in each of the various chamber cities. In the early phase of the Company's existence, these chambers disposed of their share of the goods in three ways. Most frequently, they sold the goods by organizing an auction. Failing this, they drew up a contract with one or more domestic trading groups. Finally, they occasionally offered tea to individual traders at a fixed price.⁵ Later, especially in the eighteenth century, all the goods were sold at the Company auctions in the chamber cities.

Although these chambers held their own auctions of tea and other Asian goods each year, the dates and other additional stipulations pertaining to the running of the auctions were decreed by the Gentlemen Seventeen at the end of each trading season. The Gentlemen Seventeen issued an annual pamphlet, which mentioned when and where such auctions were to take place, including a comprehensive description of the quantities and value of the goods for sale.

All chambers participated in the trade with Asia, but as far as the Chinese tea trade was concerned, the number of chambers taking part in this trade fluctuated every year. Consequently, the number of chamber cities in which the tea auctions took place yearly varied from all six to only one in the sixty years between 1731 and 1790. Only Amsterdam held tea auctions every year, with the exception of 1782 and 1783, when no China ship was sent back to the Dutch Republic because of the Fourth Anglo-Dutch War.⁶

Scanning the data in Appendix 6, we can establish that all the six chamber cities had public tea auctions each year in 1731-1744, 1748, and 1752, but in other years an auction did not take place in one or more of the cities. When considering the number of chamber cities where the teas were auctioned, it should be pointed out that, even though all six chamber cities organized tea auctions in some years, this does not mean that all of them sent ships to China, especially in the first two phases of the direct China trade. Before the China Committee was established, some of the chambers frequently made their purchases of tea in Batavia. There were also instances when some chambers sent ships to Canton but did not purchase tea but acquired other products instead. Sometimes ships were lost on the homeward voyage. Such a fate befell the ship the *Abbekerk* sent by the Hoorn Chamber in 1778. Its cargo was scheduled to be sold in 1780.⁷ However, in the years 1760-1781, most of the chambers which held

tea auctions in their own cities also joined in sending ships to Canton.

Although the tea auctions were arranged by these chamber cities separately, an overview of all auctions held by the six chambers was eventually compiled by the Gentlemen Seventeen in one VOC document under the title of "Annual Statements of the Goods Sold by all the VOC Chambers, 1731-1790" (see Appendix 6). In these statements, which were recorded on 15 or 31 May each year, the results of the auctions of tea and other products can be easily consulted.⁸ Perusing this information, we discover that every auction dealt with the cargo of one complete voyage of the China ships over the past three years.

Those chambers which had the commodity to trade sold the teas on the market every year at one or two public auctions held in succession.⁹ Detailed information on this can be abstracted from the "Annual Statements" and the "Lists of the Deliveries, with the Names of the Buyers and the Prices Paid at the Sales of the Zeeland Chamber, 1757-1776" (see Appendix 8). In the first record, the auction dates for the Chambers of Delft and Rotterdam are clearly noted throughout the year in the months of April, May, August, September, October, December, and (most frequently) November, and the auction dates for all other chambers are omitted.¹⁰ Examining the second record, we find that the auctions of the Zeeland Chamber took place in both April and October, November, or December for the years 1758, 1761-1764, and in either of May, October, November, or December for other years 1765-1767 and 1772-1776.¹¹

Customarily, the tea-buyers assembled at a VOC auction in the chamber cities to bid for the goods they wanted to purchase on the auction date. It is a pity that no detailed account has survived of the spectacle of customers outbidding one another, but one fact is crystal clear: the number of buyers involved in the tea business in the eighteenth century was great.¹² Appendix 8 gives an impression of the tea-dealers' purchases in Middelburg. The quantity, price, and value of the teas sold are meticulously recorded. The number of the tea-buyers vying with each other to acquire the sought-after commodity in the periods 1758-1766 and 1772-1776 was quite considerable (see Table 4). Unfortunately, there is hardly any information about the tea-buyers in other chamber cities to be retrieved from the VOC archives. J.A. ter Molen claims there were forty tea-dealers in Amsterdam in 1766, most of whom also sold coffee;¹³ a practice also followed by tea-dealers in Zeeland.¹⁴

Among the tea-buyers, the quality and the price of tea were the two most important thoughts uppermost in their minds when they made their bids at the Company auctions. In discerning quality, tea-buyers paid particular attention to the dustiness of the tea auctioned. After the middle of the eighteenth century, they frequently complained to the VOC about the

Table 4 Number of the tea-buyers at the auctions in Middelburg by the Zeeland Chamber, 1758-1766 and 1772-1776

Year	Number	Year	Number
1758	38	1765	51
1759	29	1766	49
1760	47	1772	42
1761	41	1773	51
1762	58	1774	50
1763	58	1775	53
1764	44	1776	48

NB: it should be pointed out that this amount, as shown in Appendix 8, includes not only the persons who bought tea directly from the Company but also those who purchased tea from the private sellers via the Company.

Source: Appendix 8.

dusty nature of the tea, Bohea in particular, in spite of the fact that ever since 1760 this matter had already engaged the undivided attention of the Gentlemen Seventeen. In their seasonal instructions, the latter never failed to remind the VOC trade representatives in Canton to check the quality of the teas. The tea-buyers were also displeased with the short-weighting. They argued that before the direct trade had been inaugurated in 1757, the “VOC tea” chests were packed very carelessly and they were light weight. After that date the chest had admittedly grown heavier but the contents were heavily contaminated by dust. The excuse for this adulteration was according to the supercargoes’ later caustic assumption that the tea-buyers benefited from adulterating the Company’s coarsely packed teas with dust; and should the “VOC teas” already be heavily mixed with dust before they were transported to the Dutch Republic, the tea-buyers would be deprived of the opportunity to fiddle the goods themselves.¹⁵

Defending the way they went about their business, the trade representatives declared that they could not possibly satisfy the tea-buyers at home without harming the interests of the Company. If they wanted the teas less dusty, they should purchase little or no Anka,¹⁶ which was very friable and could not be packed without badly pulverizing it. They should opt for Bohea instead. This would push the price of Bohea up higher than it already was and that would certainly militate against the interests of the Company. To their credit, the trade representatives continued to do their best to minimize the damage to the tea-buyers, but they saw no possibility to meet all the tea-buyers’ wishes, because their first duty was to care for the interests of the Company and not allow the purchase price of tea to rise too high.¹⁷ The road open to them to help the tea-buyers at home, while still considering the interests of the Company, was to assign their own people to supervise the packing and weighing of tea by the Chinese

tea-supplying agents, especially when they happened to be mixing Bohea, Congou, or Souchong with Anka. This procedure was observed throughout the second half of the eighteenth century.¹⁸

