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

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**PART III**

**Profits & Fortunes**



## **Chapter 6: Company profits and servants fortunes**

### **Introduction**

Company profits and servants fortunes were not seen by the VOC as two mutually exclusive entities, but rather as reinforcing each other. This antithesis is difficult for modern people to comprehend, because the definition of what constitutes corruption has changed significantly over time. What is called corruption today may have often been a commonplace and acceptable custom in the past. The first step towards understanding what is now frowned upon as corruption is to acknowledge that we call corruption need not be a debilitating factor, but through its power to remove obstacles may indeed actually benefit an organization because it serves a specific function within it. In other words, it can lubricate policies or practices which might otherwise stick, and make them work. Armed with this change in definition, as historians, we must take a step back and view corruption in former times without exercising too much moral judgement. By doing so, we open up the possibility of a more constructive approach. In other words, if we wish to understand how the company functioned, we must first historicize the definition of corruption. One fact is patently obvious, high officials in the Company continuously redefined corruption as it fell into a decline in desperate attempts to repair an increasingly dysfunctional machine. The best illustration of their chosen solution is the changes the Company made in accommodating private trade. Initially private trade was considered harmful and consequently deemed corrupt, but as shown, from 1743 it is simply impossible to label all private trade a corrupt practice. As the Company was assiduously searching for ways to stave off decline, the understanding that what was considered corrupt in earlier times may just as well have been an effect of the decline of the VOC, instead of making it the scapegoat for decline. In this chapter we shall produce evidence to reveal the relativity of the VOC definition of corruption as it slid to decline by putting

various developments in a long-term perspective. What means did the VOC have and even resort to allow its servants to garner themselves a fortune?

### **1. Structural use of informal institutions**

The plain, unvarnished goal of the VOC was to trade as profitably as possible to Europe and to achieve this purpose the whole organization in Asia was geared to play a facilitating role. The VOC was well aware that the only way to extract structural profit out of Asia was by the expedient of investing as much capital as possible in trade. Therefore, the institutional form of the VOC in Asia was inexorably influenced by the necessity of prioritizing trade over organization. The Company was built on the perceived principle that a strict organisation was less cost effective than leaving its servants in Asia room to resort to methods to make things work. This makes even more sense when we recall the sheer distances and long, tedious lines of communication between the Republic and Asia. These circumstances gave the servants in Asia a high degree of responsibility and power. They were expected to and did indeed bring their private initiative to their work and used it to consummate their own and the Company's interests. The upshot was that the performances of the chartered East India companies, and this applied to all of them, were governed as much by formal institutions as they were determined by such informal institutions as private trade, corruption and networking. It is perfectly feasible to distil a negotiation process on the basis of how much Company and servant needed each other to attain their respective goals. The saga of how the EIC succeeded in striking a remarkable balance between its own interests and those of its servants is well known. The Canadian historian Pierre Boule argues that the French Company was actually 'devoured' by its own personnel as it pursued war instead of trade.<sup>470</sup> The VOC was unquestionably aware of the need to allow its servants a certain amount of leeway in what they did, but it did naturally set limits which were determined by its own particular

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<sup>470</sup>P.H. Boule, "French Mercantilism, Commercial Companies and Colonial Profitability", In L. Blussé and F. Gastra, *Companies and trade: essays on overseas trading companies during the Ancien Régime* (The Hague: Leiden University Press, 1981).

interests and tempered by its own strength. This thesis has already presented an analysis of how this worked for private trade and now we shall search for analogies in other informal institutions.

As did private trade, corruption and networks functioned as informal institutions assisting the effectuation of the servants' as well as the Company's needs. Under these circumstances the first priority of the VOC was to keep outsiders from encroaching on main target of potential profit in Europe. The greatest danger to Company profits was seen in those people working for the Company who were interpreting their brief liberally and claiming too large a share. Consequently, the Gentlemen XVII constantly devised methods to keep the share of their servants as far removed as possible from this objective. Over time, as decline set in, the regulations issued to govern on private trade provide a clear indication that the VOC was increasingly obliged to grant privileges which impinged ever more closely on its core businesses. These steadily mounting number of privileges wrung from it encapsulated an inherent danger and they graphically reflect the spectacle of a weakening company becoming more dependant on its servants. Paradoxically, these shady businesses kept the Company afloat, but also mercilessly reveal its structural weaknesses and shortcomings. In allowing its servants to fulfil some of their personal wishes, the company had always sought for mutual benefit, but as it sank into a financial morass, this situation was inevitably reversed.

