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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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## **Chapter 4: Private trade with Batavia**

### **Introduction**

In the new dual system of trade, there was a danger zone where private trade and monopolies met. As a matter of course, most of the attention paid to regulation by the Company was directed toward this contact zone. The purpose of the regulations on private trade was not to ban all private trade; these were devised to protect the still profitable long-distance trades of the Company. A perusal of the regulations shows the Company's long-distance trade was vigilantly protected. This is clearly exemplified in the trade link between the Indian Sub-Continent and Batavia, on which we shall focus in this chapter. These regulations also provide a map to help us trace the changes in the Company's shifting trading priorities. We have already distinguished between two periods of VOC restrictions, each with a different dynamic. The first series of reforms was inspired by internal factors, but later in the eighteenth century external factors compelled the Company to reconsider its stringent attitude and allow its employees more freedom. This chapter sheds light on the interaction between company and servant in the embryonic phase of the decline of the VOC. How did the VOC envision this dual trade system functioning in reality? Was it able to enforce its will? What changed for Dutch private trade with the rise of the British Empire?

### **1. Private trade to Batavia**

When the VOC relinquished its monopoly on intra-Asian trade, it was not its aim to free this domain completely. Van Imhoff was convinced the Company should still continue trading and controlling the most profitable parts of its former monopoly. His thoughts turned largely to of the long-distance routes and the prized trade to the Spice Islands, but he also took the trouble to specify the most profitable goods. His train of thoughts reveals that the free trade of VOC subjects ran its own course alongside the

monopolized part of the intra-Asian trade. The problem with this system was that it facilitated the smuggling of goods which the Company considered to belong fairly and squarely in its domain. Although Van Imhoff had already implemented measures to counteract smuggling, his successors found it necessary to turn towards finding a more structural solution to the unwelcome by-products of the reforms. Since its servants abused their privileges, the Company believed it had the right to secure its own interests and subsequently issued regulations to preserve its monopoly on the long-distance trade and on the trade to the Spice Islands. Van Imhoff's reforms were considered a gateway to fraud, free trade between the Western Quarters and Batavia and the free trade to all the Spice Islands were abolished again.

In a nutshell, free trade was reformed to encompass what could be considered permitted trade. Permitted trade meant a limited amount of private trade on VOC ships allowed to certain privileged persons, while all other forms of private trade on a particular route were banned. By allowing only permitted freight, private trade with Batavia was put securely under the strict supervision of the Company. The unequivocal message was that supervision was deemed necessary to protect the monopoly of the Company on certain local commodities in its intra-Asian trade: in the case of the Coromandel Coast, the axe fell on textiles for the Moluccas and Europe. This ban was a logical consequence of the monopoly the Company still held on several types of cloth, while other sorts were allowed for private trade. Given these circumstances, the private export in particular textiles under VOC monopoly remained forbidden and private trade in these items continued to be illegal. Alongside the proscribed varieties of textiles, there was indeed a free choice of a variety of textiles for permitted trade, although the Company always retained the right to include new types of textiles in its regulations. Much to the dismay of the employees, this was done once in a while, when trade in a particular textile had proved to be profitable in the permitted trade. Whenever prices and profits in trading a particular sort of textile rose sharply, the Company would hasten to reserve these items for its own profit.<sup>282</sup> By constantly assessing the state of play, Batavia

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<sup>282</sup> NA, VOC, 4747, *Memorie Mossel 1752*, (...) Yet it hurts the burghers to see the Company taking back privileges by private auctions in those cottons which jump up in price (...).

was involved in a never-ending balancing act between what it wanted to give to its employees and what it wanted to retain or regain for itself.

The VOC had clear priorities and intentions, but the implementation of any of these could have unanticipated and unforeseen results. Its servants had no choice but to follow the rules and obey. Consequently, Van Eck's private trade with Batavia developed fluctuating along the lines of the VOC policy. With a financial interest in a privately owned ship plying between Batavia and the Coromandel Coast, Van Eck initially profited from Van Imhoff's reforms. The blow fell in 1752, when Mossel's revised policy was implemented, leading to the strict prohibition of free trade between India and Batavia.<sup>283</sup> All privately owned vessels wishing to sail this route were banned, including Van Eck's ship. Although the limitations introduced by Mossel meant an end to free trade between Batavia and India, to foster their loyalty the more highly placed officials were compensated for their subsequent loss of income. This compensation is best exemplified by what happened to the Governors and Directors in India who were granted the right to send *gepermitteerde lasten* or permitted freight on every VOC ship from the Coast to Batavia. Pragmatically permitted freight on every VOC ship had always been a prerogative of seafaring officers in order to dissuade them from smuggling, and their options in goods to be traded had increased with Van Imhoff's reforms. Now the Governors or Directors of other regions in India: Bengal, Surat, Malabar and the Coromandel Coast, obtained a similar right to send permitted freight on every VOC ship sailing directly from their regional headquarter to Batavia.<sup>284</sup>

Although the VOC concessions successfully combated smuggling, private trade privileges still occasioned problems in the official VOC trade. Although permitted trade solved the problem of smuggling, as time passed it was still considered detrimental to the Company, since the annual *Eijsch* from Batavia was often not met because employees had prioritized their private interests. The latter denied this and claimed the failure to fulfil the *Eijsch* was often attributable to unforeseen political or economic situation. Probably the truth falls somewhere in the middle as it stands to reason that employees

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<sup>283</sup> NA, Van Eck, 20, 261, 5 February 1759, Van Eck to Faure & Cordua, (...) I have a party of beautiful cotton ready, but because of the prohibition against sending goods on private ships, I do not dare expose it. (...).

<sup>284</sup> Van der Chijs, *Nederlandsch-Indisch Plakaatboek*, volume 7, 372, (...) Governor or Director on the spot from which the ship returns to Batavia.... 1 pack or load.(...)

would have ordered cloth from the indigenous merchants who were involved in the VOC trade as well. In fact, the Company even ordered them to do so, because it feared the servants would otherwise order from the other Europeans. The VOC servants also enjoyed an advantage in buying cloth from the same local merchants as the Company, since this entailed cost advantages for their private trade. When the High Government found itself in the situation of not being able to fulfil yet another *Eijsch*, it banned the permitted freight to Batavia completely in 1762. The Company was only willing to reconsider the measure if the *Eijsch* were completely satisfied in the near future.<sup>285</sup> In 1765 Governor of the Coromandel Coast, Pieter Haksteen, begged the High Government to reinstate the right to permitted freights, but there is no evidence the Company heeded his plea. In short, in this period the policy of the Company on private trade was determined by internal factors and priorities.