There is irrefutable evidence that the “VOC teas” were sold at different prices in different chamber cities in each auction season. The minimum prices were calculated to cover prime costs, freight, and such charges on the merchandise as the supercargoes’ commission and the expenses incurred by the Company’s establishment in Canton, insurance, interest, and the customs duties – an *ad valorem* tax assessed on the sale of tea and paid by the Company. Even armed with these data, it is quite difficult to gather information about the selling price in the archives. There are, however, three sources which can be used for this purpose: the purchase and selling prices of Twankay in Canton and the Dutch Republic, 1756-1764 (NA NFC 28); the selling prices of teas by different chambers, 1777-1780 (NA Aanwinsten 541); and the auctions held by the Zeeland Chamber in the years 1757-1776 (NA VOC 13377).

Table 5 The VOC purchase (in Canton) and sales (in the Dutch Republic) prices of Twankay, 1756-1781

Season	Purchase price		Sales price (stivers/pound)
	(taels/picul)	(stivers/pound)	
1756-59	29	20 ⁴ / ₅	48½ - 49¼
1757-60	unknown	unknown	unknown
1758-61	26	19	45 - 50¾
1759-62	29 - 31	20 ⁴ / ₅ - 22 ¹ / ₃	44 - 46½
1760-63	29	20 ⁴ / ₅	42 - 45
1761-64	26	19	52 - 55½
1775-78	19¼	13 ⁴ / ₅	32 - 35½
1776-79	22 ¹ / ₃	16	38½ - 46½
1777-80	24	17	unknown
1778-81	22 ⁵ / ₈	16¼	34½ - 54½

NB: The China Committee fixed 88 stivers equal to one tael, which means that 4.4 guilders were equal to one tael, for the China trade since 1765 (NA VOC 4543, Instruction of the China Committee to the Dutch supercargoes in Canton, 28 May 1765). Before that year, it was customary to reckon about 71 to 72 stivers to one tael (see the section on “Preparations for the improved management of the China trade” in Chapter One).

Sources: NA NFC 28, Resolution of the Trade Council in Canton, 25 August 1765; Appendices 4 and 7.

When we compare the buying and selling prices of Twankay between 1756-1759 and 1761-64 (see Table 5), we are left in no doubt about how much profit the VOC earned on this one single article during this period. In the season 1760-1763, for instance, the trade representatives in Canton paid 29 taels per picul for this article, which was equivalent to

about 20.8 stivers per pound, and subsequently the Company sold it in the Dutch Republic at 42 to 45 stivers per pound. A simple sum shows that the Company made a gross trading profit of 21 to 24 stivers per pound or 50 to 53 per cent.¹⁹ The VOC record-keeping makes it very hard to calculate the net profit, but the gain on this article after all expenses had been deducted still seemed to be profitable, not least thanks to the fact that the tea market in the Republic was by and large in the hands of the Company, although strictly speaking tea was not a monopoly product on the domestic market. There is cogent evidence that the VOC was not the only tea merchant in the Republic. Non-“VOC teas”, which always represented a comparatively small market share, could be sold as well.²⁰

In Appendix 7, the selling prices of Bohea and Congou are listed, following the method by which the tea chests were packed. This was because of the fact that, as soon as the VOC trade representatives in Canton bought in these teas, they had already packed them not only in whole chests, which had a capacity of 340 pounds, but also in half, quarter, and one-eighth chests, even on occasion in two-thirds as well as one-third chests. Generally speaking, the smaller the chest, the better the quality of the tea packed in it. Such difference was shown particularly obvious on the price of Congou. In Appendix 8, the prices of teas which were calculated in Zeeland’s own currency are listed not according to the kind of tea but according to the names of the tea-buyers who purchased them.²¹ Such confusion obviates the making of any deeper analysis of the sales prices of tea.

Despite such hurdles, thanks to the above-mentioned “Annual Statements”, it is still possible to get some idea of the quantity and the value of the teas auctioned by the different chambers. Three remarks may be made on this topic.

First of all, throughout the long period between 1730 and 1790, the two Chambers of Amsterdam and Zeeland almost invariably always sold the biggest amounts.²² These two chambers were the best funded chambers of all, and their undisputed prominence unequivocally is demonstrated by the fact that they served alternately as the presiding chamber of the VOC.

Another factor which has to be taken into consideration is that in some years the tea sold by some chambers had been procured from two different sources: it was the property of either the Company or private individuals. The part owned by private parties was categorized as consisting of teas *op recognitie* or *op vracht*, and these were comparatively smaller amounts (see Appendix 6). In the “Annual Statements”, the Zeeland Chamber customarily used the term of *op vracht* to designate these teas while the others used *op recognitie*. These kinds of tea appeared at the auctions because a number of private individuals – businessmen or trading

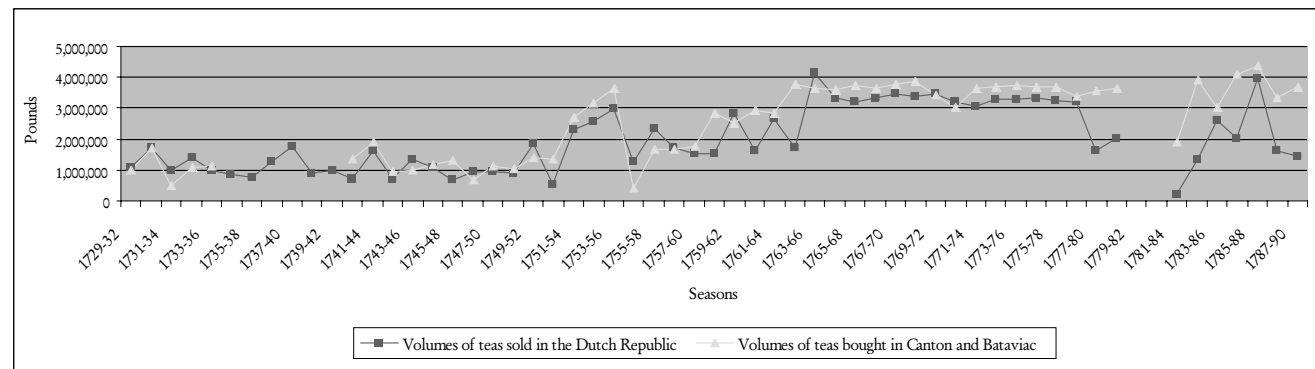
group(s) in the Dutch Republic as well as Batavia – could entrust the Company with a commission to buy tea for them. It is believed on the basis of the source materials that most of the teas on recognition (and at freight) were sent from Batavia. The reason for this is obscure, but it is possible that it was purchased locally there. Considering the teas owned by the private parties in Zeeland, one more factor should be mentioned. The information about the auctions of tea held by the Zeeland Chamber reveals that, besides the teas *op recognitie*, this chamber also oftentimes auctioned teas *van particulieren* (see Appendix 8). How these teas ended up at the Company auction is shrouded in mystery, but undoubtedly they, like those *op recognitie*, were the property of private parties.

