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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 5: Country trade on the Coromandel coast

Introduction

While most VOC regulations monitored those sort of trades close to the remaining VOC monopoly, the Company freed trade on the Indian Sub-Continent completely to its subjects. In contrast to trade with Batavia, the country trade within the Western sphere was left virtually unregulated.³⁵⁶ The Company had weighed up the pros and cons and decided that trade with the Spice Islands and long-distance trade were its most profitable pursuits. The commodities which had to face stiffer competition from indigenous and other European merchants were less interesting, the upshot being that the trade in the Western sphere or the areas west of Batavia was liberalized. Instead of focusing on regulations, this chapter will devote a case study to the Dutch country trade from the Coromandel Coast. An analysis of this trade will show the background behind the rhythm of the unregulated trade. Participation in this trade Dutch country traders had to combat direct competition from the other European country traders, although co-operation was also not out of the question. This co-operation was linked to the institutional advantages the different Company servants enjoyed, and shifts in power occasioned changes in the existing patterns. This chapter will deal with the question of how the servants organized their private trade in the Western sphere and what caused the VOC subjects to lose out against the English private traders.

1. The VOC Empire and country trade

The private trade of the Company servants on the Indian Sub-Continent was based mainly on imports from Batavia, a circumstance which gave the VOC a degree of control over this private trade. Apart from serving the daily needs of the servants, the goods

³⁵⁶ The only exception was free trade to Ceylon, which had several monopolies in need of protection, which meant a ban on free trade from 1754 until 1771.

brought to the Coromandel Coast from Batavia also provided the servants there with the resources for private trade opportunities. Several mechanisms existed to offer such goods as provisions, sugar and arrack on the market. First of all, the Company sold these products itself. Secondly, the highest officials in a VOC settlement were allowed to take in supplies from the Company to provided for warehouses what they needed for *huysgebruik* (household use) at the wholesale price plus a surcharge for the VOC of 50 per cent of the added value for goods from Holland and 30 per cent of the added value on goods from Asia. This privilege was allowed as long as the officials used it sparingly.³⁵⁷ Thirdly, permitted trade also brought in quantities of products from Batavia. Above and beyond the normal supply from official VOC sources, privately owned ships could be sent to the Coromandel Coast filled with non-monopoly goods. Free-burghers could send such vessels without permission, but servants needed official permission to do so (see previous chapter). Because of enforced competitive advantages, the Company could first sell what it wanted to trade, before those privileged to do so could sell goods more cheaply than the provisions brought in on privately owned ships. In a nutshell, these privately owned ships could not compete on the same level with the permitted trade nor with the privileges granted to the senior servants, since the senior servants were not required to pay the full price for the goods as the free traders had to do.

The higher ranking officials made good use of their privileged trade (see previous chapter) and of their right to buy provisions at concession rates. Since this privilege was an important instrument by which to increase their income, they did not hesitate to resort to it when an opportunity for making a profit presented itself. A good example of such behaviour was when Governor Vermont let the French army enter the town of Nagapatnam. He sold all the official stocks of provisions in the city to the French and by doing so he allegedly made his personal fortune in one fell swoop. The inhabitants of Nagapatnam were less happy with his actions, since it caused a shortage of stock and a rise in prices. When the presence of French troops led to tension and blatant problems, Vermont realized that he had underestimated the consequences of his decisions. Before Batavia dismissed him, he decided to request for his recall to Batavia. His main patron, Governor-General Mossel, made sure that criticisms of Vermont's actions were not

³⁵⁷ Van der Chijs, *Nederlansch-Indisch Plakaatboek*, Mossel 1755, 93-94.

linked to his pursuit of private fortune and focused instead on his political failure to uphold neutrality. As luck would have it, this served Mossel too, since some years later he was a beneficiary of part of Vermont's fortune.³⁵⁸

There was always an uneasy tension in the balance between private and Company interests, and the High Government often wanted to revise certain privileges with a view to obtaining more profit for the Company. At the time of Van Eck, the Company and its servants were profiting from the demand for sugar in India, as Batavia was the only possible supplier of large quantities.³⁵⁹ The area around Batavia was absolutely littered with production sites of sugar and most of these sugar-mills were owned by the more higher placed officials.³⁶⁰ The sugar-producers sold their sugar to the Company, but were also entitled to sell sugar to private traders or send their sugar to India through the offices of the free-burghers.³⁶¹ The Company made sure that no competition threatened the sugar it still traded in India by forcing reasonably favourable contracts on the sugar-producers. If the latter did not honour these contracts, the Company would forbid the sale of sugar until it had been supplied in full. The permitted and free traders bought sugar at higher market prices, ensuring the Company sold its sugar obtained at fixed lower price first. In turn, the bulk of the sugar trade on the Coast was left to private trade, since the Company was only interested in trading in sugar to fill up empty cargo space, guaranteeing there was still a market left for private trade.³⁶² Jacobs says that private trade in sugar to Malabar was banned around 1764, when the Company imposed a monopoly on this trade. We argue that private trade in sugar continued until the end of the VOC era, since neither the *Heeren XVII* nor the High Government felt that all the sugar could be traded by the Company at a satisfactory profit.³⁶³ The plan to revert the whole trade of sugar to the hands of the Company was impeded by a lack of capital and the interest in the sugar trade of the most powerful servants.

³⁵⁸ NA, Van Eck, 27, 36, 2 February 1760, Van Teylingen to Van Eck.

³⁵⁹ Jacobs, *Merchant in Asia*, 275. The peak in the production of sugar round Batavia lay around 1767.

³⁶⁰ Jacobs, *Merchant in Asia*, 275; De Haan, *Oud Batavia*, 324; Raben, *Batavia and Colombo*, 62.

³⁶¹ Jacobs, *Merchant in Asia*, 275.

³⁶² NA, High Government, 27, “ (...) Even though the sugar trade has been left to the private traders, the Company still filled the empty cargo space to the West with sugar.(...)”

³⁶³ In the official catalogue of the VOC archives this document is dated as 1765, yet in the article itself reference is made to the war with the English in 1780, so the document must be of a much later date.

The less the VOC was interested in a product, the greater the opportunity given to private trade. One product closely related to sugar was arrack, a distilled alcoholic beverage much sought after by the Europeans in Asia. Batavia was the main supplier of arrack to the European settlements on the Indian Sub-Continent and Dutch private traders built at least part of their trade on the demand for this commodity. Prior to 1790, a large proportion of the arrack drunk by English troops in India was either Dutch or Portuguese in origin.³⁶⁴ Most of the Dutch arrack was sent from Batavia, and in 1775 the arrack exports from that city amounted to about 15,000 *kelder*. The official VOC export of arrack was much smaller than that of the private sector, almost 3,000 against 12,000 *kelder* for the private sector.³⁶⁵ Within the private sector, the most important destination was India, with more than 6,500 *kelder*. The Company was less preoccupied with the trade in arrack than in the trade in sugar. These figures show that in their export of arrack Dutch private traders were given almost free rein.

Viewing Van Eck's day, it would be an anachronistic mistake to overemphasize the competitive side of the relationship between private traders of different nations. The Company servants catered to the Europeans, and servants of various VOC settlements helped each other in meeting the European demand.³⁶⁶ When the French from Pondicherry asked for arrack and Van Eck had nothing left, he referred them to Van Teylingen and Vermont, who still had arrack in storage.³⁶⁷ When Van Eck received the *Sara* from Batavia, he did not want to wait for English ships to come to Palliacatta, but decided to dispatch the arrack to Madras as quickly as possible.³⁶⁸ If employees did not succeed in selling arrack in their port of residence, English or French merchants were promised a commission for selling the goods which were left.³⁶⁹ English country traders were very eager to make deals on arrack.³⁷⁰ For example, a merchant from Madras offered to buy all the Dutch arrack arriving on the Coast in 1760 if Van Teylingen

³⁶⁴ Furber, *Rival Empires of Trade*, 181.