From 1771, external factors, more specifically the increasing competition from the English country traders, usurped internal factors and began to determine the VOC policy on private trade. The situation in the intra-Asian trade had changed to such an extent, the VOC chose to open the trade to Batavia completely and allow the servants, the free-burghers and other VOC subjects free trade.<sup>286</sup> It was hoped that by according the VOC subjects privileges they would cooperate and keep English competition at bay in the Indonesian Archipelago. At the very least, it was hoped that the English country traders would be forced to work together with the VOC subjects, allowing the Company more control over the influx of goods. In order to cement the position of the servants and free-burghers in relation to the English country traders, they were granted additional privileges. The Company allowed its servants and the free-burghers of Batavia to send textiles to Europe on the homeward-bound VOC ships.<sup>287</sup> In the wake of the upsurge in English power after the Fourth Anglo-Dutch Sea War, the Company was forced to seek a

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<sup>285</sup> NA, Hoge Regering, 309, 253-254, 7 June 1763, permitted packages, (...) Not considering that from the missive of the Gentlemen 17 and from the 25th of October 1762, under the matters of the Coromandel with a certain probability could be seen that permitting private packs to the officials on the ships returning from the Coromandel and from Bengal are not considered negatively, it has been permitted to continue as has been made known in the resolution of the 18<sup>th</sup> and the resulting text of the 24<sup>th</sup> of December 1761, and thus not to tolerate any private import of cloth under whatever pretext (...) and NA, Van Eck, 27, br 86, 30 September 1760, Van der Parra to Van Eck. This decision coincided with the moment Van der Parra succeeded Mossel as Governor-general.

<sup>286</sup> ANRI, VOC, 679, 193, 4 December 1770.

<sup>287</sup> Jacobs, *Merchants in Asia*, 141-145.

new balance with the English Country traders. In 1784 the EIC forced the VOC to allocate these English traders free trading rights. This seemed to presage that the influx of English county traders into the Indonesian Archipelago would be unstoppable. If it were to protect the trade of its subjects, the VOC had to hand its servants more trading privileges to Europe. Unfortunately, the result was disappointing but by that time the VOC no longer had the means to uphold Dutch private trade fully.

### **1.1 Negotiating private trade privileges**

As far as the servants were concerned, long-term policy counted only in as far as it affected the prospect of their own short-term profits. Although the VOC policy changed over time, individual servants made sure of optimizing the privileges they received. During Mossel's term of office it was stipulated in the regulations that a Governor of the Coromandel Coast had the right to one chest permitted on every VOC ship sailing to Batavia. Van Eck's most active period of private trade happened to coincide with the period when this regulation was in force and he claimed the right to two chests.<sup>288</sup> Then, when Van Eck became Governor of the Coast he was placed in a dilemma as he had transportation space at his disposal, but no goods to trade in.<sup>289</sup> This problem was partly solved when, on his advancement, his predecessor Governor Vermont offered him merchandise ready for shipment to Batavia. Since Vermont no longer possessed the right to send permitted freight, the goods he had ordered the year before were useless to him. This was an enormous stroke of luck for Van Eck who would otherwise have had to wait a full year before receiving the first consignment of ordered cloth. Accepting Vermont's goods meant that Van Eck profited from his privileges from the outset, instead having to wait a year, while Vermont got the cloth he was no longer able to send to Batavia from his hands.<sup>290</sup>

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<sup>288</sup> NA, Van Eck, 20, 281, 15 April 1759, Van Eck to Joncheere.

<sup>289</sup> NA, Van Eck, 20, 265, 16 February 1759, Van Eck to Vermont.

<sup>290</sup> NA, Van Eck, 20, 262, 8 February 1759, Van Eck to Le Dean.

The hand of the VOC was clearly visible in the choice of goods, and the rules had to be followed if the permitted trade was to be continued the next year. There can be no shred of doubt that the Company was able to assert its authority and dictate what servants could send. Goods sent to Batavia consisted of mainly luxury cloths, since cargo space was limited and luxury cloths were not bulky and earned the highest profit. There is ample evidence that the Company closely supervised what it was willing to allow and that servants had no choice but to obey. Initially, a kind of cloth called *guineas* was sent,<sup>291</sup> but from 1760 this was changed when it was included in the list of prohibited items and returned to the monopoly of the Company.<sup>292</sup> Van Eck must have received this list about six months after it was published. Following the Company's orders, he no longer sent *guineas*, indeed scrupulous in obeying the rules, he never sent any forbidden specimens of cloth.

Rules imply limitations on trade, but even a limited trade such as the permitted trade was still substantial. The Company was forced to surrender parts of its intra-Asian trade to private trade, which means that in looking at the total Dutch trade we have to juggle with the loss of the official trade offset by the increasing private trade. The amount and value of the goods sent by Van Eck exceeded expectations: the permitted trade allowed considerable scope to export cloth to Batavia. The difference between the amount of permitted trade Van Eck was able to conduct at the beginning of his term and at the end was the outcome of his ability to appropriate a large part of all the permitted trade from the Coromandel Coast to himself; empty chests had to be handed over to the Governor. By applying such tactics, Governor Van Eck was able to monopolize the permitted trade from the Coast to a large extent. An examination of the invoices shows the number of ships on which Van Eck shipped his commodities increased over time.<sup>293</sup> In 1758 Van Eck sent merchandise worth 10,593 rds; in 1759 this had risen to 37,606 rds; in 1760 it was 100,975 rds; and in 1761 it was worth 110,198 rds; an average of 18,527 rds per ship on a total of fourteen ships. The first sum is probably close to the amount of

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<sup>291</sup> In the invoices sent to Batavia, he mentioned mostly cloths in two colours; red and bleached.

<sup>292</sup> Van der Chijs, *Nederlandsch-Indisch plakaatboek* (deel 7) , 357, 14 December 1759, Private trade in *Guineas* was no longer allowed according to a list published by the VOC.

<sup>293</sup> In 1758 *Kasteel van Tilburg*, in 1759 *Oud Carspel* and, *Leyde*, in 1760 *Elizabeth Dorothea, Mossel, De Wereld, Vredesteyn, 't Hoff d'Uno, Leyde*, and the *Prinses van Orange* and in 1761 *Neyenburg, Prinses van Orange, Luxemburg*, and *Leyde*.

trade that would have been possible if he had availed himself simply of a Governor's privilege. The later sums probably approach the amount of trade which was conducted over and above the official VOC export from the Coromandel Coast of f1,333,600 in 1752/1753. This means we can add almost 10 per cent to the total of the official VOC trade to work out the total of Dutch trade from the Coast.<sup>294</sup>

The covenanted servants were forced to let others share in their privileges as they did not control all aspects of trade. Since servants in the trading posts of the Company controlled the supply of cloths, they were in a strong position to bargain with the officers on VOC ships, who also had the right to conduct trade with permitted freight on every trip. These sailors had no difficulty to sell the goods brought from Batavia and elsewhere, but for a return cargo they depended on the offer of what was available at their place of arrival as they had neither the time nor the contacts to order cloth. It was easier for them to sell their cargo space or strike a deal with private traders on the Coromandel. The crates offered had to be put at the disposal of the Governor first because he served as the official VOC authority who redirected the crates to potential buyers. Van Eck was already acquainted with this practice before becoming Governor, having been disappointed when he had asked Governor Vermont to sell him four crates and six packages the officers had handed in, but met with refusal.<sup>295</sup> During his term in office as Governor, Van Eck simply reserved all available freights for his own private trade, thereby claiming a substantial part of all the permitted trade from the Coromandel Coast to Batavia. The only exception Van Eck made in allowing to others permitted crates, was for higher ranking officials in Batavia who shared in the privileges. Consequently he was able to use the permitted crates of officers on VOC ships to send cloth to members of the High Government in Batavia. Of course, he avoided any official mention of their real names in order to avoid public embarrassment.<sup>296</sup>

Whatever may be presumed by historians, the permitted trade privileges were rewarding and servants cast about for more concessions, but the High Government had

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<sup>294</sup> Jacobs, *Merchant in Asia*, 237.