When the teas *op recognitie* came up for auction, the chambers deducted a percentage from the money received on selling this kind of tea as the Company's commission, generally claiming 40 or 50 per cent and on a few rare occasions 30 per cent. For teas sold in the *op vracht* category, the Company's commission varied from 30 to 50 per cent, with only two exceptions.²³ The teas *op vracht*, or *op recognitie*, were shipped to the Dutch Republic from Batavia only during the “Batavia period” of the China trade,²⁴ and in 1769 the Gentlemen Seventeen resolved to limit the transport of teas for the private parties and a few years later, in 1772, brought it to an end.²⁵ Only in the years 1787-1788 did these teas appear on the home market again.²⁶ Since the Company did not pay for purchasing these teas and simply asked a commission on selling them, I have not included them in the computations of the quantities and the value of the “VOC teas” bought and sold.

Finally, if we compare the data on the amounts of teas sold in the Dutch Republic (see Appendix 6) with those sent from Canton and also from Batavia (see Appendices 4 and 5),²⁷ there can be no single shred of doubt, as shown in Figure 2, that in the first and second phases of the China trade, the teas sold in the Republic originated both from China and from Batavia. How much tea was purchased in the seasons from 1734-1737 to 1739-1742 is not clearly listed in Figure 2, but when we look at the money paid for the purchases of tea in those seasons, as shown in Figure 3, the aggregate volume probably amounted to about half all teas sold in the Republic. From the season 1751-1753, and especially after the establishment of the China Committee at the end of 1756, this situation was utterly transformed when the transportation of teas from Batavia to the Republic on the account of private persons in the Republic was definitely limited. Eventually no more tea was sent from Batavia on the account of the Company. Consequently after 1756 all the “VOC teas” sold in the Republic had to have been basically purchased and sent from Canton, with only a few exceptions (see Table 6).

As shown in the table, there is a difference – in most years more was

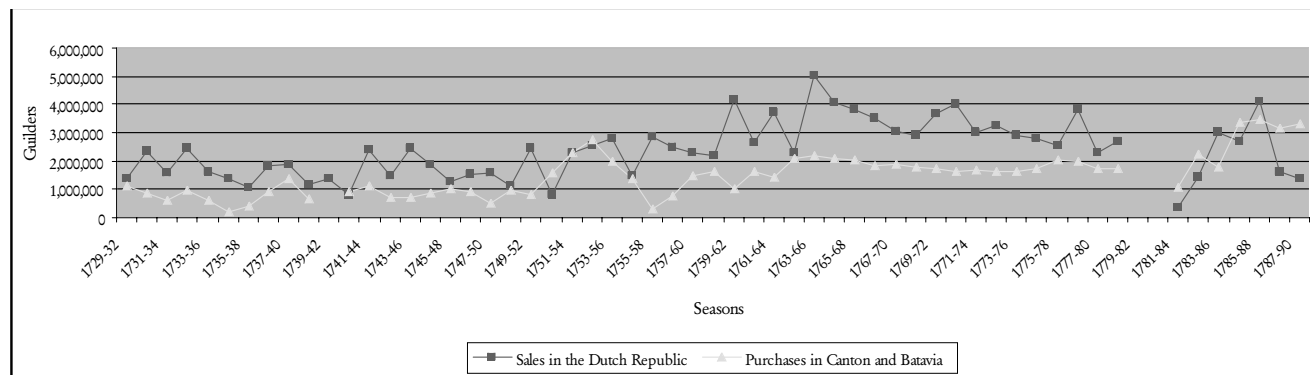
Figure 2. Volumes of teas bought in Canton and Batavia and sold in the Dutch Republic by the VOC, 1729-1790



NB: a) Purchases in Batavia during the seasons 1734-1737, 1735-1738, 1739-1742, 1742-1745, 1743-1746, 1744-1747, 1745-1748, 1746-1749, 1747-1750, 1748-1751, 1749-1752, 1753-1756, and 1754-1757 are not available; in these seasons purchases in Canton are given only.
 b) Purchases in Canton during 1745-1748 and 1765-1768 and in Batavia during 1731-1734 and 1732-1735 are not clear in Jörg's book (218-219). Here I give my own calculation.

Sources: Appendices 4, 5, and 6; Appendix Specification of the return shipments from Canton for the Netherlands (Jörg, Porcelain, 217-220).

Figure 3. Purchases (in Canton and Batavia) and sales (in the Dutch Republic) of the "VOC teas", 1729-1790



NB: a) Purchases in Batavia during the seasons 1734-1737, 1735-1738, 1739-1742, 1742-1745, 1743-1746, 1744-1747, 1745-1748, 1746-1749, 1747-1750, 1748-1751, 1749-1752, 1753-1756, and 1754-1757 are not available; in these seasons purchases in Canton are given only.
 b) Purchases in Canton during 1745-1748 and 1765-1768 and in Batavia during 1731-1734 and 1732-1735 are not clear in Jörg's book (218-219). Here I give my own calculation.
 Sources: Appendices 4, 5, and 6; Appendix Specification of the return shipments from Canton for the Netherlands (Jörg, *Porcelain*, 217-220).