³⁶⁵ Knaap, *Rising Tides*, 92.

³⁶⁶ NA, Van Eck, 20, 468, 7 May 1760, Van Eck to Schreuder. When Ceylon needed rice, Van Eck asked Schreuder if the VOC would accept trade in kauris too, because he wanted to send a ship to the Maldives in order to obtain arrack and areca nuts from Ceylon in exchange.

³⁶⁷ NA, Van Eck, 20, 196, 4 November 1758, Van Eck to Berthelin.

³⁶⁸ NA, Van Eck, 20, 73, 12 August 1758, Van Eck to unknown.

³⁶⁹ NA, Van Eck, 20, 51, 10 August 1760, Van Eck to Du Pré & Ross.

³⁷⁰ NA, Van Eck, 20, 457, 10 April 1760, Van Eck to Van Teylingen.

supplied it at 53 pagodas per *legger*. This price was higher than the norm, but Van Eck estimated it reasonable since the English had not sent any ships to Batavia to obtain arrack for their armed forces that year. These kinds of schemes were easier to think up than to execute, since on the arrival of VOC ships everybody would simply sell to the highest bidder. No individual VOC servant would have been able to keep the promise of supplying all the arrack.³⁷¹ The plan fell through completely when Van Eck himself started selling his arrack to the Englishmen for 63 pagodas.³⁷² Large profits could be made in this trade and the war between the French and English offered plenty of possibilities to exploit the VOC's neutrality.³⁷³ When the French besieged Madras in 1758, Van Eck had his wine sent to Madras for it to be sold to the French army. This was a highly profitable venture: Van Eck received 6 rupees per bottle instead of the usual 2 ½.³⁷⁴ The VOC servants held a strong position in the wine trade, since wine was also brought from the Cape by VOC ships.³⁷⁵

1.1 Institutional advantages

The profit obtained from selling the Batavian goods in India enabled the VOC servants to establish and finance free trade in their own establishments. Just as the other European private traders, Dutch country traders were active all over Asia: from Persia to Manila, in Jeddah, Mocha, Surat, Malabar, the Coromandel Coast, Bengal, Pegu, and China. Apart from the general trade destinations, every nation had its own specific preferred ports, corresponding to its territorial presence. French country traders, for instance, often diverted from the main route to visit Mauritius, while the English visited Bengkulu in Sumatra, before continuing to China or Manila.³⁷⁶ The Dutch private trade

³⁷¹ NA, Van Eck, 20, 460, 15 April 1760, Van Eck to Du Pré & Ross.

³⁷² NA, Van Eck, 20, 481, 8 June 1760, Van Eck to Van Teylingen and 20, 485, 10 June 1760, Van Eck to Du Pré & Ross.

³⁷³ NA, Van Eck, 20, 162, 8 August 1758, Van Eck to Bottinger. Van Eck managed to obtain more wine from the Cape by hiring a Danish ship.

³⁷⁴ NA, Van Eck, 20, 241, 14 December 1758, Van Eck to Dietloff.

³⁷⁵ NA, Van Eck, 35, 7, 1 May 1763, Reede van Oudshoorn to Van Eck.

³⁷⁶ Arvind Sinha, *The politics of trade* (New Delhi: Manohar, 2002), 104.

also had its preferred places spread out along the ubiquitous VOC intra-Asian trade network. The most difficult part of the operation was organizing this trade, and there was a strong pragmatic side to the pursuit of profits. Some of the organizational questions to be solved were how to return profit to the home-port by using bills of exchange.

Of course there were promising markets for merchandise in other European ports, such as Madras and Pondicherry.³⁷⁷ As we have seen, the servants profited from the upsurge in activities of the English armies and troops, which meant an assured market for such goods as arrack and food. As part of an integrated process, the servants' trade was also linked to indigenous commerce and markets. The hinterland of Nagapatnam, the headquarters of the VOC on the Coast, was one such market.³⁷⁸ Substantial trade was carried on with indigenous ports, for example, timber and ivory were brought from Pegu. The guiding rule for ships of the free trade was to seek profit wherever possible.

As in the nature of things, the political situation strongly influenced trade: not always detrimentally but sometimes presenting opportunities for more profit. The choice of supplier of goods was quite irrespective of nationality, and depended on who was able to supply at the right price and at the lowest risk. Before 1759, Van Eck had mostly ordered textiles from French merchants, but after 1759 he switched to English suppliers. By that time, there were undeniable signs the French were losing the Seven Years' War, and the element of risk involved in ordering from the French merchants loomed too large.³⁷⁹ This danger was emphasized by the warning issued to all servants to hasten to dispose of merchandise of French origin in the VOC trading-ports, as the English were sending an army to seize all French possessions.³⁸⁰ This war also undeniably presented opportunities, as Van Eck profited from the neutrality of the Company by continuing to

³⁷⁷ NA, Van Eck, 20, 431, NA, Van Eck, 20, br 463 and 26, br 40, where Van Eck sold wood to the respective companies.

³⁷⁸ NA, Van Eck, 20, 436, 22 March 1760, Van Eck to Du Pré & Ross.

³⁷⁹ NA, Van Eck, 2, 1, 27 May 1758, Van Eck to St. Verquet. Within Asia, the servants capitalized on the neutrality of the Netherlands. When Pondicherry was under siege, Van Eck sent English money to the French, receiving a commission for helping out. After 1759, trade with the French private trade became more difficult as financial difficulties troubled the French government. With the French losses in various military battles, even the French private traders had problems of liquidity and this caused unwanted delays and damage to Van Eck's business. At first, the shortage of funds was said to be because the governor was so preoccupied by the arrival of a fleet of French ships, leaving him no time to process bills of exchange.

³⁸⁰ NA, Van Eck, 20, 169, 8 October 1758, Van Eck to Ditloff and 20, 414, 29 January 1760, Van Eck to Du Pré & Ross.

sell textiles for the French merchants at his place of residence.³⁸¹ He acted as an intermediary between the French and the English merchants, who wanted to secure goods from the territories of their enemy, all for a share in the profit.³⁸² Employees from Bengal likewise capitalized on the unrest on the Coromandel Coast by sending profitable shipments of provisions.³⁸³ The negative consequences of the war were felt in the impact of the political dominance of the EIC in Bengal which discommoded the free trading servants. After the Battle of Plassey, Robert Clive not only instituted measures to prevent official VOC trade with Bengal, he also did his best to impede Dutch country trade. Van Eck's ship, the *Sara*, was forbidden access to Bengali ports.³⁸⁴ This ban on Dutch private trade was lifted in 1759, and Van Eck began to send ships to Bengal again. By that time, his trade was redirected away from the Dutch settlement at Houghly to Calcutta, clear evidence of the increasing English influence on trade.³⁸⁵

The profit made on products from Batavia was supplemented by profits from free trade, which gave the servants on the Coast purchasing power to buy up textiles.³⁸⁶ These textiles were a luxury commodity intended for overseas markets, for instance Batavia and Manila.³⁸⁷ The expedient of ordering in bulk by extending the official VOC order for the *Eijsch*³⁸⁸ simply meant more cloth for the same price. This fraught link between the official VOC trade and private trade orders is illustrated by the measures taken by the High Government to ensure the *Eijsch* of the Company was met before any permitted trade was embroiled upon.³⁸⁹ Apart from fulfilling private orders, Van Eck sometimes

³⁸¹ NA, Van Eck, 20, 192, 4 November 1758, Van Eck to Moracin; and 194, 4 November 1758, Van Eck to De Boisset.