Even before the decline set in as already intimated, the VOC had had a certain interest in allowing a degree of acquiring freedom in the pursuit of private fortunes. Company servants had always been permitted to amass considerable wealth by recourse to informal institutions, since such a splendid prospect attracted new employees to sign up for a career in the East which was never without a grave element of risk. In view of the acknowledged unhealthy conditions in Asia, it was the prospect of making a more than decent living which lured enterprising men to take service. Van Eck is a fine example of a VOC servant who wanted to restore his family's fortunes by taking service with the Company. Many eventually successful servants had initially fled Europe hounded by debts or were recalcitrant sons sent to Asia to learn about life the hard way.<sup>471</sup> Earning enough riches to ensure a future easy life in the Republic even stimulated

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<sup>471</sup> Kegan Paul, *Memoirs of William Hickey* (London: Routledge, 1975).

most of such lower ranked servants such as soldiers and sailors. Their ultimate aim was to return with their hard-earned savings, however little these may have been. The prospect of making a fortune abroad figured in the minds of many people in Europe, but the reality must have been a rude awakening on their arrival in Asia. Illusions were shattered as making a decent living was not as simple as it had seemed from Europe and it took years to acquire a private fortune; a situation which the VOC manipulated to serve its own needs.

In Asia, servants' fortunes were used directly to offset the needs of the Company itself. It was thought to be part of a Company servant's job to sink his personal capital into whatever way possible to serve the needs of the Company. The employees were expected to stand on their own two feet. Instead of having to bother about or wait for an answer from Batavia or the Republic on every small detail, this opportunity for initiative gave servants the financial leeway to solve trifling problems quickly or provide a temporary solution before the higher management had to step in. On the financial front it was even part of the official policy to let senior servants contribute personally to the costs of maintaining the Company's affairs. The best example of this is the annual embassy to the king of Kandy. The Governor of Ceylon was expected to contribute personally to the costs of mounting this and to the gifts given to the king. This certainly alleviated the burden of cost for the VOC, but it also imbued the position of Governor of Ceylon with a personalized aura of power. Even more modest affairs, such as an embassy from Nagapatnam to the English in Madras, servants first had the task of working out the financial side of the expedition themselves. Even if the servants reclaimed part of the money they had spent to serve the Company, they would have first had to advance money, often aware they would be only partly reimbursed afterwards.

Apart from helping to conceal structural weaknesses in the organization, private fortunes also supplemented the capital the VOC had available for its own trade. The prime consideration was that by allowing servants the opportunity to acquire private fortunes, only a small-scale investment in wages was needed to persuade potential employees to join the Company. In this complicated construction keeping the books was itself a gigantic bureaucratic operation which caused the Company many headache quite apart from the essential goal of making money from trade. Because of its very nature as

the first joint stock company, the shareholders demanded profits in Europe to accrue to them, instead of any being ploughed back into the remuneration of the servants. Relieved of having to juggle the finances too much the directors tolerated fortunes made in Asia if only to alleviate the costs of payment in Europe. Allowing private fortunes in Asia had another additional advantage, since one day those fortunes had to be sent home. These remittances have had to be made through the Company, which used its authority to use them temporarily to finance its trade to Europe. By setting a ceiling on the amounts of the fortunes it accepted in view of its priorities, the Company wielded a very crude device to limit servants from pursuing their efforts to acquire fortunes too enthusiastically. When the VOC first experienced a need for capital, one possible solutions would simply have been to accept more fortunes. In several ways private fortunes served to augment the capital basis of the Company without it having enlarged the number of shares, greatly to the advantage of the existing shareholders.