Table 6 Comparison of volumes between tea sent from Canton and sold at auction in the Dutch Republic, 1756-1790

Season	Volumes (in pounds)		Deficit	Surplus
	Sent from Canton	Sold at auction		
1756-59	1,686,884	1,700,897	14,013	
1757-60	1,772,005	1,527,766		244,239
1758-61	2,836,555	1,516,768		1,319,787
1759-62	2,528,203	2,846,403	318,200	
1760-63	2,950,024	1,641,672		1,308,352
1761-64	2,846,176	2,652,812		193,364
1762-65	3,802,122	1,706,949		2,095,173
1763-66	3,663,571	4,140,874	477,303	
1764-67	3,622,816	3,317,266		305,550
1765-68	3,724,440	3,193,006		531,434
1766-69	3,638,791	3,341,164		297,627
1767-70	3,763,629	3,452,945		310,684
1768-71	3,894,460	3,365,108		529,352
1769-72	3,432,942	3,474,144	41,202	
1770-73	3,017,285	3,203,696	186,411	
1771-74	3,666,399	3,052,479		613,920
1772-75	3,704,908	3,282,673		422,235
1773-76	3,748,410	3,287,164		461,246
1774-77	3,715,294	3,315,334		399,960
1775-78	3,680,465	3,249,842		430,623
1776-79	3,391,016	3,189,892		201,124
1777-80	3,562,416	1,627,821		1,934,595
1778-81	3,637,784	2,030,506		1,607,278
1779-82	no tea sent from Canton			
1780-83	no tea sent from Canton			
1781-84	1,911,778	213,687		1,698,091
1782-85	3,927,361	1,335,022		2,592,339
1783-86	3,011,706	2,630,485		381,221
1784-87	4,077,086	2,015,307		2,061,779
1785-88	4,358,499	3,960,840		397,659
1786-89	3,322,437	1,623,417		1,699,020
1787-90	3,696,763	1,429,355		2,267,408

Sources: Appendices 4, 5, and 6.

sent than sold – between the quantities of teas sent from Canton and of those sold at the Company auctions nearly every year during the second half of the eighteenth century. Why and how did this happen? Various reasons can be adduced to explain this.

The Company servants in Canton frequently purchased more teas than the China Committee demanded. In the annual instructions to the Dutch supercargoes in Canton, the China Committee always fixed certain amount for most kinds of teas (see Appendix 4), but in most instances the trade representatives oversupplied the return ships because they had taken advantage of the favourable purchase price (especially during the off-season) in Canton. Cogently, in the second half of the eighteenth century, the China Committee never settled an exact amount for

the Bohea demanded but simply instructed the supercargoes to buy as much as they could depending, of course, on the quality of Bohea available. This, in practice, resulted in an oversupply of tea but one which did not really hurt the interests of the Company.²⁸ In a few years, more teas were sold than received in that same year from Canton, therefore the difference must have been made up by shipments of tea from the previous and/or the following seasons. There were several possibilities which would explain why the quantity of tea sold in Europe would have been less than that purchased in Canton. During the long journey to Europe, almost inevitably the teas on board tended to go stale. As this meant a drying out, it involved some unavoidable weight loss. In *patria* the unloaded teas were repacked before the auction and during this process some of the dust, which had been mixed in with it by the Chinese tea-supplying agents and their coolies,²⁹ would have been removed somewhat. This caused yet another weight loss. Such matters were understood and in these cases, a 10 to 15 per cent weight loss was acceptable.

In any attempt to make an analysis of the value of the teas sold at auction by the VOC, the "Annual Statements" made by the Gentlemen Seventeen is still the best source to consult. The statistics of the annual proceeds in Appendix 6 illustrate that during the twenty-seven seasons between 1729-1732 and 1755-1758, when the annual proceeds hovered around 1,995,215 guilders, the sales actually exceeded 2,500,000 guilders in the seven seasons 1743-1746, 1744-1747, 1749-1752, 1751-1754, 1752-1755, 1753-1756, and 1755-1758. In the twenty-three seasons between 1756-1759 and 1778-1781, the annual proceeds were much larger, about 3,268,412 guilders on average, and now the sum of sales fell below 2,500,000 guilders only in the three seasons 1756-1759, 1762-1765, and 1777-1780. In short, sales surpassed 2,500,000 guilders in as many as twenty seasons and even over 3,000,000 guilders in eleven seasons. In the seven seasons between 1781-1784 and 1787-1790, during and after the Fourth Anglo-Dutch War, as could have been expected from the upsets to shipping, the annual proceeds were only 2,095,192 guilders on average. The sales even surpassed 3,000,000 guilders in the three seasons 1781-1784, 1783-1786, and 1785-1788, but hovered around 1,600,000 guilders in the other four seasons 1782-1785, 1784-1787, 1786-1789, and 1787-1790.

On the basis of the information derived from the "Annual Statements" and the teas sent from Canton and Batavia, compared with the specification of the shipments from Canton to the Netherlands provided by Jörg, it is possible to compare, as shown in Figure 3, the trading profit made on the sale of the "VOC teas" through the seasons from 1729 to 1790. On the basis of this computation, it can be argued that the seasons between 1756-1759 and 1778-1781 were the "Golden years" of the VOC

Table 7 Gross profits margins on selling the "VOC teas" by the Company, 1756-1790

Season	Value (in guilders)		Profits margin
	paid in Canton	received in Europe	
1756-59	777,409	2,483,414	219%
1757-60	1,486,611	2,287,140	54%
1758-61	1,614,841	2,294,510	42%
1759-62	1,037,991	4,158,927	300%
1760-63	1,651,976	2,810,944	70%
1761-64	1,427,968	3,688,542	158%
1762-65	2,093,534	2,291,483	9.5%
1763-66	2,199,097	5,039,351	129%
1764-67	2,087,036	4,047,350	94%
1765-68	2,009,217	3,791,377	89%
1766-69	1,829,786	3,519,360	92%
1767-70	1,864,660	3,046,539	63%
1768-71	1,777,256	2,893,271	62%
1769-72	1,740,889	3,644,758	109%
1770-73	1,632,644	4,007,786	145%
1771-74	1,657,285	2,991,147	80%
1772-75	1,608,419	3,243,977	102%
1773-76	1,625,045	2,891,489	78%
1774-77	1,723,870	2,803,403	62%
1775-78	2,028,413	2,534,388	25%
1776-79	1,970,198	3,785,493	92%
1777-80	1,744,791	2,280,929	31%
1778-81	1,738,936	2,679,128	54%
1779-82	no tea sent from Canton		
1780-83	no tea sent from Canton		
1781-84	1,076,991	358,451	- 67%
1782-85	2,255,619	1,402,558	- 38%
1783-86	1,768,428	3,009,116	70%
1784-87	3,342,391	2,698,184	- 19%
1785-88	3,435,415	4,089,218	19%
1786-89	3,171,942	1,646,633	- 48%
1787-90	3,316,479	1,385,457	- 58%