<sup>295</sup> NA, Van Eck, 20, 48, 28 July 1758, Van Eck to Vermont.

<sup>296</sup> NA, Van Eck, 20, 172, 10 October 1758, Van Eck to Faure & Cordua, For instance by addressing two packets for Councillor D. Van Rheden to the intermediary Dormieux. This was the case on the ship *Kasteel van Tilburg*. Van Eck bought two permitted chests from its captain, Bloeme, for 60 pagodes, and filled them with merchandise for Van Rheden.



reached the bounds of its generosity. Unquestionably, even within the confines of what was allowed, Van Eck's high turn-over in permitted trade is clearly at odds with the received wisdom that the permitted trade was an unrewarding and small-scale privilege. Van Eck personally viewed the permitted freight as one of the few ways by which the VOC helped servants to earn extra money. Despite our assumptions, he was not content with the quantities he was officially entitled to send. As did other employees, Van Eck judged the income from official privileges inadequate even to enable him to keep up appearances in front of the natives and other Europeans: a goal which was so much in the interests of the Company.<sup>297</sup> His large turn-over was the consequence of Van Eck's eagerness to enlarge the scope of his permitted freight. At first he tried to tread the official path, ordering his agent in Batavia to request more permitted crates. His agent was doubtful of the success of the request: (...) *How much chance of success your Excellency's proposal to obtain a guaranteed larger number of chests on ships leaving for Batavia for council members on the Coromandel Coast, I cannot yet ascertain, because the only answer I have received after lodging your plea that the Governor on the Coromandel Coast has no advantage other than his trade was laughter. I shall endeavour to keep your proposal alive (...).*<sup>298</sup> His proposal met with laughter in the High Government because this body clearly did not share Van Eck's views.

The VOC was not willing to grant its servants even more ordinary privileges, but it was not so dogmatic when it came to handing out extraordinary rights under special circumstances as a sweetener. Apart from monopolizing the permitted crates offered, Van Eck was also a recipient of permitted freight by profiting from exceptional circumstances. For instance, he threw his whole weight behind the VOC campaign against the English in Bengal. Although the expedition ended in disaster when the VOC army was slaughtered at the Battle of Bedara, Van Eck personally profited indirectly from the catastrophe. The officers who participated in the disastrous expedition were each entitled to one or two chests of permitted trade goods in accordance with their rank. The last point in the instructions given to Roussel, the commander of the expedition, entitled the army officers

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<sup>297</sup> NA, Van Eck, 20, 359, 15 October 1759, Van Eck to Van der Parra, (...) Nowadays a Governor nowadays only has at his disposal what he earns by his own work in the trade, and from which he has to spend a large part to sustain his splendour (...).

<sup>298</sup> NA, Van Eck, 27, 33, 31 January 1760, Faure to Van Eck.

to permitted freight on the VOC ship which took them to Bengal and returned them to Batavia.<sup>299</sup> With his eye firmly on the main chance, Van Eck seized the opportunity and bought a large number of chests for Batavia from the officers of the Bengal expedition. Similar exceptional opportunities to buy permitted crates presented themselves on other occasions. For instance, when the VOC ship the *Haarlem* was confiscated by the French, the officers were quickly released and sent to Batavia with permission to take permitted cargo on the ship on which they were given passage.<sup>300</sup> By utilizing such special opportunities, Van Eck purchased fifty-three chests and eight parcels in total for Batavia. The number of crates he obtained by purchase far exceeded his officially permitted freight.<sup>301</sup> In actual fact, he craftily enhanced his permitted freight enormously without breaching any VOC regulations.

Table : Number of chests and parcels sent by Van Eck to Batavia from 1758-1761

	Permitted Van Eck	Purchased from Third party	Financial Deal	Of Unknown Origin	Total
Chests		53	2	34	89
Parcel	9	8	19	3	39

Source: NA, 1.10.106, nr 20.

<sup>299</sup> NA, High Government, 348, Instruction to Lieutenant-Colonel J.B. Roussel, (...) 'Likewise it may serve to inform your Honour that we have given the right to a certain amount of permitted packs to the military officers being transported on your squadron, namely to Lieutenant-Colonel Roussel a double amount or as much as the captain, captain-lieutenant or the skipper. In line with the order it is permitted to the military captain to bring as much as the skipper. Also to give to the lieutenant and reserve officer candidate as much as is given to the lieutenants at sea and the mates.' (...)

<sup>300</sup> NA, VOC, 2951, Council of the Coast to Mossel, 17 April 1759, 47.

<sup>301</sup> NA, Van Eck, 20, 440, 29 March 1760, Van Eck to Faure & Cordua, (...) As a consequence of the permitted packages to the crossing officers, consist of 3 for Mister Roussel, 4 for the Captain Saint Etienne, 2 for Lieutenant Casemir, 2 for Van Gossling, 2 for Van Weesel, 1 for the general officer, 2 for the Malayan Captain Foersia Boegis. Since the officers in the expeditionary force have been granted permitted packages according to the resolution of the High Government, the same number as the naval officers and the Malayan officers also have right to a chest. We hope that it will not founder on any difficulties.(....)

*Table: Number of VOC vessels on which Van Eck shipped merchandise and the value of the cargo in Rix-dollars for the period 1758-1761*

	1758	1759	1760	1761	Total
Number of ships	1	2	7	4	14
Value of cargo sent	10593	37606	100975	110198	259372

*Source: NA, 1.10.106, nr 20.*

The limitations the Company imposed on free trade proved almost impossible to circumvent. It was illegal to send privately owned ships from India to Batavia, but this did not deter employees from trying to create pretexts in order to do just this. With the excuse of informing Batavia of the presumed sinking of a VOC ship at Bimilipatnam and about the siege of Madras, Van Eck chartered a privately owned ship from Bengal and asked for a pass for Batavia. In order to avoid confusion, this ship sailed without cargo, although Van Eck admitted to sending along some cloth, assuming this would be overlooked at Batavia and therefore slip through the net.<sup>302</sup> The plan was thwarted when the pass for Batavia was refused and it proved impossible to extend the existing pass from Bengal. The plan was finally ruined by sheer bad luck, when the English confiscated the ship in Madras in order to use it during the siege by the French.<sup>303</sup> Despite set-backs, Van Eck would not be deterred from the idea of taking the news to Batavia. The ship seized was replaced by Van Eck's ship the *Tartaar*, which was chartered to the Company and he planned to send it to Batavia accompanied by a explanatory letter to Mossel.<sup>304</sup> In the end, however for whatever reason, Van Eck decided not to send the ship.