³⁸² NA, Van Eck, 20, 198, 6 November 1758, Van Eck to Villeneuve and 20, 202, 7 November 1758, Van Eck to Delamotte.

³⁸³ NA, Van Eck, 20, 55, 1 August 1758, Van Eck to Zuydtland and 20, 384, 29 November 1759, Van Eck to Bisdorn, employees from Bengal normally sent rice, grains and silk and they wanted salt and textiles in return.

³⁸⁴ NA, Van Eck, 20, 207, 16 November 1758, Van Eck to Morse.

³⁸⁵ NA, Van Eck, 20, 293, 3 May 1759, Van Eck to Bisdorn.

³⁸⁶ NA, Van Eck, 20, 79, 30 April 1758, Van Eck to Dulaurence, NA, Van Eck, 354, 1 October 1759, Van Eck to Van Teylingen, sugar for cloth at Madras. NA, Van Eck, 20, 354, 1 October 1759, Van Eck to Van Teylingen.

³⁸⁷ NA, Van Eck, 20, 438, 28 March 1760, Van Eck to Du Pré & Ross and 20, 439, 28 March 1760, Van Eck to Van Teylingen.

³⁸⁸ The official demand of VOC-goods the VOC send out to meets its requirement in trade.

³⁸⁹ NA, High Government, 204-205, (...) missive of the High Government to the Government of the Coromandel, 21 December 1761, permitted packages, We are sending you with this an extract from the minutes of the 18 of this year, according to which content Your Honour is seriously ordered to ensure it

also used these foreign merchants to procure cloth for the official VOC trade.³⁹⁰ At the same time, it was specified that the Company expected money earned by private trade to be invested with people who had some relationship to the Company. Although the privileges on trade in cloth were held by the senior servants, other employees also profited indirectly from the trading privileges of higher-ranking employees as suppliers.³⁹¹ The demands for textiles for Batavia were met mostly by other employees on the Indian Sub-Continent.³⁹² The suppliers of textiles were remunerated for their efforts by a 6 per cent commission or a share of 25 per cent in the profits.³⁹³ An apt illustration of how the advantages of trading privileges given to the highest-ranking servants were diffused throughout the hierarchy. This aim was even specified by the Company in its regulations, which let it be known that cloth should be bought from the indigenous merchants who supplied the VOC. Only when there was not enough cloth to be had within the VOC community, was it considered reasonable to search for outside suppliers.

1.2 Unregulated control

The most profitable private trade was the long-distance intra-Asian trade carried out by the senior Company servants. The private trade to Batavia was extremely strictly regulated during Mossel's term of office (1750-1761), but despite such rigour other long-distance free-trading voyages were not forbidden for servants. In comparison with regional trade, long-distance trade was tended to concentrate on specific destinations and goods. Instead of selling permitted cloth to the Chinese intermediaries in Batavia to be

that in the next year and thereafter too, that no so-called permitted packages with cloth are permitted to the naval officers at their departure for this capital, or that no servants under your Government who have been permitted to do so, until the demands for both *patria* and for Asia have been completely delivered and accepted, under punishment of confiscation and fine of four times its worth.(...)

³⁹⁰ NA, Van Eck, 20, 51, 10 August 1760, Van Eck to Du Pré & Ross.

³⁹¹ NA, Van Eck, 20, 185, 19 October 1758, Van Eck to Dietloff. Van Eck traded sugar against cloth with Dietloff at Masulipatnam.

³⁹² NA, Van Eck, 20, 705, 30 September 1761, Van Eck to Des Granges and 26, 99, 12 December 1759, Bronsveld to Van Eck. he obtained textile from his fellow servants from Bimilipatnam and from Palliacatta.

³⁹³ NA, Van Eck, 20, 187, 21 October 1758, Van Eck to Delamotte.

resold in Manila,³⁹⁴ Van Eck devised a plan to send cloth directly to Manila in order to cut out middlemen and generate more profit. By extending the existing regular voyages to Pegu, technically it was not difficult for free-trading ships to sail to Malacca or even Manila.³⁹⁵ Apart from free trade to the east of the Coromandel Coast, Van Eck was also interested in trading opportunities in the West. Contacts with VOC merchants along the Malabar Coast already existed.³⁹⁶ Van Eck also had plans to send a ship over to Bassoara and Jedda, proving that Dutch free trade extended quite some distance beyond the Malabar Coast.³⁹⁷ Even if servants decided not to conduct any trade themselves, they could personally profit by letting indigenous traders conduct trade under the flag of the VOC in return for a fee to the Governor. Problems arose when such an enterprise collided with the commercial plans of other Company employees. In order to make the *Sara* expedition to the Indian Sub-Continent profitable, Supercargo Laudea asked Governor Vermont not to grant any Dutch commissions for the trip to Bassora to the Armenian merchants present on the Coromandel Coast. Laudea enforced this point by describing the reaction of Batavia if it were to discover Vermont's existing commission to the Armenians. If this were made public, the situation would become very problematic, since European private traders were just waiting for an opportunity to conduct this trade too.³⁹⁸

In the long-distance intra-Asian trade, it was impossible for servants to bypass their colleagues in other regions in their private trade. In the trade to Manila, the nub of the matter was that the free-trading ship would have to pass Malacca.³⁹⁹ The VOC directorate in Malacca had its own privileges in trade to the *overwal* or to Manila, and zealously guarded these against other servants' aspirations. Free trade to Manila which

³⁹⁴ See chapter on Van Eck's permitted trade.

³⁹⁵ NA, Van Eck, 20, 347, 7 September 1759, Van Eck to Du Pré & Ross.

³⁹⁶ In 1760 the *Adriana Johanna* of Casparus de Jong, the VOC commander of Malabar, visited the Coast, while the ship of Van Coeverden, a employee from Jaffna, returned to Malabar with the change of wind. NA, Van Eck, 20, 490, 13 July 1760, Van Eck to C de Jong; 33, 18, 28 July 1761, Sweepe to Van Eck; 33, 20, 6 December 1761, Zeeman to Van Eck and 20,494, 15 July 1760, Van Eck to unknown. Sweepe regularly sent his ship to the Coast from Tutucorin. Employees from Malabar were mostly interested in textiles.

³⁹⁷ NA, Van Eck, 20, 465, 2 May 1760, Van Eck to Bisdorn and NA, Van Eck, 20, 666, 12 July 1761, Van Eck to J de Jong. The ship intended for Muscat first had to be repaired on the Malabar Coast because she had sprung a leak. Another example was the arrival on the Coast of the *Sara*, which had instructions to sell the goods from Batavia, before picking up new merchandise in Bengal and on the Coromandel and leaving for Bassora.

³⁹⁸ NA, Van Eck, 20, 1, 1 June 1758, Van Eck to Laudea.