Sources: Appendices 4, 5, and 6; Jörg, *Porcelain*, Appendix 8, 217-220.

tea trade with China. Most of the 1780s and half of the 1750s yielded only a low profitability as trade in Asia suffered the aftershocks of wars in Europe. The last seven years of the 1780s were especially gloomy and only two years (1786 and 1788) were reasonably successful; in the other five years the Company by then ailing from bad management allied with corruption lost money drastically. In the short seasons fairly early on from 1729-1732 to 1733-1736 and from 1736-1739 to 1737-1740, the gross profit margins were 22, 171, 148, 154, 172, 102, and 41 per cent respectively. In the seasons from 1742-1745 to 1744-1747, since the amounts of money paid in Batavia were not clear, it is no easy task to calculate the profit margins, but there is little reason to think that they would not have been as lucrative as in the afore-mentioned periods. Even so, the profits

in these short periods still trail far behind those made in the period of the direct Canton trade, when the trading profits on sales of tea were high in all years (see Table 7). The one exception was the season 1762-1765, when the profit was low at 9.5 per cent but made up for by the 158 per cent profit in the previous and the 129 per cent profit in the following season.

Domestic distribution of the “VOC teas”

After the Company auctions, the “VOC teas” entered two distribution channels. One was the domestic distribution, and the other was the re-export to other European countries. In comparison with the detailed study on the domestic distribution of the “EIC teas” by the British domestic tea-dealers,³⁰ there are still large gaps in our understanding of the extent or magnitude of the two distribution channels under the control of the Dutch. This can largely be attributed to the scarcity of source materials available to compile a statistical analysis of the two channels. None the less, there is at least enough to be able to draw a simple sketch. First of all, both sets of tea-dealers – the wholesalers as well as retailers, who, presumably also, put in their bids at the Company auctions – and shopkeepers were involved in this distribution channel. The imported teas probably reached the households of the common people as follows: tea-dealers, either from the chamber cities or from surrounding towns, purchased the “VOC teas” at the Company auctions in the chamber cities; then, these tea-dealers sold tea to shopkeepers who in their turn sold it to the ordinary customers. It should be pointed out that the shopkeepers could purchase teas directly from the wholesalers, but the latter often sold first to those retailers who were not involved in the Company auctions and who then in turn sold the teas on to the shopkeepers.

The profits tea-dealers earned by reselling the “VOC teas” to the next group of buyers are hard to compute, but we can get some idea if we look at the profits earned by one famous group of tea-dealers, Jan Jacob Voute & Sons, in Amsterdam from 1778 to 1781 and compare the prices of teas sold by this group with those at the VOC auctions in that city. As shown in Table 8, the profits the tea-dealers earned were much lower in total than those which had already accrued to the Company, and the tea-dealers even lost money on some sorts of teas by selling them at lower prices than they paid at the Company auction. Likewise, the comparison of the prices at which the teas were sold by this group in 1777, 1788, and 1795 (see Table 9) provides some idea of the fluctuations in the prices of teas sold by the same group in the last three decades of the eighteenth century. More information about the selling prices of these teas by various

Table 8 Comparison of prices of teas (stivers/pound) between the tea-dealers Jan Jacob Voute & Sons and the VOC in Amsterdam, 1777-1781

	1777-1778						1778-1779		
	by the VOC 02/12/77	09/02/78	by J.J. Voute & Sons			07/09/78	by the VOC 10/11/78	by J.J. Voute & Sons	
		09/03/78	29/06/78	13/07/78			29/03/79	09/08/79	
Bohea	11.5 - 16.5	13.5 - 16	14 - 16	16 - 17	16 - 17	16 - 17	16.5 - 18	19 - 20	19.5 - 20
Congo	23.25 - 23.75	28 - 36	28 - 36	28 - 36	28 - 36	28 - 45	22.5 - 43	28 - 46	28 - 46
Souchong	32.5 - 50	35 - 50	35 - 50	35 - 50	35 - 50	34 - 60	39 - 62	36 - 60	32 - 60
Pekoe	34 - 58	46 - 60	46 - 60	46 - 60	46 - 60	45 - 60	38 - 51	48 - 60	34 - 56
Songlo	33 - 33.75	34 - 36	34 - 36	36 - 37	36 - 37	37 - 39	37.5 - 39.5	45 - 48	46 - 50
Tawnkay	32 - 35.5	36 - 38	36 - 38	38 - 42	38 - 42	38 - 42	38.5 - 46	49 - 50	50 - 56
Hyson skin	38 - 46	42 - 46	42 - 46	40 - 50	40 - 50	40 - 50	43.5 - 51.5	50 - 54	58 - 60
Hyson	80 - 81	82 - 90	82 - 90	82 - 86	82 - 86	82 - 90	86.5 - 89.5	85 - 95	92 - 96

	1779-1780						1780-1781		
	by the VOC 01&02/11/79	13/11/79	by J.J. Voute & Sons			11/09/80	by the VOC 13&14/11/80	by J.J. Voute & Sons	
		03/01/80	31/01/80	24/03/80			05/03/81		
Bohea	21.5 - 22	22 - 23	22 - 23	22 - 23	22 - 22.5	21 - 21.5	19.75 - 20.25	22 - 24	
Congo	25.75 - 26.5	28 - 45	28 - 45	28 - 45	28 - 45	30 - 40	30.5 - 41	36 - 50	
Souchong	32.5 - 52	34 - 60	34 - 60	34 - 60	34 - 60	34 - 60	34.5 - 41	38 - 60	
Pekoe	44 - 57	48 - 60	48 - 60	48 - 60	48 - 60	42 - 60	45 - 48.5	48 - 56	
Songlo	49 - 49.5	50 - 56	50 - 60	50 - 52	50 - 52	42 - 45	32.5 - 35.5	36 - 38	
Tawnkay	—	54 - 56	54 - 56	54 - 56	54 - 56	44 - 46	35 - 37	38 - 44	
Hyson skin	51.5 - 56.5	52 - 60	52 - 60	52 - 60	54 - 60	48 - 56	40 - 60	50 - 60	
Hyson	89.5 - 93.5	78 - 102	78 - 100	78 - 100	80 - 100	70 - 95	86 - 92	80 - 105	

Sources: NA Aanwinsten 541; GAA, Bibliotheek, N 19.23.022, "Coffee and Tea".