The only way to circumvent VOC regulations on permitted trade was by lodging a plea that this commerce was in the interests of the Company, but this was fraught with

<sup>302</sup> NA, Van Eck, 20, 237, 10 December, 1758, Van Eck to Faure & Cordua.

<sup>303</sup> NA, Van Eck, 20, 243, 27 December 1758, Van Eck to Van Teylingen.

<sup>304</sup> NA, Van Eck, 20, 259, 5 February 1759, Van Eck to Mossel and 261, 5 February 1759, Van Eck to Faure & Cordua.

inherent dangers if proven false. The pretext of sending a ship was repeated in 1762 when Van Eck heard of the relief of Galle and tried to utilize this opportunity. The relief of Galle was seen as a liberation and as proof that all was not lost in Ceylon, making it highly important to send word as swiftly as possible to the Council in Batavia. Again his plans came to naught as it was impossible to send the news, since the official VOC ships had sailed early so as to avoid the imminent monsoon. Still desirous of informing Batavia, Van Eck decided to charter a ship. Apart from the letters, he decided to dispatch some merchandise on this ship.<sup>305</sup> With the vital information it carried, Van Eck had the interests of the Company in mind and in sending the goods along he was only trying to avoid losing money himself. Preening himself on his behaviour, Van Eck expected to be rewarded with the right to send the ship back loaded to the gunnels with merchandise, since he was paying for the ship without charging the Company.<sup>306</sup> Nevertheless, in spite of his skills in persuasion even Van Eck feared being caught and in the end he was happy that none of the above-mentioned ships reached Batavia. The rest of his career, he decided to abide by the rules and refrained from sending ‘important’ information on a privately owned ship.

## 1.2 Guaranteed profit and extended benefits

Adhering to and helping to enforce the rules guaranteed the privileged servants a profit. Certainly, a good profit on permitted trade was expected, but is hard for us to assess how much since the privileged persons had no interest in making their profits known. A good profit on the cloth sent to Batavia could be expected, since textiles were in high demand in Batavia owing to the annual arrival of two or three ships from Manila and, of course, the *scheepsvrienden* embarking for Europe, very happily filled their permitted chests with them.<sup>307</sup> In 1760, however, the profits obtained did not live up to Van Eck’s expectations. Unfortunately, other trading options and profitable destinations had been rendered unsafe

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<sup>305</sup> A little parcel of cloth and some wine.

<sup>306</sup> NA, Van Eck, 20, 645, 6 June 1761, Van Eck to De Klerk.

<sup>307</sup> NA, Van Eck, 20, 477, 3 June 1760, Van Eck to Faure & Cordua.

because of political problems. For instance, the direct private trade to Malacca and Manila had been temporarily cut off.<sup>308</sup> By playing detective and assembling clues, there are several ways of estimating the exact profitability of the permitted trade to Batavia. One indication is the profit made on the cloth Van Eck had sent to Van Rheden. The intermediary acting on behalf of Van Rheden, Dormieux, was ordered to sell the goods for at least 4,125 rds. Dormieux, however, did not know the original price of purchase, since Van Eck made a conscious decision to share this information only with Van Rheden. Van Eck had actually paid 339 rds for the consignment, not specifying any additional costs.<sup>309</sup> Thereby revealing the large profit margin. When Vermont returned to Batavia in 1759, he began to spread the rumour that cloth from the Coast had been excessively priced in view of how cheaply it was obtained on the Coromandel.<sup>310</sup> This is another clue that the profit margin was higher than was realized in Batavia.

The fact that the VOC limited trade also meant a guaranteed profit for the people the Company privileged. Another example of profitability is provided by a deal Van Eck made with a Captain called Bloeme, indicating a profit exceeding 20 per cent, which corresponds with other cases, and this is not the only indication of profit. When a French trading-partner with whom Van Eck had ordered merchandise died, the French authorities distrained the goods in order to establish clarity of the ownership. In his letters to the French authorities Van Eck indicates the cloth ordered was meant for Batavia. After waiting for months, Van Eck indicated what the delay was costing him: *"(...) I shall lose 30 to 40 per cent of profit on the merchandise if it is not delivered this month or at the beginning of the next, after which the season for sending merchandise to Batavia will have passed, and this will be a great loss to me(...)"*.<sup>311</sup> This suggests Van Eck expected a profit of between 30 and 40 per cent. Other sources indicate a similar amount. For one cargo, Van Eck indicated the invoice price (10,597 rds) and the sale price in Batavia (14,435 rds).<sup>312</sup> This meant a profit of 3,856 rds or 37 per cent. Further indications are unavailable, but on the basis of what there is we can assume a profit of 30 to 40 per cent on the total value of what Van Eck sent to Batavia of 259,372 rds. After sale this would

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<sup>308</sup> NA, Van Eck, 20, 440, 29 March 1760, Van Eck to Faure & Cordua.

<sup>309</sup> NA, Van Eck, 20 369, 5 September 1759, Van Eck to Van Rheden.

<sup>310</sup> NA, Van Eck, 27, 33, 31 January 1760, Faure to Van Eck.

<sup>311</sup> NA, Van Eck, 20, 137, 24 September 1758, Van Eck to Moracin.

<sup>312</sup> NA, Van Eck, 20, 632, 24 May 1761, Van Eck to Faure & Cordua, shipment on board of the *Nyenburg*.

have left Van Eck with the tidy sum of approximately 363,121 rds. The exact profit remains unknown, although the estimate approaches the amounts of money Van Eck had remitted to Europe from Batavia.

Since privileged trade meant guaranteed profits, all senior servants were interested to share in such privileges and there were other privileges to be enjoyed as well. Members of the High Government were also interested in conducting trade in textiles and they used Van Eck to avoid the freight being linked to them. Although Van Eck did not share the purchase price with his middlemen, he was probably offering senior officials cloth at a concession. He extended a helping hand in the name of friendship and refused to conduct trade with them for profit, since his philosophy was friends should help each other without pursuit of gain. At different points in time, Van Eck did Van Rheden such favours as paying interest and bottomery on his money when this was not customary.<sup>313</sup> In return, Van Eck suggested Van Rheden should help him to achieve promotions.<sup>314</sup> We shall return to the social implications of this system in Part III. These officials also engaged their own special privileges in the trade to Batavia. Members of the High Government had a special privilege called *Huijsgebruijk* or 'personal use'.<sup>315</sup> This stipulation entitled them to import any product imaginable from all over Asia to Batavia as long as it was for their own personal use, a self-limitation instituted in order to avoid excessive impartations. In order to obtain goods from the length and breadth of the continent, the members of the High Government needed the collaboration of local employees. As Chief of Palliacatta, Van Eck was approached for the first time to supply goods for 'personal use', following in the footsteps of former chiefs. This practice continued when on his promotion to Governor of the Coast, he was asked to provide for the needs of the Director-General and the Governor-General.<sup>316</sup> Even when Van Eck was promoted to Governor of Ceylon, he continued to supply *Huisgebruijk* products.<sup>317</sup> The

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<sup>313</sup> NA, Van Eck, 20, 289, 15 April 1759, Van Eck to Van Rheden.