There was of course, a limit to the amount of money the VOC could use for its trade to Europe. When Van Imhoff proposed leaving the amounts of assignments accepted open to what was offered in Asia, adhering to their well trod path the Gentlemen XVII did not heed his advice.<sup>472</sup> They continued to accept only limited amounts of assignments to be drawn on them, but as decline set in during the eighteenth century they had to revise their ways, which often did more harm than good. The negative consequences of accepting too many assignments is best illustrated by extreme development spurt the EIC went through after Plassey. As possibilities of acquiring a personal fortune proliferated with conquest, it was impossible for the EIC to absorb the new fortunes. In their efforts to remedy this, the EIC servants tried to boost its trade and consequently the possibilities in sending home money. The upshot was that every piece of cotton of whatever quality and price they could lay their hands on in India was dispatched. This lack of discrimination had negative consequences for the EIC's business and for the payment of the bills of exchange. Since much cloth was sent, the market in Europe was saturated, leaving merchandise unsold. When the Company could not sell these textiles at an adequate price, it was unable to repay the bills. Payments had to be

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<sup>472</sup> Gaastra, *Particuliere Geldstromen*, 22-30.



postponed, to such an extent the threat of bankruptcy began to loom over the EIC.<sup>473</sup> Since it was not able to accept more bills and there was an inherent danger of losing money remitted if such an eventuality were to occur, the VOC seized the opportunity to lure EIC employees to transfer their money to the Republic. Initially the VOC was reluctant to accept English money, but in the years preceding the Fourth Anglo-Dutch War, as its financial situation worsened the VOC policy in Bengal and other parts of India was to obtain as much English money as possible. A clear demonstration that the extent of leniency extended towards accepting assignments depended on the exigencies besetting the Company.

In view of this hard evidence there can be little doubt that the VOC fully acknowledged an interest in its servants obtaining fortunes by orchestrating informal institutions and often encouraged its servants to return rich. As long as fortunes were considered to have been made during a long and arduous career without harming the interests of the Company, the VOC saw no reason to intervene. During the Company's 200-year existence, servants were able to make substantial fortunes, although it seems the eighteenth century offered increased opportunities for those seeking to profit from the riches of the East. Van Eck was able to send home *f*600,370 and in the second half of the eighteenth century there are other examples of employees doing just as well.<sup>474</sup> It was impossible for the Gentlemen XVII to assess exactly how wealthy these servants were and how they had made their money. With full knowledge of the fortunes being made, they had no qualms about inviting some of them into the service of the VOC in the Republic after their return.<sup>475</sup> Apparently, there was a tacit agreement that a fortune could be made as long as the interests of the VOC were not impaired and such a pursuit of riches was indeed often even perceived as beneficial to the VOC.

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<sup>473</sup> Later this problem was circumvented somewhat by using this capital for the purchasing of Chinese goods for the European market in Canton.

<sup>474</sup> After his return to the Republic in 1771, Pieter Cornelis Hasselaer enjoyed a fortune of *f*800,000, while the heirs to the estate of Van Rheden received *f*332,139. Eyso de Wendt took *f*333,000 in assignments with him on his return, while Roelof Blok, the former Governor of Makassar and director of the Chinese trade, took *f*88,615 in cash with him on his return. For more examples see Gaastra, *Particuliere Geldstromen*.

<sup>475</sup> Gaastra, *Particuliere Geldstromen*, 22-30.

## 1.1 Balancing interests

Even though a balance had to be struck with the servants' interests, the VOC was not without the means to assert its interests in Asia. Giving too many opportunities to make fortunes too quickly was unequivocally felt to be a potential threat to the profitability of the Company. If a servant returned too rich too quickly, suspicions were rife that he had done so at the expense of the Company. People at home began to toy with the idea of mismanagement in Asia. The best remedy was thought to be to have a tight grip on what servants earned. The best illustration of this principle is Mossel's regulation on private trade, above all his newly imposed restrictions. He was convinced Van Imhoff had squandered the interests of the VOC by giving up too many privileges in the intra-Asian trade. Too much of potential profit had been conceded to the servants, although the VOC was still capable of conducting parts of these liberated branches of trade. This also threatened the profitability of the remaining monopolies. With this in mind, Mossel wanted to reclaim some of the existing privileges, leaving what he termed the trash to the servants.<sup>476</sup> As we have seen in the chapters on private trade, he had the power and determination to do so. The servants grudgingly accepted his regulations, albeit always searching ways to circumvent them. The VOC considered it had only to allow leeway if the servants honoured the interests of the Company

Granting too many privileges for making fortunes, without paying scrupulous attention to the hierarchy among the personnel also interfered in the way the VOC functioned. An increase in fortunes could upset the apple-cart and lead to a destabilization of the Company hierarchy. In the case of the EIC, the increased possibilities of making a fortune not only made the employees unmanageable, they also led to earlier returns home leaving a large hole in the number of the experienced staff in

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<sup>476</sup> W.Ph. Coolhaas, 'Zijn de Gouverneurs-Generaal Van Imhoff en Mossel juist beoordeeld?', in: *Bijdragen T.L.K.V.* 114 (1958), 29-54, J.J. Steur, *Herstel of ondergang, de voorstellen tot redres van de verenigde Oost-Indische compagnie, 1740-1795* (Utrecht: HES 1984), N.J. Krom, *Gouverneur Generaal Gustaaf Willem van Imhoff* (Amsterdam: Van Kampen 1941), 115 and J.L. Blussé, *Strange Company, Chinese settlers, mestizo women and the Dutch in Batavia* (Dordrecht: Foris 1986), 33.