³⁹⁹ M. Jacobs, *Merchant in Asia*, 207-209.

did not involve the servants in Malacca or allow them a share in profit would not be tolerated by them.⁴⁰⁰ Well aware of the pitfalls, Van Eck sought contact with the Governor of Malacca, proposing a trading partnership and co-operation in a trading adventure to Manila. When Van Eck's ship *De Waarheid* arrived in Malacca in 1759, newly appointed Governor Boele was offered a share of a half or a third in the ship to seal the foundation of a trading society. Anxious to promote the co-operation Van Eck even offered to pay the insurance on the goods in the first voyage back to the Coast. Nothing eventuated as pirates were busy harassing shipping around Malacca at that juncture and it proved too dangerous to proceed to Manila.⁴⁰¹ The plans were suspended until the Company swept the straits clean in 1760. Keeping in mind the first offer and the good price textiles from the Coast fetched in Malacca and Manilla, in 1761 Boele made a new proposition, which Van Eck had to hand over to his successor to work out as he was on the point of leaving for Ceylon.⁴⁰²

European ships were better equipped for long-distance trade than their Asian counterparts, but the financial co-operation of Asian merchants was often still essential to any successful European trading venture. Assured of the co-operation of VOC employees in Malacca did not mean people on the Coast were out of the wood. Except for the Spanish and Portuguese, no Europeans were allowed to trade in Manila.⁴⁰³ To circumvent this restriction, plans were made to include Armenian merchants on the Coast in the venture. The Armenian involvement made it possible to pass the ship off as non-European, and the Armenians profited by investing their money in the argosy.⁴⁰⁴ The advantage to the Armenians was to have access to a neutral European vessel, guaranteeing a safe passage and secure investment.⁴⁰⁵ Van Eck's plan to trade to Manila interfered with the plan hatched by English country traders also desirous of sending a ship to Manila. When the English heard of the Dutch voyage, having weighed up the pros and cons, they preferred to be included in the deal. From their point of view, sending a

⁴⁰⁰ NA, Van Eck, 28, 17, 7 February 1761, Boele to Van Eck.

⁴⁰¹ The pirates even took a VOC Brigantine.

⁴⁰² NA, Van Eck, 28, 18, 22 February 1761, Marchand to Van Eck.

⁴⁰³ Jacobs, *Merchant in Asia*, 207-209, Handel op Manila verboden voor alle Europeanen tot 1789, over Engelsen op deze vaart, Malakka overslagplaats.

⁴⁰⁴ NA, Van Eck, 20, 430, 12 March 1760, Van Eck to Van Teylingen.

⁴⁰⁵ NA, Van Eck, 27, 94, 6 December 1760, Klem to Van Eck and 20, 437, 22 March 1760, Van Eck to Van Teylingen. Once the pirate problem had been solved, the Armenians were still willing to join.

Dutch and an English ship simultaneously would mean a cut in profits for both. Trade to Manila was only considered profitable if it was limited to one European ship from the Coast a year. Greatly to the wrath of the English Governor of Madras and the leading English merchant with interests in Manila, Pigot, Van Eck declined this offer. With the Seven Years' War still raging, it was considered too dangerous to take English goods along.⁴⁰⁶ This refusal offended the Governor of Madras and he tried to force the Armenians not to accept Van Eck's offer. Threatening them with exclusion from Madras, he used his political power to promote his private interests and endeavoured with all his might to compel the Armenians to join him.

At the time Van Eck was in charge of the Coromandel, it was still possible to ignore English claims to the trade with Manila, but in the end military might settled the final score. Instead of being intimidated by the English threats, the VOC employees saw this as an excuse to invite the Armenians to come and live under VOC rule. Nor were the Armenians impressed by Pigot's threats. The fact that Dutch private traders and the Armenians were able to shrug off the English pressure refutes Furber's assumption that, from 1737, the VOC was no longer able to compete with English country traders.⁴⁰⁷ It shows that the dominance of English country traders was still less marked than it was later and it also proves that Dutch private traders were able to hold their position in an arena of international competition. Ultimately, the position of Dutch private traders in the trade to Manila was threatened by the expedition of the English (1762) against the Spanish in Manila. It was one of the first British plans executed in Asia after Spain had declared war on England (1761) and as may have been expected the thwarted Pigot was a staunch supporter of the expedition to Manila.⁴⁰⁸ This expedition to Manila prompted so far away from the actual theatre of war opened trade for English country traders, freeing them from the need either to involve Armenians or to consider collaborating with the VOC employees. A similar development unveiled itself at exactly the same moment in the permitted trade to Batavia. Even without sending ships directly to Manila, the Dutch VOC employees had always participated in this trade indirectly, certainly if we consider

⁴⁰⁶ NA, Van Eck, 20, 425, 5 March 1760, Van Eck to Van Teylingen.

⁴⁰⁷ Furber, *Private Fortunes*, 113.

⁴⁰⁸ S.D. Quiason, *English "country trade" with the Philippines 1644-1765*, (Quezon City: University of the Philippines Press, 1966), 153. This Governor and country trader from Madras is the same man who had tried to prevent Van Eck's planned excursion to Manila.

the permitted trade to Batavia part of this trade.⁴⁰⁹ The fact that permitted trade to Batavia was put on hold in 1762 is probably not unconnected to this event, as the English competition adversely affected the cloth markets for Manila in Batavia and Malacca.

1.2 Use of VOC facilities

Dutch country traders depended heavily on the VOC and Batavia for their supply of the products they needed and for the privileges given to them. As shown, the Company determined the amount of trade and strenuously enforced its restrictions designed to keep the privileges within the group of higher-ranking officials. The basis of Van Eck's free trading networks was composed of his colleagues in the Company. Employees already had reciprocal contact for the official part of their activities and in principle they were civil towards each other in private trade as long as everybody abided by the unwritten social rules. For instance, when Schevichaven, a employee in Bengal, had difficulties unloading his ship at Madras, since a naval squadron in the harbour had been given priority, Van Eck intervened and had the shipment of rice unloaded in Palliacatta.⁴¹⁰ Since rice was sold at a lower price in Paliacatta, Schevichaven would have lost money because of the unexpected change, if Van Eck had not nullified these costs by cutting the usual taxes.⁴¹¹ Just as Van Eck helped the private trade ventures of employees from Bengal, he asked them to assist his ships on their arrival at Hughli in Bengal.⁴¹²

The VOC employees of the various establishment had to co-operate out of sheer necessity as they each held regional monopolies on production. Co-operation with local servants was needed to gain access to goods. Outsiders who did not acknowledge the privileges of the higher-ranking officials were excluded. As we have seen, when a free-burgher from Batavia wanted to buy textiles from Van Eck and then sell them in Madras, Van Eck refused. Rumours of his selfishness had already spread along the Coast,

⁴⁰⁹ See chapter on Van Eck's permitted trade.

⁴¹⁰ NA, Van Eck, 18, 11, 24 September 1757, Zuijdtland to Van Eck.

⁴¹¹ NA, Van Eck, 20, 52, 1 August 1758, Van Eck to Schevichaven.

⁴¹² NA, Van Eck, 20, 128, 21 september 1758, Van Eck to Bisdom; and 20, 180, 15 October 1758, Van Eck to Appengh & Bloem.

dissuading the burgher from pursuing the plan.⁴¹³ In a letter to an associate from Batavia, Van Eck stated that it was important to maintain the status quo and to reserve free trade on the Coast for the higher-ranking officials. Lower-ranked servants had to content themselves with the role of supplier for the privileged trade. The status of Dutch free-burghers and the treatment meted out to them probably resembled the way English free merchants were treated.⁴¹⁴ Before Plassey, they were granted freedom as long as they complied with the wishes and interests of the higher-ranking EIC officials. All the evidence points in the direction that although Van Eck preferred to work with VOC settlements and servants, his main aim was to sell his merchandise as profitably as possible and if the opportunity presented itself he was quite prepared to bypass the VOC structures.⁴¹⁵

The senior servants used their privileged position to enforce advantages in the free trade. On the Coromandel Coast, the Governor, the *secunde* and the *opperhoofden*⁴¹⁶ were secure in their control of the most profitable parts of the Dutch free trade. The plans hatched by Schreuder for Dutch private trade in Surat were executed by and large, leading to a situation in which the highest authorities controlled the taxation on private trade. Often VOC employees informally let slip to their superiors in Batavia that other servants were not paying any tax on their cottons. Bronsveld, who was VOC chief of Bimilipatnam, painted out the financial damage of such behaviour. In 1760 he gave an account of the amounts of cloth sent and the money lost at the VOC trading-post of Bimilipatnam. Employees had been exporting 350 bales of textile without paying any toll, leading to a loss of income of 4,000 pagodas for the Company. He asked Van Eck for instructions and wanted clarification on how much the different ranks were entitled to

⁴¹³ NA, Van Eck, 20, 152, 8 August 1758, Van Eck to Faure.