<sup>314</sup> NA, Van Eck, 20, 369, 5 September 1759, Van Eck to Van Rheden.

<sup>315</sup> Chijs, *Nederlandsch-Indisch Plakaatboek*, VII, 755 13/16 April 1764, (...) the exception to this rule is the little the gentlemen of this government need for their household use. In the cloth settlements, it will be necessary for those given the commission to hand in the packages at the Company's warehouse, to send them over with the Company's goods and to make them known on the Company's bill. (...)

<sup>316</sup> NA, Van Eck, 20, 452, 6 April 1750, Van Eck to Mossel and 458, 10 April 1760, Van Eck to Van der Parra.

<sup>317</sup> NA, Van Eck, 20, 763, 30 July 1763, Van Eck to unknown. For example in 1763, he dispatched over 50 chairs to Schreuder.

supply of commodities for ‘personal use’ was just as much institutionalized as permitted freight and Van Eck was always extremely helpful in fulfilling commissions.<sup>318</sup>

Limitations on ‘personal use’ existed, but in reality it was often simply a cover up for covert commercial activities and this led to competitive advantages. The advantages of *huisgebruick* cloth were threefold: it was exempted from tax; it was not necessary to buy cargo space to ship it, and finally that the cloth was delivered without a commission being charged. A member of the High Government and later Governor-General, Reinier De Klerk, indicated he had sold his *huijsgebruijck* cloth at a profit, while the cloth of the same variety his mother-in-law had bought, had sold at a loss. The difference was that his goods had been bought under the pretext of *huisgebruick*, while his mother-in-law had obtained her goods differently and had among other inconveniences to pay tax. By exercising his privileges, De Klerk had done better than his mother-in-law, much to his own amusement.<sup>319</sup> The scale of the trade for ‘personal use’ is hard to quantify, although goods in this category were shipped on every VOC ship sailing to Batavia. In the only known example of *huijsgebruijck* goods on a VOC ship, the consignment amounts to the far from inconsiderable sum of about f 8,000 in total.<sup>320</sup> The goods were either paid for in Batavia or money was sent over to the place of purchase.<sup>321</sup>

By handing out privileges, the VOC created room for further benefits after the trade had been conducted. After selling the permitted freight in Batavia, Van Eck’s money was put away at 3 per cent interest and was at his disposal to send to Europe.<sup>322</sup> It was precisely the sending of money to Europe that the permitted trade provided additional advantages. Since the various European companies held a monopoly on trade between Europe and Asia, the transfer of capital from Asia to Europe was a problem all Company-employees faced. Companies had their own rules, but all prohibited remittances home by their servants except through their own Company. In the case of the VOC, in 1728 the restrictions on sending home money from Batavia were loosened. The Company wished to use this money to finance its trade to Europe and its intra-Asian trade.

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<sup>318</sup> NA, Van Eck, 20, 764, 30 July 1763, Van Eck to Schreuder.

<sup>319</sup> NA, Van Eck, 26, 6, 13 February 1759, De Klerk to Van Eck.

<sup>320</sup> P. Groot, *Accompaniments to letters from Negapatam* (Madras: Government Press 1911), 184.

<sup>321</sup> NA, Van Eck, 20, 635, 20 May 1761, Van Eck to Mossel. Mossel even sent over gold on VOC ships to pay for his ordered goods.

<sup>322</sup> NA, Van Eck, 20, 454, 6 April 1760, Van Eck to Booms & P. Mossel.

Consequently, in its pursuit of capital from that year a certain amount of money would be accepted for remittance to Europe every year subject to the status of a certain region in the trading structure of the Company and its connection to Europe. It is understandable that the opportunities for sending money home from the headquarters Batavia far exceeded the possibilities existing in the smaller trading settlements, as Batavia was the main shipping link to Europe. The permitted freight meant sending money to Batavia at a profit, while in Batavia the money could be sent to the Republic more easily and more anonymously than from other parts of the VOC empire.

The privileges in trade to Batavia also attracted English money, as the VOC offered access to bills of exchange for Europe. EIC employees found it especially difficult to send money to Europe.<sup>323</sup> It proved difficult for Van Eck's English clientele in India to obtain VOC bills, but certainly it was easier to obtain bills for Europe in Batavia than on the Coromandel Coast. In Van Eck's time, the normal pattern was to send the English money to an Englishman called Garden who was living in Batavia. In the earlier period, the VOC occupied a stronger financial position and had more room to pursue deals on its own terms in issuing bills of exchange on Europe, because either the VOC offered advantageous conditions or simply because not enough EIC bills were available in India, the English turned to servants with privileges to ensure their money found its way to Batavia. Van Eck used the money he had gained in the trade to Batavia to exchange for English money on the Coromandel Coast, this way obviating the need to send any money to Batavia. In this way, Van Eck obtained his money back to the Coromandel Coast cheaply if necessary.<sup>324</sup> Van Eck also used English money to finance his permitted freight to Batavia.<sup>325</sup> In this manner, the money financed Van Eck's trade to Batavia, where Berg and Garden (two agents affiliated to the English) forwarded the money received to the Republic for their English clients.<sup>326</sup> All these schemes demanded a great deal of work and sometimes the English rejected the conditions the VOC

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<sup>323</sup> F.S. Gaastra, "De VOC en EIC in Bengalen aan de vooravond van de vierde Engelse oorlog (1780-1784)". In *Tijdschrift voor zeegegeschiedenis*; vol. 20 (2001), 1, 24-35 (12) / 2001, 10, Famous cases are those of VOC Director Ross in Bengal, who before 1780 helped send English money to the Republic. Another example is Clive, who sent a large part of his fortune home through VOC channels.

<sup>324</sup> NA, Van Eck, 20, 442, 29 March 1760, Van Eck to Berg & Garden.

<sup>325</sup> NA, Van Eck, 20, 210, 15 November 1758, Van Eck to Faure & Cordua.

<sup>326</sup> NA, Van Eck, 20, 280, 15 April 1759, Van Eck to Faure & Cordua and 422, 29 February 1760, Van Eck to Du Pré & Ross.



stipulated as they considered the fees the Company asked on the bills of exchange to Europe too high.