India.<sup>477</sup> Again, the experience of the VOC was less extreme, but in a more subdued manner are echoed in what happened when Van Imhoff liberalized the intra-Asian trade. Van Imhoff's reforms were a real departure from the Company policy prevailing before 1743. Until then, the only way to make a fortune was to share in the VOC trade. This may not have excluded corruption, but obviously employees did have more opportunities to share in the riches when the Company was making a decent profit. Mossel's reforms in private trade were accompanied by stricter regulations on *emolumenten* and fit in with the social policy described in his *reglement ter beteugeling der pracht en praal*.<sup>478</sup> This document reveals explicitly that remuneration was linked to upholding the hierarchy and the principle of seniority. These two elements were seen as supporting the interests of the Company and imbued with a strong moral connotation specified the amount of splendour appropriate to each position by setting out in black and white, rights and privileges pertaining to it.<sup>479</sup> Mossel wanted to put an end to the recent rise in the splurging on the exhibitions of wealth and status indulged in by the servants. He deemed such behaviour un-European and stigmatized it a perversion of Asia, but a causal relation to Van Imhoff's reforms is a more likely to have been his basic motivation.

Bringing the hierarchy and remuneration into line was essential to the VOC if it were to control its employees. In order to regain control over its servants' actions, the VOC tried to impose the hierarchy stringently by linking remuneration to positions and by regulating in fairly explicit terms what social status a position entailed. Later Mossel, again expressed his feelings about similar issues in *Bedenkingen over den intrinsiquen staat*.<sup>480</sup> The main point of the Mossel policy was to make the employees feel that they depended on the VOC for their fortunes. This dependency had been somewhat obscured

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<sup>477</sup> Sutherland, *East India Company in Eighteenth Century Politics*, 81, These two factors combined to catapult the Bengal servants into a sudden affluence which made them, as Sullivan had already discovered, quite unmanageable. Moreover, their mass return to England with their wealth only raised dangerous enemies in the Company at home without improving the situation abroad for they left no one suitable to replace them.

<sup>478</sup> J.A. van der Chijs, *Nederlandsch-Indisch plakaatboek*, Volume 1-Volume 17 ('s-Gravenhage 1885-1900).

<sup>479</sup> Nationaal Archief (NA), Hoge Regering van Batavia (HR), 307, Extract General Resolutions, 20.

<sup>480</sup> For instance, it was stipulated that only the Governor-General could have a glass coach pulled by four horses.

<sup>480</sup> NA, VOC, 4747. '*Bedenkingen over Den intrinsiquen staat Van de g'octroijeerde Nederlandse Oost Indische Compagnie, ten dienste van de Heeren Principalen bij een gebragt, ter vertoning van dies ware dog sorgelijke gesteldheid*'.

when Van Imhoff's freedom in trade potentially offered the opportunity to make a fortune outside of the confines of the hierarchy. By relating fortune to rank, the Company bought itself time to guide employees to work for the 'benefit of the Company' and servants were once again forced to acknowledge the interests of the Company. From that time, the privileges of the employees would be adapted to the needs of the Company. Naturally there was a negative aspect to the fact that employees were completely dependent on the VOC for a fortune. Deprived of what was essentially an enormous fringe benefit, the servants felt the Company was responsible for providing them with an adequate remuneration with all the inherent potential negative consequences.