⁴¹⁴ Watson, *Foundation of Empire*, 62, Another group of lesser overall significance to our discussion, but whose activities are readily discernible were the free merchants resident in the East. Most often ex-employees, these men could carry out a trade provided they did not encroach on the Company's monopoly. After 1665 they were encouraged to participate in the country trade, but were not eligible to enjoy the benefits of the Company's treaties and protections, except when employed on the Company's business, abiding by the regulations set by the Company, residing under the Company's protection and government, and generally behaving themselves as the Company insisted they should. Their presence in the East was circumscribed by the Company's right to restrict the number of Englishmen and its right to exercise control over their activities in the East. By the beginning of the eighteenth century, free merchants were required to lodge a security of 2000 pounds with the Company before receiving a licence.

⁴¹⁵ NA, Van Eck, 20, 465, 2 May 1760, Van Eck to Bisdom.

⁴¹⁶ The chiefs and their deputies.

send toll-free.⁴¹⁷ The control of taxation had drastic consequences for the competition in trade. The senior employees had a considerable advantage over their subordinates. The employees lower in the hierarchy needed support from those in charge in order to be able to compete and send ships toll-free. Employees on the Coast had to wait patiently until they had risen in the hierarchy, or be introduced to and protected in private trade by one of the senior officials. Once introduced, they played only a secondary role investing money or supplying goods. The consequence was that private trade depended as much on commercial acumen as it did on the respective position in the VOC hierarchy, and a rise on the promotion ladder equalled access to profitable private trade.

The higher-ranking officials availed themselves of the time and effort of lower placed officials to stimulate their trade. By utilizing the less profitable trading possibilities of those higher in the hierarchy, the more lowly employees at least had some share in the trade and profit. Even a lower administrative position could be profitable, given the institutional advantages it entailed. There is no shortage of evidence that the main goal of promotion was to gain more opportunities in private trade. It also worked the other way around: as a consequence of a promotion, commissions were given, since an employee was in a position to carry them out successfully.⁴¹⁸ Van Eck had appointed Van Nes as a resident in Masulipatnam with the specific brief to buy textiles for the Company. There was also a unofficial side to this, since Van Nes had made clear that he wanted to make money by private trade. Sometimes a position was not as rewarding as expected and, to a certain extent, success depended on personal ability and a good head for business. Van Nes' ambitions in private trade were frustrated, since the English Resident brought provisions from Madras without paying toll, which, as an outsider, Van Nes had to pay. Van Eck was also involved in Van Nes' trade, since it is mentioned that his merchandise also remained unsold.⁴¹⁹

The use of VOC facilities helped to enforce the hierarchy even more, but this advantage was gradually lost with increasing VOC cutbacks. There is ample proof that employees made extensive use of the facilities offered by the Company's intra-Asian trade to promote their private ventures. The employees used every possible space

⁴¹⁷ NA, Van Eck, 27, 50, 3 April 1760, Bronsveld to Van Eck.

⁴¹⁸ NA, Van Eck, 26, 13, 13 March 1759, Trembley to Van Eck.

⁴¹⁹ NA, Van Eck, 27, 89, 7 October 1760, Nes to Van Eck.

available to stow their private trade goods.⁴²⁰ When VOC couriers were not needed for official VOC business, servants used them to perform private trade errands. Unfortunately for Van Teylingen, Batavia considered the number of couriers in service to be disproportionate to the trade conducted on the Coast, and forced him to cut this number down. Since the Company was still active in regional trade, private trade also profited from the presence of smaller vessels and small transport ships. On the Coromandel Coast, Van Eck used the smaller Company-owned ships⁴²¹ to ship merchandises to bigger VOC ports, from where it could be shipped off on privately owned ships.⁴²² Even private trade commodities and money from Bengal were conveyed on VOC chialoupes⁴²³ and VOC East Indiamen.⁴²⁴ For example, Van Eck received wine and other commodities on VOC ships coming from the Cape.⁴²⁵ He availed himself of the opportunity, even then it was illegal to send private trade goods on VOC ships. In 1762 the High Government was obliged to reprimand its servants as these ships were only meant for official VOC trade.⁴²⁶ This censure fell on deaf ears as it was impossible to eradicate this practice; the High Government was far away and could do nothing but issue warnings. The comparative advantages for servants are obvious, since other companies did not have such an extensive intra-Asian trade network as the Company, their servants

⁴²⁰ NA, Van Eck, 26, 31, 19 May 1759, Van Teylingen to Van Eck. When Van Teylingen replaced Van Eck as Chief of Palliacatta, he wanted to park his carriage in the stables built by Van Eck, but was stopped by the deputy, Joncheere. Although Van Teylingen had Van Eck's permission and insisted, Joncheere replied he had paid to use it as storage room and that Van Eck had nothing to say on the subject. When Van Teylingen insisted again, Joncheere used a different tactic, stating that Van Eck had placed arrack in the stables. In actual fact the arrack belonged to Joncheere, since Van Eck had only sugar in Palliacatta, stored in the three rooms in a warehouse in the garden. NA, Van Eck, 26, 20, 11 April 1759, Van Teylingen to Van Eck. Because Joncheere refused to move his goods without offering an alternative storage room, Van Teylingen moved his rice from the *sjauwderij*, so Joncheere could move his goods there, thus clearing the stables.

⁴²¹ Such as *chialengs* and *chialoupes*.

⁴²² NA, Van Eck, 20, 324, 15 July 1759, Van Eck to Weydom. For instance, Weydom sent private trade cloth over for judgement by Van Eck on a VOC chialoupe.

⁴²³ NA, Van Eck, 20, 345, 7 September 1759, Van Eck to Morse.

⁴²⁴ NA, Van Eck, 20, 338, 21 August 1759, Van Eck to Middelmeer & Dupré. For instance, Van Eck asked Captain Middelmeer to take goods with a total value of 2,023 Pagodas to Palliacatta on his VOC ship.

⁴²⁵ NA, Van Eck, 20, 640, 26 May 1761, Van Eck to Ross and 20, 676, 11 August 1761, Van Eck to Sweepe.

⁴²⁶ NA, High Government, 224-225, 9 July 1762, General resolutions, (...) ships and their shipments, so it is, keeping in mind the absolute necessity and usefulness of this attention has been understood and permitted, as a consequence of the honourable order of her honourable circular to seriously recommend the high-ranking servants of the respective outer trading-posts to remain vigilant, that the ships have to be loaded with goods of the Company and not with those of the private traders, and to recommend seriously the same to the commander and the chief of equipment (...).

did not have access to a similar free supportive infrastructure. However, as the VOC was beset by mounting financial difficulties the increasing cut-backs in costs made by the Company, over time the position of its servants slowly deteriorated too.