In later times as its finances grew more precarious the VOC was quite eager to attract English money to keep its trade in India going and simply accepted English money in India. Even later, such VOC employees as Ross were more successful in their exploits because in a special stipulation pertaining to Englishmen the VOC changed the high interest to interest received on the money sent, instead of having to pay recognition.<sup>327</sup> By then, the VOC was also more desperate to attract money and more likely to acquiesce in lesser terms. We often find proof of English money being paid out in Holland.<sup>328</sup>

## **2. Private trade from Batavia to the Coromandel Coast**

The trade from Batavia to the Coromandel Coast was much less regulated than the reverse trade to Batavia and provided the goods with which servants built their free trade in India. The principal purpose of this trade was to supply the European armies in India with their needs. The English and the French were not capable of supplying with sufficient alcoholic beverages for their troops and here Dutch private traders jumped in. This is illustrated in Van Eck's instructions on what to do when one of his empty ships arrived in Batavia. Van Eck promised his agents in Batavia a 5 per cent commission if they succeeded in sending the ship to the Coromandel Coast loaded with 25 to 30 *kassen* of red wine and all the arrack the ship could carry.<sup>329</sup> Unquestionably, Dutch private trade profited from the presence of foreign armies in India, but it is to be expected that English and French country traders profited to an even larger extent from the presence of their own armies.

Some of the trade to the Coast from Batavia was arranged in the same way as the trade from the Coromandel Coast. First and foremost, the Governor not only had the right

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<sup>327</sup> Gaastra, *De VOC en EIC in Bengalen*, 2.

<sup>328</sup> NA, Van Eck, 26, 80, 28 September 1759. Garden to Van Eck. NA, Van Eck, 26, 59, 13 August 1759, Van der Parra to Van Eck. The French also wanted Van Eck's help to send money to Europe secretly, but Van Eck carefully calculated his risk and was less helpful to them.

<sup>329</sup> NA, Van Eck, 20, 237, 10 December 1758, Van Eck to Faure & Cordua.

to permitted freights for Batavia, but also to permitted cargos on the VOC-ships sailing to the Coast. These freights consisted of sugar, rice, arrack or one of the other permitted trading goods.<sup>330</sup> These products were in demand in India among Europeans as well among indigenous merchants, but there was competition and it was necessary to strike when the iron was hot. In 1760, Van Eck advised his English trading partners in Madras to sell his arrack before new VOC ships arrived from Batavia, since a new supply would mean a drop in prices.<sup>331</sup> Again the privilege of permitted freight was not the sole prerogative of the Governor, since the officers of the VOC ships shared this right. For his part Van Eck sometimes profited by buying crates from such men in Batavia and sending them to the Coast filled with arrack, sugar and only now and then coffee.<sup>332</sup> This last product was a little more problematic, and it was not long before coffee was placed on the list of monopoly goods of the Company.<sup>333</sup> In fact it was already declared a monopoly when Van Eck was working in Palliacatta.<sup>334</sup>

Apart from permitted freight, it was possible to send a privately owned ship to the Coromandel Coast from Batavia. A good example is the *Sara*, which had first served as a privately owned vessel in the Archipelago, but on her final voyage was loaded with arrack and sugar. Such a trip required the special permission of the Governor-General or the Director-General. Van Eck's supercargo, Laudea, and his agent Faure had obtained this permission for him.<sup>335</sup> The High Government asked Van Eck to keep the permission a secret, in theory only *vrijluiden* or free-burghers were permitted to send such a ship.<sup>336</sup> That same year four other ships also obtained the right to set sail for Coromandel.<sup>337</sup> It was stipulated that no merchandise was allowed than sugar and arrack, but turning a blind eye to rules and reputation Van Eck's ships sometimes brought sandalwood, coffee and camphor.<sup>338</sup> On this particular trip Laudea took 25,000 to 30,000 bottles of wine with him.

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<sup>330</sup> Van der Chijs, *Nederlandsch-Indische Plakaatboek*, 1755 mossel, 94, § 6.

<sup>331</sup> NA, Van Eck, 20, 463, 2 February 1760, Van Eck to Du Pré & Ross and 20, 325, 17 July 1759, Van Eck to Du Pré & Ross, Van Eck often indicated to his trading partners the possibility of obtaining new arrack on the arrival of VOC ships from Batavia.

<sup>332</sup> NA, Van Eck, 20, 454, 6 April 1760, Van Eck to Booms & P. Mossel.

<sup>333</sup> NA, Van Eck, 20, 644, 5 June 1761, Van Eck to Faure & Cordua.

<sup>334</sup> NA, Van Eck, 19, 46, 7 August 1758, Captain Schreuder to Van Eck.

<sup>335</sup> NA, Van Eck, 18, 7, 15 november 1757, Laudea to Van Eck.

<sup>336</sup> NA, Van Eck, 20, 645, 6 June 1761, Van Eck to De Klerk.

<sup>337</sup> NA, Van Eck, 20, 44, 20 July 1758, Van Eck to Van Teylingen.

<sup>338</sup> NA, Van Eck, 20, 634, 20 May 1761, Van Eck to Faure & Cordua.

Later, after having been appointed Governor of Ceylon, Van Eck still needed permission to send a ship to the Coast from Batavia and requested that he be allowed to send sugar and arrack. This permission depended on who was asking the favour. Since it was Van Eck's request, the ship was allowed to load as much sugar and arrack as was desired and even the repairs of the ship were given priority. It seems therefore fair to assume that as Van Eck held an important position in the VOC hierarchy, it was easier to obtain the co-operation from the High Government.<sup>339</sup>

## **2.1 Protecting privileges**

Although the trade between the Coast and Batavia was seen as the prerogative of the VOC, a proportion of it was handed over to the senior officials, either in the form of permitted freight or in passes allowing them to send a private vessel. Quite obviously, this enabled the people in the higher echelons of the hierarchy to make a handsome profit at a low cost and with minimal risk. Profit was guaranteed and kept artificially high by the simple expedient of excluding competition. The Company was content to be in a position to control incoming and outgoing trade in Batavia so as to check if its interests had been secured and the qualified employees could be re-assured that their privileges were not being trampled on in their own regions, since this would have impinged on their personal profits. In Mossel's regulations on private trade from the Coast to Batavia, it was stipulated that only free-burghers had the right to conduct free trade, but the qualified servants were jealous of their prerogatives and not keen on competition. In Van Eck's case, one such free-burgher came to the Coast as his partner. This free burgher was very interested in setting up this trade route. In the presence of a notary, he guaranteed the officers on the ships to the Coast a profit of 60 per cent on what they sent to India and 20 per cent on what they would send back to Batavia. In the event they did not receive that amount of profit he would pay them the difference in goods or in money. This caused consternation among the employees on the Coast, because the officers of ships began

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<sup>339</sup> NA, Van Eck, 20, 723, 20 March 1761, Van Eck to Van Teylingen.

demanding higher prices for their co-operation. The former refused to give in to their demands, since it would mean a cut of their share of the profits.