Table 9 Prices of teas sold by Jan Jacob Voute & Sons in 1777, 1788, and 1795 (stivers/pound)

	6 September 1777	18 August 1788	10 August 1795
Bohea	13 – 16	11 – 13	10 – 12.5
Congo	28 – 36	24 – 42	27 – 45
Souchong	34 – 56	34 – 52	37 – 50
Pekoe	40 – 56	78 – 85	40 – 60
Songlo	33 – 34	26 – 31	20 – 26
Tawnkay	35 – 36	27 – 31	22 – 28
Hyson skin	36 – 40	28 – 40	26 – 34
Hyson	80 – 85	50 – 65	38 – 56

Source: GAA, Bibliotheek, N 19.23.022, "Coffee and Tea".

tea-dealers in Amsterdam during the period 1776-1795 can be found in Appendix 10.

As a rule, selling tea in the street to the common people was forbidden in the Dutch Republic.³¹ Since the beginning of the seventeenth century, tea had been sold to ordinary citizens originally only at the apothecaries' shops because initially Dutch people drank tea as a medicinal beverage. It was believed that tea was beneficial to human health. According to medical practitioners, such various deficiencies which then were rampant in this country in that era as heavy-headedness, weepy eyes, and weak sight could be cured by imbibing this exotic product, and it was even said to guarantee longevity without the illnesses which usually accompany great age.³² During the first half of the eighteenth century, there was a change in conceptions about tea and its sale was moved to special tea businesses, when the beverage became popular in society as an enjoyable drink. Shops specialized in selling tea mushroomed in nearly every town of the Republic.

No statistical data about tea shops in the Dutch cities during the eighteenth century are still extant; only some scattered references can be gleaned from various sources. In 1749 in the city of Leiden, fifty shops sold coffee as well as tea. In addition, five special tea shops and no less than a hundred coffee shops were registered and there were twenty-three male and female dealers in tea and/or coffee.³³

Since 1752 in Utrecht all sellers of coffee and tea had to be duly registered with their names and addresses. The wholesalers on the official list were in the majority and licensed victualers formed a minority.³⁴ Names of coffee shops appeared more frequently than those of tea shops, but this does not necessarily mean that the shops, devoted to the coffee business, did not also deal in tea business. Many coffee shops usually sold coffee and tea at the same time, even though coffee was the principal product of the shop.

Traditionally, the tea shops were easily recognizable by a suitably decorated window in the transom above the door or a sign with a logo on it, such as a “Big Tea Caddy” or “Small Tea Tree” (see Illustration 4). Window-dressings in the form of a bag bearing the label “Coffee and Tea” were employed to attract the passing potential clients.

Illustration 4 Wooden-framed transom of a tea shop, with the inscription “The Green Tea Tree”



This shop was situated on the Boterstraat, on the west corner of the Kreupelstraat, in Schiedam at the end of the eighteenth century, 98x75x1.5 cm; this object was received as a donation by the Museum in 1899.

Source: Courtesy of Stedelijk Museum Schiedam, inventory number: H/00000088/1-2/01.

Sometimes a striking text was written on the awning over the shop front. In late-seventeenth-century Amsterdam, Hieronymus Sweerts copied one so interesting text from the signboard of the shop “The Two Tea-Bottles” (*De Twee Thee-Flessen*) on the Oude Leliestraat which reads as follows: ³⁵

Don't pass by
If you
Seek good tea.
Look, smell, and taste,
To your heart's content
And take something with you.

*(Ga niet voorby
Indien dat gy
Soekt goeje thee.
Sie, ruyk, en smaak,
Tot u vermaak,
En neemt wat mee.)*

In Utrecht in the first half of the eighteenth century, after the imposition of a tax on tea, shopkeepers were even obliged to put or hang out a board in front of their shops or display a message on the awning of their houses, which stated: “Here we sell coffee and tea”.³⁶

This was the period in which the selling of tea was permitted only in shops. The certified shopkeepers were obliged to keep a list recording the weight of their canisters, kegs, and caddies. This should be clearly discernible on the basis of a number, in order to facilitate the quick checking of the stock available in the shop. The prohibition on street sales proved impossible to enforce all of the time, and there were a few exceptions in some years. So far, it has proved an insuperable problem to determine how often such exceptions occurred in the eighteenth century, but we know of at least one example in Amsterdam in 1721. In that year, because the price of tea had been drastically cut by the manipulations of the VOC, the market was literally swamped by the beverage and as a consequence this commodity was hawked around the streets of Amsterdam in wheelbarrows.³⁷

How the owners of tea shops went about running their enterprises in the eighteenth century is also of interest to us. Normally, when a client, usually a housewife, walked in to buy tea, the shopkeeper would first present and recommend some samples of various teas; and then, as was custom, the client would put some dry tea leaves into his or her mouth and chew them. After this first test, the shopkeeper (or the shop assistant) prepared a “sample” of tea of the chosen kind – mostly in an adjacent room – so as to enable the potential customer to take a sip of the tea prepared with boiled water. Small test-cups which belonged to the shop were used or were brought along by the prospective customers themselves.

Advertisements for selling tea were already being printed on the packing-paper and/or small bags used in the shops in the eighteenth century. Around 1730, for instance, Joannes Kramer, the owner of the shop “The Old Town Hall” (*Het Oude Stadhuys*), which was situated on the Oudezijds Kapelsteeg in Amsterdam, advertised that he sold various sorts of tobacco as well as all kinds of tea and coffee beans at a fair price (see Illustration 5); his fellow shopkeeper, J.P. van Bergen, kept “strong liquor” and a medicine-chest as well as tea and coffee on his premises on the Warmoesstraat.³⁸

One excellent example can be adduced to illustrate the history of tea shops in the Netherlands. As early as 1769, the wig-maker Jacobus van der Kreek (see Illustration 6) opened a shop “The Cloverleaf” (*Het Klaverblad*) selling tea, coffee and other sorts of groceries on the southern side of the Hoogewoerd close to the Barbarasteeg in the university town of Leiden. A signboard in the shape of a small wooden tea chest bearing the logo of the “VOC” was fixed to the shop front to indicate that the

Illustration 5 Advertisement for the shop "The Old Town Hall"



The text of this advertisement reads: "This and more other sorts of tobacco are for sale in larger and smaller (quantities). In the Oude Zijds Kapelsteeg, in the Old Town Hall of Amsterdam, the fifth house on the Warmoesstraat, by Joannes Kramer in Amsterdam; NB: As well as all sorts of tea and coffee beans all at a fair price."
 Source: GAA, Bibliotheek N 40.03.012.24, "Advertising Material".