There was yet another avenue open to them: Private ownership of ships enabled the servants to pursue profits without having to be bothered with VOC interests. Van Eck owned several ships, among there the *Tartar* and *Postiljon*, the latter one of 150 tons.⁴²⁷ Another of his ships, the *Prinses Carolina*, was described by Van Eck for insurance purposes. She was a 200 ton ship, which required an insurance of 6000 pagodas on its merchandise for Pegu.⁴²⁸ Another example is the *Waarheijd* of which the cargo was estimated at 4500 pagodas.⁴²⁹ Van Eck was tireless in his search for investors in his ships. The English were most sought after clients and also supplied insurance for the longer trips. But the Armenians were also eager to invest money on Van Eck's ships.⁴³⁰ Privately owned ships of other servants on the Coast were also employed in bringing goods to the market.⁴³¹ These ships were sometimes used in a manner interpreted as damaging to the Company.⁴³² Militating against the neutrality of the VOC, Keller used his privately owned ship to bring Moracin, the commander of a French army, and a party of his men to Nagapatnam after their retreat had been cut off by land.⁴³³

Employees obtained their ships from different sources, but certainly made good use of their connections in the VOC. Their greatest advantage was that the VOC sold off some of its ships. We know, for instance, that an employee from Bengal tried to buy a small yacht from the Company, but Governor Vermont refused to sell for less than 1,800 to 2,000 pagodas.⁴³⁴ From 1761 it was forbidden to sell VOC ships to private traders, stated reason being that the Company was too often not properly reimbursed.⁴³⁵ There are

⁴²⁷ NA, Van Eck, 20, 347, 7 September 1759, Van Eck to Du Pré & Ross, NA, Van Eck, 20, 381, 26 November 1759, Van Eck to Van Teylingen; and 20, 347, 7 September 1759, Van Eck to Du Pré & Ross.

⁴²⁸ NA, Van Eck, 20, 339, 23 August 1759, Van Eck to Bonsack.

⁴²⁹ NA, Van Eck, 20, 342, 1 September 1759, Van Eck to Boelen.

⁴³⁰ NA, Van Eck, 20, 355, 1 October 1759, Van Eck to Du Pré & Ross and 20, 360, 15 October 1759, Van Eck to Bolwerk.

⁴³¹ NA, Van Eck, 20, 471, 25 May 1760, Van Eck to Du Pré & Ross. For instance, cloth was sent from Bimilipatnam on a ship owned by Keller.

⁴³² NA, Van Eck, 26, 85, to Van Eck.

⁴³³ The commander of the French army on the northern part of the Coromandel Coast.

⁴³⁴ NA, Van Eck, 26, 13, 13 March 1759, Trembley to Van Eck.

⁴³⁵ Van der Chijs, *Nederlandsch-Indisch Plakaatboek*, 1761 Van der Parra, 514, 14 augustus, verbod tegen den verkoop van compagnie's schepen aan particulieren.

also references to the Company chartering its ships to private traders. No proof has been uncovered Van Eck ever did so, although he did charter a Danish ship. Their second source of purchase was indigenous merchants or they bought craft constructed in indigenous shipyards under the supervision of European shipwrights.⁴³⁶ Van Eck who had extensive business contacts with Pegu⁴³⁷ sent over a shipwright to construct his ships there and to assist the king in shipbuilding.⁴³⁸ In the wake of a revolution in Pegu, one of Van Eck's ships had been lost and the king built a replacement for Van Eck as a gift. When Van Eck was promoted to Governor of Ceylon, he asked Van Teylingen to sell it for him for 10,000 pagodas, a clue to the value of the gift.⁴³⁹ In fact, most of the ships owned by Van Eck were built in Asia, although the designs were European. This pattern was repeated for most of the European traders.⁴⁴⁰

The control over VOC facilities was vested in the highest VOC official present, giving him a handy tool to enforce his authority in private trade. When Vermont was Governor, Van Eck's plans to use VOC facilities were often thwarted by him. For instance, Vermont, who was often hostile towards Van Eck, refused Van Teylingen use of a VOC *chialoupe*, even though Van Teylingen insisted that he needed it to unload goods for Van Eck.⁴⁴¹ When Van Eck became Governor, he could rejoice in having the authority over these ships, which greatly facilitated his private trade much easier to execute. Although normally there was enough shipping capacity, his use sometimes prevented the VOC access to its own vessels. Should no VOC ship be available because they were commandeered for his private trade, Van Eck chartered vessels to ship Company goods and paid for these out of the Company treasury.⁴⁴²

If the VOC wanted to protect its interests as an inducement, the servants had to be offered an alternative source of income to offset their losses on private trade. Although propositions were made to improve the supervision of taxation, the higher-ranking VOC employees stressed they would not be happy this was to cause a decline in profit to their

⁴³⁶ NA, Van Eck, 20, 419, 27 February 1760 Van Eck to J de Jong *and* 20, 434, 15 March 1760, Van Eck to De Jong.

⁴³⁷ A port in present day Myanmar.

⁴³⁸ NA, Van Eck, 19, 15, 1 March 1758, unknown to Van Eck.

⁴³⁹ NA, Van Eck, 20, 715, 15 February 1762, Van Eck to Van Teylingen.

⁴⁴⁰ Furber, *John Company at work*, 187.

⁴⁴¹ NA, Van Eck, 19, 40, 1 July 1758, Van Teylingen to Van Eck.

⁴⁴² NA, Van Eck, 20, 363, 21 October 1759, Van Eck to Bronsveld.

trade. Van Eck stigmatized not paying taxes as an abuse, although he himself had profited highly from the existing situation of non-payment. The reason he particularly wanted to raise the tolls was that at that juncture he had to finance the defence and protection of Nagapatnam against the French and English. Yet if employees were forced to pay taxes, Van Eck reasoned that the more highly placed among them had to be reimbursed by allowing them to ship *kisten* or chests on every VOC ship to Batavia in accordance with their rank. He simply held the Company responsible for ensuring the senior servants had sufficient private trade opportunities. Eventually the Company repudiated this proposition, although Van Eck tirelessly insisted there was enough room in the VOC ships for the extra chests.⁴⁴³

2. Long-distance country trade

Most servants confined their participation in free trade to their own region, but it was possible to cross the borders of these regions, in particular for the more highly placed servants. Investment of capital in private trade ventures was always welcome. This is illustrated by the *Sara*: Van Eck only invested money in the ship and absolved himself of its management by teaming up in partnership with Van Rheden a member of the High Government, with Faure, a *vrijburger* or free merchant of Batavia, and a further unspecified fourth partner called Van Hellen. This team of four opened up free trade to the other members of the group in many different areas. Wherever the *Sara* sailed, she did so freely protected by the privileges of Van Eck, Van Rheden and Faure. Trading operations in the Indonesian Archipelago were best managed by the people closest by, in this case by Faure. Although impossible to pinpoint exactly, the involvement of Van Eck in the *Sara* seems to date from the time he worked in Batavia. So this ship plied the waters of the Indonesian Archipelago for several years, making a profit for Van Eck without costing him much time. His degree of involvement in the ship changed in 1758 when the *Sara* was allowed to make a trip to the Coromandel Coast, taking arrack and

⁴⁴³ NA, Van Eck, 20, 260, 5 February 1759, Van Eck to Van der Parra.

sugar. Van Eck took a more active role and found himself in charge of helping the crew collect their merchandise and keeping his co-owners informed about the decisions he made in conjunction with the supercargo of the *Sara*.⁴⁴⁴ Trade outside the partnership was rejected. On the Coast, the other partners profited from Van Eck's privileges and work, and Van Eck kept a watchful eye to avoid any usurpation of his privileges by his partners. As long as a mutual interest persisted, Van Eck co-operated, but when Faure wanted to send another ship to the Coast in which Van Eck was not involved, Van Eck made clear that only the higher-ranking officials on the Coast conducted private trade and that not involving them would be greedy and an infringement of their privileges. Such an invasion on the privileged position of servants on the Coast was unacceptable even for a free-burgher to contemplate.