Since the servants felt that only they and they alone had been accorded this privilege by the VOC, they jealously guarded what they had. The arrival of these intrusive free-burghers led to unrest on the Coromandel and caused disruptive ripples in the established trading patterns. The free burgher was bluntly told his presence was not appreciated: *“First, you know all too well, that in the smaller VOC settlements almost nobody else but the chiefs and their deputies indulge in trade and that on the arrival of a ship there are almost never enough desired goods to satisfy their needs to send or to sell to friends on the ships to sell for a decent advance in cash or by exchange. You can easily understand that when I have assembled whatever kinds of goods, I have no intention at all of selling it for a trifle. And if you were to be charged in the same manner as we would sell, you would pay 20 per cent over and above that price, therefore your profit would be piddling so you would not profit much, since people charge an extra 5 per cent on commission in Batavia, apart from charging you tax and other small sums, above and beyond there. If you want to engage in such a project, you will have to promise the friends on the ship 60 per cent on what they bring, because should you not do so you will take the bread out of their mouths and you shall readily comprehend that you will not find people who will want to engage in such a commission and those who may want too will be prevented by others from doing so. So as a good friend, I advise you to relinquish your plans which many people will deem very strange and, if the truth be told, will be judged much too greedy and the news has already spread through the Coast like wildfire.”*<sup>340</sup>

## 2.2 Social exclusion

All the evidence points to one conclusion: the trade between the Coast and Batavia was monopolized by senior officials. To quite a high degree this was entrenched within the VOC structure and where no regulations existed, the higher-ranking officials

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<sup>340</sup> NA, Van Eck, 20, 152, 8 August 1758, Van Eck to Faure.

enforced their rights on the basis of their place in the hierarchy. For those within the Company's power structure, this was an easy matter, but other European or Asian private traders who felt excluded or frustrated in their ventures could sabotage the system. In order to prevent private trade by any such enterprising people outside of the Company, the High Government assiduously wielded its authority and influence in the regions under its control. In a private letter to Van Eck, we see that Director-General Van der Parra was adamant about denying private trade in Batavia to merchants outside the Company. He prohibited trade in cloth to Batavia by Armenians from Madras, Muslim traders and other people from Malabar, in order to "*clear a path for those, who otherwise are denied or have difficulty in finding a permissible profit because of the competition of these heathens.*"<sup>341</sup> English private traders had difficulty buying goods in Batavia too. On the arrival of an English ship in Batavia in 1759, she was denied trade. In the end, the English ship was allowed some sugar, but only enough to remunerate the costs incurred in to sailing to Batavia and only after Garden, a resident of Batavia, had intervened on her behalf. He seems to have been some kind of agent of the English in Batavia and also had mutual commercial interests with some of the senior employees.<sup>342</sup> Van der Parra even officially stipulated that foreign ships should be accorded the least possible help.<sup>343</sup>

The market for goods from Batavia on the Indian Sub-Continent was essentially to be found in the settlements of the other Europeans, which can be reduced to the fact that the VOC never did at any time control the market on the Indian Sub-Continent. In their endeavours to sell the Batavian goods, the VOC servants could not have operated without other Europeans and indigenous middlemen.<sup>344</sup> Arrack found a ready market in both Pondicherry and in Madras, where the French and English required large quantities to keep their ever growing armies and fleets content.<sup>345</sup> Van Eck's quest for profit from Batavian goods was concentrated on other Europeans factories on the Coromandel

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<sup>341</sup> NA, Van Eck, 18, 9, 17 November 1757, Van der Parra to Van Eck, (...) It is essential not to concede the request of the Armenians of Madras, and if possible also to achieve the interdiction on the sending of cloths by the Moors and merchants from the Malabar. In order to make way for those, who otherwise would be prevented from making a permissible profit, and who would be given a hard time because of these heathens. (...)

<sup>342</sup> NA, Van Eck, 26, 66, 9 November 1759, Van Teylingen to Van Eck.

<sup>343</sup> Van der Chijs, *Nederlandsch-Indisch Plakaatboek*, 1761 Van der Parra, 514, 14 August, (...) Regulation, that the foreign ships on the roadstead of Batavia should be accorded the least possible help.

<sup>344</sup> NA, Van Eck, 20, 181, 17 October 1758, Van Eck to Du Pré.

<sup>345</sup> NA, Van Eck, 20,1,1 June 1758, Van Eck to Laudea and 315, 12 June 1759, Van Eck to Du Pré & Ross.

Coast.<sup>346</sup> Sugar and arrack were brought from Batavia, and rice and other grains from Bengal and sometimes wine from the Cape. The production of arrack and sugar in and around Batavia was concentrated in the hands of the employees. Around 1775, the total export of sugar from Batavia amounted to approximately 11,500 *pikul* in total, of which more than 7,500 was destined for the Coromandel Coast, mostly in Dutch ships. The bulk was sold in other European settlements.<sup>347</sup> Even then, in 1775, half of the private trade shipments of the sugar to India was in the hand of foreign European traders, a definite indication of a decline in Dutch trade over time.<sup>348</sup>

As long as the Company held the political control in Batavia and in its possessions in India, this situation was unswerving and immutable up to the point when colonial control of the market in Bengal by the EIC and the primacy of English power at sea altered the rules of the game. Initially English settlements were not the only market for Dutch arrack, but their increasing power gradually left fewer alternatives, eroding the position of Dutch private traders. Around 1760, the interference in the trade in sugar by other Europeans must have been less marked than it was to become in the 1770s; most of the trade was then still in the hands of the VOC and its employees. Lucrative alternatives to the English settlements still existed, exemplified by the evidence that Van Eck made arrack arrangements with the French, at a high fixed price.<sup>349</sup> Occasionally, the English had to be conceded part of the trade of arrack at Batavia, but the VOC was determined to maintain control.<sup>350</sup> At the time of Van Eck, the VOC made sure that the English would not get their hands on more arrack than the amount which could be loaded in one ship in a move obviously design to protect Dutch private trade. When the EIC was in as position to cut off all VOC trade to Bengal after its conquest there, it was possible to use this as an instrument to cleave a way to English access to Batavia. As it is undisputed that the English Country traders took over part of the trade from Batavia, the position of Dutch

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<sup>346</sup> NA, Van Eck, 19, 35, 7 June 1758, Laporterie to Van Eck.

<sup>347</sup> NA, Van Eck, 20, 476, 2 June 1760, Van Eck to Booms & P. Mossel. As seen in the previous chapter, at an earlier stage Van Eck obtained sugar through the permitted freight on VOC-ships and also by sending privately owned ships.

<sup>348</sup> Knaap, *rising tides*, 88.

<sup>349</sup> NA, Van Eck, 26, 86, 30 November 1759, Dumont to Van Eck.

<sup>350</sup> NA, Van Eck, 20, 506, 30 July 1760, Van Eck to Van Teylingen. Obtaining a share was only authorized by the intervention of a trusted Englishmen, as Garden who lived in Batavia. For example, he had sent a brigantine to the Coast in 1761 filled with arrack for the English army.

private trade in India must have deteriorated. The VOC and its servants were steadily forced to surrender parts of trade as the English power in India grew and the British sent even larger numbers of their own ships to Batavia to buy arrack. Under the treaty of 1784, free trading rights throughout the whole Indonesian Archipelago were given to English country traders, which made it impossible for the VOC to enforce its authority as it had done in the days of its glory.