Illustration 6 The first shopkeepers of “The Cloverleaf”

The subtitle reads “1769 – a wig-maker in Leiden and his daughter launch a coffee and tea shop in the Hogewoerd”.

Portraits of the wig-maker Jacobus van der Kreek (?-1800) and his daughter, Elisabeth Maria van der Kreek (1761-1831).

Source: Courtesy of the shop “The Cloverleaf”, Leiden.

shop sold the Company products. Van der Kreek obtained the patent for this logo from the Company.³⁹ After Van der Kreek passed away in 1800, his eldest daughter, Elisabeth Maria van der Kreek, took over the business. Via a niece, who succeeded Elisabeth Maria, the shop passed into the hands of the Molkenboer family, who continued to specialize in the sale of tea and coffee. Nowadays, passers-by can still see the very conspicuous yellow signboard suspended between the big windows on the shop front (see Illustration 7), which still bears the same name “The Cloverleaf”. With its 237-year history, “The Cloverleaf” is the oldest-existing tea and coffee shop in the Netherlands.⁴⁰

A highly refined consumer product like tea could hardly escape being subjected to taxes in the Dutch Republic. From the last decade of the seventeenth century, tax was levied not only on the consumption of tea but also on the selling of tea in the Republic. In September 1691, a “summons” was issued by the States of Holland and West Friesland (*Staten van Holland en West-Friesland*), in which a notice was given that an addition-

Illustration 7 The shop "The Cloverleaf"

This shop has been in operation since 1769 at Hoogewoerd 15; the signboard on the shop front is a small square wooden chest, 36x33x43 cm.
Source: Courtesy of the shop "The Cloverleaf", Leiden.

al tax would be added because of the crushing war costs being incurred at that moment.⁴¹ Apparently, the warfare being waged against the power-hungry King Louis XIV of France, which obliged the Dutch to finance a big army and enlarge their fleet considerably, made enormous inroads on the Dutch national treasury. The new tax measure, which was put into effect on 15 March 1692, decreed that “All the people, in whose houses, gardens, rooms or other places coffee, tea, chocolate, sorbet, mineral water, lemonade, or some other suchlike beverage which has been prepared with water, whey, or milk, by infusion of sage or other spices, will be drunk”, would be liable to pay extra excise duty (Illustration 8).⁴²

Depending on the tax category in which the Dutch were classified on the grounds of their wealth, this excise duty varied from six to fifteen guilders per year, which was changed to four to fifteen guilders in 1724, depending on total sales.⁴³ In the unlikely case a person might swear that in the past season none of the afore-mentioned drinks had been consumed in his home, either alone or in the company of others, an exemption from this impost could be obtained. It is said that many people submitted petitions because, if their explanations are to be believed, they had been classed in too high a category or because they seldom or never could afford coffee or tea, because of their straitened circumstances. Exceptionally, the professors of Leiden University were exempted by a senatorial decision of 31 March 1693 from their duty to pay tax on such exotic drinks as coffee, tea, and chocolate.⁴⁴

In Utrecht, a direct excise duty was levied on all coffee, chickpea, and tea which were brought into this province. This impost was fixed at one guilder for each pound of tea in 1702, an amount which was subsequently decreased to eight stivers in 1744; without doubt, this tax relief was directly related to the drastically reduced price of tea.

Those who were involved in the sale of tea, coffee, and chocolate, as well as those who wished to serve these exotic beverages in their houses for gain, were subjected to the same obligation.⁴⁵ Coffee-dealers had to pay a lower tax than shopkeepers in tea. Shopkeepers were permitted to sell both products without having to pay any additional impost. An ordinance of the States of Holland and West Friesland in 1776 shows that the shopkeepers had to pay taxes for selling tea, related to the volume of their business:⁴⁶

Annually if:

2,000 pounds of tea or more were sold, 25 guilders of taxes should be paid;

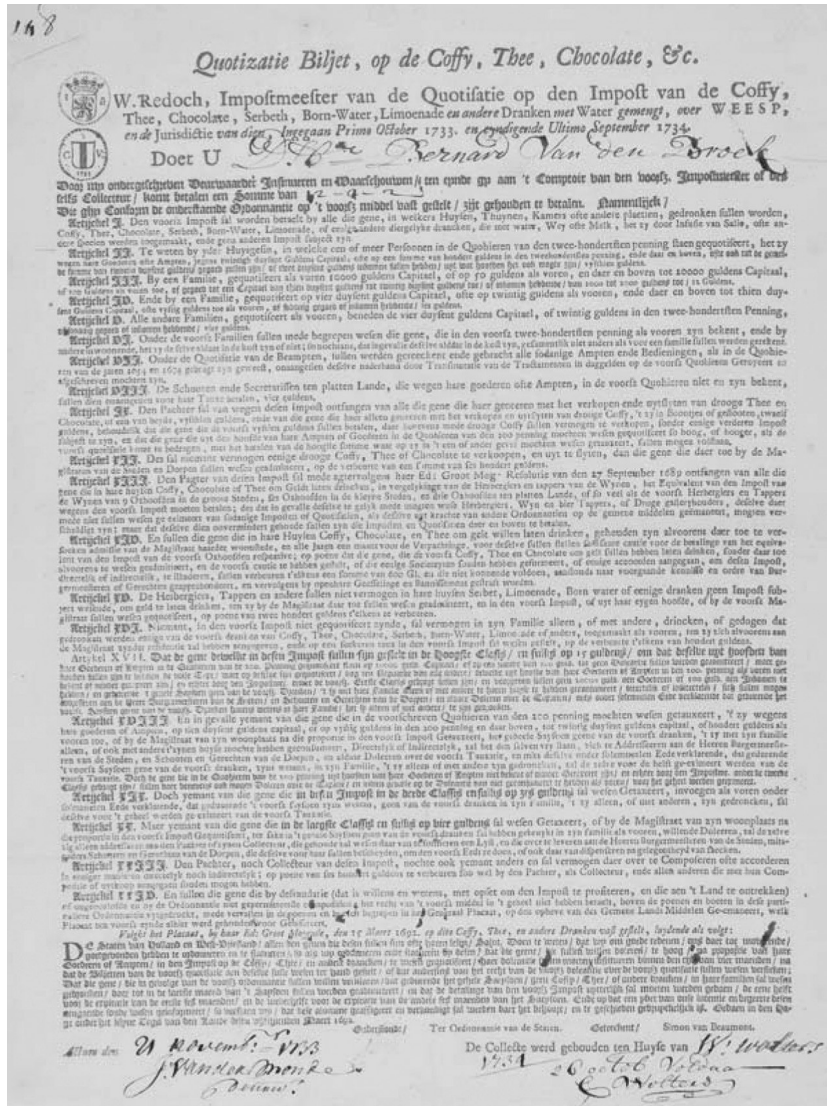
1,200 to less than 2,000 pounds were sold, 15 guilders should be paid;

480 to less than 1,200 pounds were sold, six guilders should be paid;

200 to less than 480 pounds were sold, four guilders should be paid;

less than 200 pounds were sold, two guilders should be paid.