2.1 Financing trade

On his appointment to Governor of Ceylon in 1762, Van Eck ended both his structural and active engagement in free trade, but still retained a keen eye for exceptional circumstances to make a good profit in private trade. Save for some minor exceptions, in Van Eck's era free trade was not allowed in Ceylon. However, the VOC was not always in a position to supply enough of certain essential goods required by the inhabitants of Ceylon, employees were asked to take on the role of private trader and supply these goods. For instance, during the Kandian War, Van Eck imported rice into the island to end a shortage. In Ceylon a practice resembling the *Huijsgebuijck* or Household use to Batavia also prevailed (see previous chapter). Goods could be imported for personal usage and Van Eck used his former contacts to obtain such provisions as wine. In this part of the VOC territory, while private trade for employees was severely restricted, indigenous traders enjoyed considerable opportunities for trade. Allowing the employees some possibility for indirect trade. Van Eck was known to send an indigenous

⁴⁴⁴ NA, Van Eck, 20, 160, 8 October 1758, Van Eck to Van Rheden.

ship to the Coast to exchange his wine for wine of better vintage.⁴⁴⁵ On another occasion he sent a small ship carrying red wine and areca nuts to settle his debts on the Coast.⁴⁴⁶ In no way do these instances of incidental private trade equal the structural private trade in which he indulged during his period on the Coast.

Quite apart from sporadic excursions into free trade from Ceylon, Van Eck had withdrawn from conducting his own trade indirectly, by participating financially in privately owned ships in the other trading zones. These ventures resembled Van Eck's activities in the Indonesian Archipelago previously described. In co-operation with other owners, free-trade ships sailed without Van Eck being actively involved in the management. It is hard to estimate the level of the amounts of money invested. As Van Eck was only involved financially in such endeavours and they barely ever rated a mention in his letters. There are only some hints dropped as in June 1764 there were plans afoot for a voyage to Mergui and Malacca from the Coromandel Coast.⁴⁴⁷ Other high-ranking employees were also involved in trade in various regions. For example, when a privately owned Dutch ship was taken by the English in 1760, the VOC Resident in Madras tried to intervene on behalf of the interested employees. The Dutch Resident took pains to stress no Frenchmen were involved in the ship, as the ship belonged to Loovenaar and Vermont. Vermont had already left the Coast for Batavia a year earlier, but he was still indirectly involved.⁴⁴⁸ Loovenaar, his son-in-law, was conducting his remaining business. It was seen as normal to participate indirectly in trade in areas where one was no longer active as employee, but there were always social implications.

2.2 An international community of trade

European trading communities dotted the far-flung coasts of the Indian Ocean which needed to obtain the products the VOC could not supply; a happy hunting-ground for those with the means to exploit the situation. Apart from working with colleagues,

⁴⁴⁵ NA, Van Eck, 20, 792, 12 September 1764, Van Eck to Felitas.

⁴⁴⁶ NA, Van Eck, 20, 715, 15 February 1762, Van Eck to Van Teylingen.

⁴⁴⁷ NA, Van Eck, 20, 767, 15 June 1764, Van Eck to Van Teylingen.

⁴⁴⁸ NA, Van Eck, 27, 79, 9 September 1760, Sutton to Van Eck.

Van Eck was heavily involved in trade with other European merchants in India. Within this European community of traders, consisting of English, French, Danish and Portuguese merchants, hierarchy was non-existent and relations were more volatile. The merchants simply depended on mutual interest as the key to control. Such a system required foreign agents who were often officially appointed.⁴⁴⁹ These agents were living in different parts of the Coast and functioned as commissioners. In return, from the heights of his official position Van Eck helped his agents if their ships came to his port or when a money transaction had to be made. Commissions always implied a financial compensation of approximately 5 per cent of the total turn-over. It was also a network through which information was exchanged between correspondents with a mutual interest in trading opportunities.⁴⁵⁰ The partnership between Europeans exceeded the role of commissioners, since they even clubbed together to charter ships. In 1761, Van Eck made a voyage in partnership with the Danish East India Company, for which the Danish Company chartered one of its own ships.⁴⁵¹ Others also invested in Dutch free-trade ships: English country traders sank their money in Van Eck's ship in return for an interest of 18 to 20 per cent, giving an indication of the profits made on such a privately owned ship.⁴⁵² The amounts invested varied between 500 and 5,000 pagodas.⁴⁵³

Pragmatic consideration prevailed in the choice of trading partners. The positive side of this international co-operation was that those who participated had access to the markets of their partners. Although Van Eck allowed foreigners access to his market under a partnership agreement, he made sure he guarded his privileges by stipulating he and his partner each paid the tax in their respective homeport. In fact, as a higher-authority he was not required to pay tax in his home port and guarded this privilege for himself. Profiting from this construction he and he alone and none of his partners, benefited mightily from his privileges. In trade between VOC employees, the necessity of resorting to such a condition was not stipulated, indicating that employees did not pay tax

⁴⁴⁹ COAM, Pondichéry, P84, 24 mars 1758, quittance Denoüal et Van Eck.

⁴⁵⁰ NA, Van Eck, 19, 36, 15 June 1758, Demartene to Van Eck.

⁴⁵¹ NA, Van Eck, 4, 1, 10 March 1761, Abbestee, Falk & Labeaume to Van Eck. For a voyage to the Nicobar islands, Pegu, Bengal and from Bengal back to the Coast, Van Eck invested half of the money, 15,000 rupees, while the Danish company and a Danish private trader both invested a quarter of the necessary capital.

⁴⁵² NA, Van Eck, 20, 58, 3 August 1758, Van Eck to Mackay.

⁴⁵³ NA, Van Eck, 20, 75, 15 August 1758, Van Eck to Ross.

on either side. When it became apparent that the French at Pondicherry were beset by financial problems, Van Eck immediately ordered his captains no longer to trade with them, because they would risk losing money. Instructions were issued to give Pondicherry a wide berth, because private ships ran the risk of being taken by the French and could be forced to sell them their goods as they were in desperate need of supplies. Instead of Pondicherry, sugar and arrack were to be sold in Masulipatnam and Sadras.⁴⁵⁴ The French had also taken the cloth from one of Van Eck's ship to use in their field hospital, and as Van Eck felt that he had not sufficiently been remunerated, he wrote an angry letter to Lally, the commander of the French army.⁴⁵⁵

In this period, English country traders have often been seen as thriving, untrammelled by the interference of the companies, but most certainly the power of their East Indian Company was wielded to obtain competitive advantages. In 1759 Van Eck sold wood in Madras, but encountered problems about the measurements. The Council of Madras did not want to pay for the timber which had been unloaded there. Van Eck heatedly averred that the Council misused its power to force a lower price on him.⁴⁵⁶ The measurements were always those of the place of origin, and not of destination, which was what Madras was trying to overturn. Ultimately, however, Van Eck had to give way.⁴⁵⁷ Just as the free-burghers had to play second fiddle to the employees, who saw private trade as remuneration for the work done in the service of their employer, the English free merchants were also-rans to the EIC servants. In many cases there is an obvious link between free merchants and the senior servants, as merchants were often either retired or dismissed employees, as was Morse who was summarily dismissed after selling Madras to the French in 1749. EIC employees were not happy with the competition of these free-merchants and seized every opportunity to prosecute them, which often led the latter to re-apply for a position in the EIC or drove them to seek official protection.⁴⁵⁸

⁴⁵⁴ NA, Van Eck, 20, 95, 31 August 1758, Van Eck to Laudea. However, some trade had already been conducted and Van Eck was forced to accept French bills of exchange on Paris. These letters were smuggled to Holland illegally on a VOCship and it took his brothers years to have them converted to money.

⁴⁵⁵ NA, Van Eck, 20, 271, 21 February 1759, Van Eck to Moracin.

⁴⁵⁶ NA, Van Eck, 20, 300, 23 May 1759, Van Eck to Du Pré & Ross.

⁴⁵⁷ NA, Van Eck, 20, 316, 18 June 1759, Van Eck to Du Pré & Ross.

⁴⁵⁸ Watson, *Foundation of Empire*, 139, 140, 141 and 180.