Not unnaturally as the position of Dutch country trade was declining on the whole, the VOC servants were not overly delighted with increasing but rather spoiled private trade privileges. The senior servants on the Coromandel Coast weighed up their privileges in relation to those of servants in other regions. It had always been accepted that on reaching a higher position in the Company, a VOC employee would have the opportunity to conduct private trade and be assured of a fairly handsome profit. However, Van Eck was not at all satisfied with the privileges granted to the holder of the position of Governor of the Coromandel Coast. Assessing the other VOC Governors and Directors in the vicinity, Van Eck judged his own position very weak. His perceived inadequacy of income as Governor on the Coromandel Coast was illustrated by the 'douceur' or remuneration received by his colleagues in Bengal and in Ceylon, whereas a Governor on the Coast had to content himself with trading privileges. He had to work hard on building up his private trade to make his fortune and the VOC policy of allowing him to send a few parcels free of tax, was judged only a slight amelioration of this situation.<sup>351</sup>

The senior servants were not backward in comparing their privileges in relation to those enjoyed in former days. The power of the position of Governor of the Coromandel Coast diminished from what it once had been. Previously, a Governor of the Coromandel Coast received an emolument of *f*24,000 from the taxes on the free trade with Batavia. In addition to this douceur, the Governor could send as much freight as he wanted on VOC-ships without paying tax in Batavia.<sup>352</sup> Since the reforms of Mossel, his position had deteriorated, compelling Van Eck to ask for more freight and more privileges. The request Van Eck had made to the High Government for more permitted parcels in

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<sup>351</sup> NA, Van Eck, 20, 452, 6 April 1760, Van Eck to Mossel.

<sup>352</sup> NA, Van Eck, 20, 451, 6 April 1760, Van Eck to Van der Parra.

exchange for stricter taxation on free trade on the Coast was refused.<sup>353</sup> When Van Eck submitted a plan to end abuse and evasions of tax by the servants on the Coast in exchange for untaxed permitted freight for the officials, Van der Parra dismissed the plan as unfeasible, since this would be openly stating that free trade in cloth was permitted.<sup>354</sup>

## Conclusion

Before 1771, the main preoccupation of the VOC had been keeping a strict surveillance on the private trade of its servants and subjects. The vexed question of private trade presented the VOC with two problems in the long-distance trade between the West and Batavia. The principal worry was smuggling of goods under monopoly, and secondly the immersion of the servants, so engrossed in prioritizing their private trade, rather than directing their attention to taking care of the annual VOC *Eijsch* or the official demand for all trade within Asia and to Europe. Governors-General Van Imhoff, Mossel and Van der Parra all had their own opinions about how to tackle these two problems, but during their respective terms of office repressive rules governing trade to Batavia slowly multiplied. Van Imhoff simply allowed free trade and decided to concentrate on taking action on opium, since this was the most likely commodity to be smuggled. In order to halt contraband, he sold the right to sell the opium in the Indonesian Archipelago to the Opium Society. After Van Imhoff, there were undisguised intimations that the VOC also had problems with imposing its authority in the trade in cloth. Desirous of protecting all its monopolies, the VOC brought all the trade from the West to Batavia back under strict central control. This was done by dividing the private trade for its servants into two separate spheres: one to the West and one to the East with Malacca as its centre.

The main problem encountered by the VOC in this period was to keep the trade between these two regions under its control, ensuring its mastery over all long-distance trade to Batavia and the Spice Islands, thereby precluding infringements. The Company

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<sup>353</sup> NA, Van Eck, 20, 452, 6 April 1760, Van Eck to Mossel.

<sup>354</sup> NA, Van Eck, 27, 34, 31 January 1760, Van der Parra to Van Eck.



was determined to exert growing control on what was brought into Batavia and by whom. In a first move free trade was exchanged for a system of permitted trade, meaning private trade was only allowed by a privilege granted on VOC ships and only in goods not under the VOC monopoly.<sup>355</sup> By allowing those holding certain senior positions within the VOC hierarchy to trade a certain number of crates, the High Government hoped to limit trade to Batavia to the senior officials, who could be held responsible if trade was not working to the advantage of the VOC. Ship's officers had also always had this right to trade a certain number of crates and their privileges were similarly widened by giving them the right to send cloth, which had not been allowed before. The people who received these trading rights, enjoyed a virtual monopoly on the private trade to Batavia. They made more money than they had before and this made them eager to protect their interests against outsiders. With so much of their own at stake, they functioned as a protection against any intrusion on the VOC trade, since this would be just as detrimental to the VOC as to private trade position. Allowing this trading privilege to a small group of people also made it easier to hold this group responsible for upsets and infringement on trade; the withdrawal of privileges being the word of Damocles held above their heads. The Company had fewer objections to private trade to the West from Batavia, leaving it as free trade to the free-burghers of Batavia and often authorizing servants to send privately owned ships. In this trade, servants sold sugar to the English and French armies, a trade increased by the growing number of European armies whose presence as required by the number of wars which proliferated.

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<sup>355</sup> Van der Chijs, *Nederlandsch-Indisch Plakaatboek*, volume 7, 358, (...).

Art 4 Trade in coarse, rough, bleached, red and blue cottons is forbidden, also all silk cloths from Surat and all cottons, bought for the Company.

Art 5 The import of the following cottons is forbidden in this port on company ships or in any other fashion upon penalty of confiscation and fine of four times its value.

To be known

(...)

Cormandelse:

Guinees

Salempoeris

Parcallen

Dongrys

And all comparable species, be it common or English

or companies variety, being of 12 caal inclusive of 2880 treads and beneath, and all silk cloths and cottons from Surat

Between 1761 and 1771 the VOC shifted from complete freedom of private trade to a complete VOC monopoly on trade from India to Batavia, but in 1771 the prohibition on free trade to Batavia was annulled again, and this trade was allowed to servants, the burghers of Batavia and the indigenous traders on privately owned vessels. This policy was not structurally changed until the end of the Company's existence, nor did it come under debate after 1784. At that moment, the EIC forced the VOC to allow free trade in the Indonesian Archipelago to the English country traders under the terms of the peace treaty of the Fourth Anglo-Dutch Sea War. Unquestionably the reforms of 1771 were also linked to the expanding English country trade, which the VOC did its utmost to control by political means. By allowing free trade to Batavia from the West to its subjects the VOC hoped that they would be able to keep the English private traders at bay. While the VOC had a certain amount of power over the private trade of its employees, it had much less say about the increasingly assertive English country trade. When it was forced to allow English country traders into the Indonesian Archipelago, there was no reason to deny its own subjects the same rights. Instead of controlling the intra-Asian trade, the aim of the VOC now switched to keeping as much of the intra-Asian trade in Dutch hands, Company or private trade as possible. After the Fourth Anglo-Dutch Sea War, when the EIC forced the VOC to concede free trade in the Archipelago to the English country traders, any illusion of keeping them out of the Archipelago was shattered.