Illustration 8 Announcement of the tax on coffee, tea, chocolate et al., 1734



Source: CAS, HMR, Rotterdam.

Fifteen years later in 1791, the taxation on the shopkeepers was specified in even more detail:⁴⁷

Annually if:

less than 200 pounds of tea were sold, two guilders should be paid;

200 to less than 500 pounds were sold, four guilders should be paid;

500 to less than 1,200 pounds were sold, six guilders should be paid;

1,200 to less than 2,000 pounds were sold, 15 guilders should be paid;

2,000 to less than 3,000 pounds were sold, 25 guilders should be paid;

3,000 to less than 4,000 pounds were sold, 31.1 guilders should be paid;

4,000 to less than 5,000 pounds were sold, 40 guilders should be paid;

5,000 to less than 6,000 pounds were sold, 50 guilders should be paid;

6,000 to less than 10,000 pounds were sold, 60 guilders should be paid;

10,000 to less than 20,000 pounds were sold, 80 guilders should be paid;

20,000 pounds or more were sold, 100 guilders should be paid.

Re-export of the "VOC teas"

So far no detailed attention has been given to the re-export of the teas that the VOC imported,⁴⁸ but it is for sure that part of the auctioned "VOC teas" was re-exported to other European countries by the tea-dealers in the Dutch Republic.⁴⁹ On the Continent, the Dutch teas were re-exported to Brabant, Flanders and Hainaut in the Southern Netherlands, the riverine areas along the Maas and Rhine, East Friesland, Prussia and other countries where tea was consumed but which did not import tea directly from China,⁵⁰ and Russia which also imported tea from North China via the land route.⁵¹ Although it is difficult to ascertain how much tea was re-exported to these nations in the second half of the eighteenth century, some succinct but very helpful information can be gleaned from the instructions of the China Committee to the Dutch supercargoes in Canton. In 1768, the instruction referring to Pekoe explained that for the coming season two-thirds of the 60,000 to 70,000 pounds ordered should be of top quality, while the rest could be of lesser quality, or second rank. They added the information that the increasing demand for Pekoe originated not only in Germany but that Moscow (Russia) had made a particular request.⁵²

When it was all said and done, the Continental re-export of the Dutch teas was small in volume. Paradoxically, the biggest European client for Dutch teas was Britain to where considerable quantities were smuggled. The most important reason for resorting to smuggling was the tax which was levied on the legal import of tea into Britain – at least 80 per cent of the value, but frequently more than 100 per cent. For a long time the EIC did not import enough tea before it was able to satisfy the thirst of the

British domestic tea market in the second half of the 1780s. The “Continental teas”, including the Dutch teas of course, were therefore able to make big profits there. A group of Dutch tea traders, under the leadership of the firm of J.J. Voute & Sons, knew how to capitalize on the inability of the EIC to supply the British domestic market. They were able to lay their hands on half the continental supply in 1784, which the EIC was obliged to purchase from them at high prices, and in the following year their supply was even considerably more. This consortium acquired a strangle-hold on almost all European teas. In February 1786, Amsterdam traders exported 8,000,000 pounds of teas to the English Company, nearly 40 per cent of all the British import.⁵³

The smuggled teas shipped to Britain from other European countries were carried by their own special routes to particular areas of Britain. These routes had been set up in the 1740s, although none claimed an exclusive right. Whenever the shipping season allowed, some of the teas from Sweden and Denmark were customarily smuggled directly to the west and east coasts of Scotland and to Ireland. In France the chief centres of sale were Lorient and Nantes, and by 1760s Roscoff had become one of the major ports from where tea was sent to the east, south, and west coasts of Britain.⁵⁴ There is some uncertainty about which secret routes the Dutch favoured, but it is known that the Dutch did make use of the Channel Islands and the Isle of Man, neither of which fell under British customs regulations, as strategic entrepôts for smuggling their contraband tea into Britain. Although Dutch traders exported a large quantity of tea to Britain, they had actually acquired a bad reputation for bringing “teas of the worst qualities” to Europe, the refuse of all other nations. A lasting memorial to Dutch tea is the adage: “Dutch tea has become a name for all teas that are bad in quality and unfit for [British?] use.”⁵⁵

Conclusion

A comparison of the sales of tea by the VOC in the Dutch Republic throughout the entire span of the Company’s China trade shows that this trade with China was not always profitable. The period between 1757 and 1781 was, however, an outstanding one: it was the only period in which the VOC profited from the Chinese tea trade for as long as twenty-three years without a break, with a seasonal 3,316,808 pounds imported from Canton, making a gross trading profit of 94 per cent on average. The first ten years of the Company’s China trade were also quite successful, but the quantities of teas then brought from Asia were much smaller in comparison.

Generally speaking, the movement of the "VOC teas" from the Company, through the tea-dealers and then the shopkeepers to the common consumers reveals a centralized and comparatively simple network of inland distribution. This was very advantageous to the VOC, the dominant supplier of the domestic tea market in the Dutch Republic. At the apex of the network, the Company completely controlled the source of teas imported into the Republic, and according to the principle of "more pay for more work", it shared the biggest portion of profits on the tea sales in the Republic.

The domestic tea market in the Dutch Republic was, because of its limited size, too small a stage and therefore the re-export of the "VOC teas" by Dutch traders to other European countries helped to swallow up the surplus of the "VOC teas". In this sense, the re-export of the "VOC teas" not only benefited those Dutch traders involved in the commerce, it indirectly also guaranteed the profits of the Company at the same time.