The VOC factories were not scattered settlements isolated outposts with their backs firmly towards the land and the eyes fixed externally on the sea. Merchandise for export was produced by local indigenous people in the area around Van Eck's residence. Conversely, the import commodities of the VOC servants found indigenous markets. It was common place for *olas* (or proclamations) to be written to the indigenous merchants to announce sales of commodities,⁴⁵⁹ although complaints were often heard that trade with them was proceeding at a snail's pace.⁴⁶⁰ Normally trade with the local people was carried on through the intermediary of European or indigenous merchants on the spot. It was absolutely imperative that a certain amount of trust existed. At least, Van Eck trusted non-Europeans enough to make them supercargoes on his ships, as in the case of his servant Consiong Chity, who sold sugar to Moors for textile.⁴⁶¹ The indigenous traders were also extremely experienced traders and such skills were exploited, as in the case of a Frenchman who used an Armenian ship to bring his tobacco over from Madras.⁴⁶² The VOC's tenant Moetemare Chity send his son on a ship from Malacca to the Coast to pick up thirty-two bales of textiles to bring to Malacca. When Van Eck discovered the son was not on board, leaving no representative of the VOC client, he decided to seize the bales, since he harboured a suspicion of an attempt to make an illegitimate voyage beyond the reaches of VOC control. Only when the son returned from Galle were the bales given back, hinting clearly at the Company's influence in and power over such trade, which must have been conducted under the Dutch flag.⁴⁶³ Indigenous vessels were also chartered for shorter voyages, for example to take timber to Madras.⁴⁶⁴ We have already seen how Vermont sold the trade to the West off to indigenous merchants, illustrating servants indirectly profited from their efforts.

Co-operation with and trust in indigenous traders was essential and without them trade would have been impossible. As we have seen Armenian co-operation was essential to a voyage to Malacca in 1760. The Armenian merchants wanted to send goods with a total value of around 30,000 to 40,000 pagodas, unequivocally exhibiting their

⁴⁵⁹ NA, Van Eck, 26, 90, 15 October 1759, Van Teylingen to Van Eck.

⁴⁶⁰ NA, Van Eck, 19, 33, 15 May 1759, Meijer to Van Eck.

⁴⁶¹ NA, Van Eck, 20, 342, 1 September 1759, Van Eck to Boelen and 20, 354, 1 October 1759, Van Eck to Van Teylingen.

⁴⁶² NA, Van Eck, 19, 35, 7 June 1759, Laporterie to Van Eck.

⁴⁶³ NA, Van Eck, 20, 331, 1 August 1759, Van Eck to Samlant.

⁴⁶⁴ NA, Van Eck, 20, 542, 27 September 1760, Van Eck to Du Pré & Ross.

independence. Unfortunately Van Eck had to pull out when he was promoted to Governor of Ceylon, whether the voyage was eventually made in co-operation with the new Governor has to remain shrouded in mystery. One indisputable fact is that it was essential for a VOC employee conducting private trade to have dependable supercargos and captains. He himself was tied to his post, and this lack of freedom of action made it necessary to establish contacts in different ports and leave to supercargoes and captains to bear the responsibility of the trade. Van Eck trusted his servants with his money and merchandise in the hope that they would make the right and most profitable decisions in the different ports to which they were sent or decided to go. By and large Van Eck mostly employed Dutchmen, but there were several exceptions to this rule. Although it is a matter of record the captains Van Eck employed were of Dutch origin, for example Zeeman, De Lange, Bartels and Beeman,⁴⁶⁵ Supercargo Laudea was part Dutch and part French who had a relation, a certain Le Blanc in Batavia. He also employed the above-mentioned Indian supercargo. There is only one instance of Van Eck talking of an Irishman, a sailor called Halfort. This man is mentioned because Van Eck had to ask the French for an exemption during the war to provide safe passage for his ship. Had he not done so the presence of a 'British' sailor would have led to the confiscation of his merchandise. Laudea, being French, needed English exemption for the same reason.

In order to be assured of honest dealings, Van Eck let the supercargo and the captain share in the profits. Captain De Lange received a commission of 5 per cent on sales,⁴⁶⁶ and there were other ways of paying VOC employees. The contract between Van Eck and the Danish East India Company specified that nobody could carry their own goods on the chartered ship, but that all the officers would receive compensation depending on their position in the hierarchy, the captain earning 1800 rupees.⁴⁶⁷ In other cases, captains and supercargoes were allowed to take some goods along themselves. This practice was probably very lucrative. In a letter to a friend, Van Eck stated that one of his captains, Bartels, was carrying many more commodities than Van Eck had permitted. Bartels had no intention of returning to the service of the Company after his contract with Van Eck terminated, a fact which reveals that VOC captains were used in

⁴⁶⁵ NA, Van Eck, 25, 3, 2 November 1758, Beeman to Van Eck.

⁴⁶⁶ NA, Van Eck, 1, 1, 8 March 1758, Van Eck to Kroesse.

⁴⁶⁷ NA, Van Eck, 4, 1, 10 March 1761, Abbestee, Falk & Labeaume to Van Eck.

private trade. Rather than return to the Company fold he preferred to buy his own ship and, as a captain of a private vessel, Bartels became financially independent of his former boss.⁴⁶⁸ With the exception of the officers, the crews on these private ships were of Indian descent. Normally it would be difficult to tease out any information about this, but when it so happened that Van Eck's merchandise had been damaged on a private ship of another employee, the whole crew was summoned before the notaries to testify, and, with the exception of the captain and the supercargo, all twenty of them were of native descent.

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Conclusion

The trading position of VOC servants in the Western Quarter depended heavily on imports from Batavia. The presence of large European armies in India offered a splendid market for sugar, arrack and provisions from Batavia. Cloth was traded in return. At this period, although the VOC still traded in sugar to India, using it as ballast on the ships, most of the sugar trade was left in private hands in permitted trade or free trade. The trade in arrack was left to servants in a similar construction. These items of the private trade were the provisions the Company brought to India. The VOC servants could buy these from the Company and resell them to third parties. At first, servants monopolized the trade in sugar and arrack from Batavia, but with time as their position grew stronger the English claimed a share in this trade. Since dominance in the market meant power, the VOC had to concede to the wishes of the English to an ever-increasing degree, until in 1775 the English country traders carried half of the Javanese sugar to India. It stands to reason that, as the English country traders increasingly thrust themselves into the trade with Batavia, the position of the VOC servants on the Indian Sub-Continent must have deteriorated as they were gradually being cut off from trading opportunities and potential

⁴⁶⁸ NA, Van Eck, 20, 151, 8 October 1758, Van Eck to Rooseboom.

⁴⁶⁹ NA, Van Eck, 27, 64, 19 June 1760, Taijlor & Stone to Van Eck.

trade capital. Even though the position of the Dutch private traders worsened even more, Batavia remained the chief supplier of sugar and arrack until 1796.

Since the amount of private trade was limited, servants in the various regions vigorously protected what they had in their regions against outsiders. This meant that local co-operation was essential to the servants. The superlative method for creating new markets was contacting local servants and arranging an agreement. Bypassing the local VOC servants was unacceptable and was a sure ticket to social and commercial exclusion. Confronted by outside threats, the Company servants united, but within local government, private trade was organized along hierarchical lines. Imitating the way that the VOC organized permitted trade according to the echelons in the hierarchy, the Company servants applied the same strictures to free trade. Private trade was reserved as a privilege of the senior officials, who in turn allowed the lower-ranking servants and other Europeans to participate as they saw fit. Since senior servants had first access to the goods brought from Batavia boosted by first access to the VOC facilities and privileges, it was hard to compete with them. Unquestionably at all times, in all places the activities of the VOC in the intra-Asian trade made it easy for servants to use the company facilities.