## 1.2 The paradox of less to offer but more to take

As it battled with damaging external and internal circumstances, the VOC was increasingly thrown back on the fortunes of its servants to finance its trade. Over time the Company was forced to raise the amount of the money it accepted for bills from 1 million in 1740 to 3 million in 1771.<sup>481</sup> *“According to both sources, no less than 237 million guilders were transferred, 30 million in the seventeenth and 207 million in the eighteenth century. These sums were considerable when compared to other parameters of Company trade. For instance the total amount of the value of the Asian products exported to Europe (invoice value) was 251 million in the seventeenth and 678 million guilders in the eighteenth century.”*<sup>482</sup> Until the Fourth Anglo-Dutch Sea War, the Company was financially stable, but the war triggered various detrimental consequences which obliged the Company to look for alternative sources of capital. The parlous state of its finances assumed frightening proportions and new means were sought to finance the Company's trade. We have already seen one measure was to force obligations onto the shareholders in return for a State guarantee of a 12½ per cent, which was a distortion of the real

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<sup>481</sup> Gaastra, *Particuliere Geldstromen*, 20-21.

<sup>482</sup> F.S. Gaastra, “Private money for Company Trade, the Role of the Bills of Exchange in Financing the Return Cargoes of the VOC”, In *Itinerario XVII*, 1/1994, 68.

profitability.<sup>483</sup> In its search for capital, the VOC paid special attention to determining what it wished to accept in Asia each year. The rising trend in accepting more fortunes, is paralleled in an upsurge of what would have been called in earlier days the corrupt behaviour of the servants. Certainly part of the explanation, this behaviour can be traced to the changes in policy the VOC made in defining the role of its servants. I would like to suggest that in comparison to the seventeenth century, in the eighteenth century a career in the VOC offered more opportunities to make a fortune, and the inevitable corollary was that more money was being sent to Europe.<sup>484</sup> The ailing VOC was less able to curb corrupt behaviour and had to stand impotently by and allow its servants more freedom in their pursuit of fortunes. The inescapable consequence was it was caught up in a cycle of ever-growing dependency on its servants and on their fortunes.

Apart on relying more on its servants for capital, it began to lean heavily depend on the private initiative of its servants directly in its trading activities. Desperately aware of its debilitated state the VOC was exploring for new ways to produce and obtain export goods for Europe in Ceylon and eventually it was decided to turn to a plantation economy. In view of the bad financial state of the VOC, it was decided to build this system on the servants, who simply became its suppliers. They were enabled to fulfil their new role by the privileges the conferred on them by the VOC and by building up partnerships with the indigenous chiefs. Although heavy initial investments were needed, both the servants and the chiefs relished the rewarding prospect of selling to the VOC. If the VOC was not able to supply the hoped for remuneration, now with the upper hand the servants were also in a position to find alternatives outside of its confines. On the Malabar Coast, the servants decided to lease new lands from indigenous rulers and made a living from these lands by renting them out to the indigenous population, charging the VOC for the lease money.<sup>485</sup>

Although there was an upward swing in what could be earned and sent home for servant as the VOC declined, the direct participation of the servants in the trade of the VOC also had a shadow side. Instead of regularly receiving a direct share from VOC trade, the servants had to invest more time and capital if they were to cash in on the

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<sup>483</sup> See Chapter 3.

<sup>484</sup> Gaastra, "Private money for Company Trade", 68.

<sup>485</sup> Schrikker, *Colonial Intervention*, 52-76 and A. Sing, *Fort Cochin in Kerala 1750-1830, The Social Condition of A Dutch Community in an Indian Milieu* (Leiden, unpublished PhD-thesis, 2007).

privileges and consequently felt entitled to a larger personal share. Since most servants came to Asia poor and determined to make money, it is not logical to assume that they brought with them substantial amounts to invest with them, so their starting capital had to be sought in Asia. The most obvious possibility was to make a deal with people who had money to invest. The best example of this solution is the afore-mentioned partnership between servants and local chiefs in the exploitation of plantations in Ceylon. It was also possible for an impoverished young man to marry into a family in Asia which had investment money at its disposal. The second option was to 'borrow' money from the institution which was handing out privileges without first considering the practical implications for the privileged servants. In other words, the privileges received were worth nothing without capital and goods to trade in. To a certain extent, the profitability of these privileges in private trade or direct participation in VOC trade depended on the acumen of the servants to capitalize on them. This attitude of holding their employer responsible for their situation partly explains why so many VOC and EIC servants felt obliged to 'borrow' money from the Company coffers or to steal shamelessly from their employers. The burden of the decline of the VOC was thrown onto the shoulders of the servants, and they were painfully aware of their ambiguous role.

Employees were dependent on the VOC privileges to make money but they discontentedly felt their position was weak compared to that of VOC servants in the past. They were given once lucrative privileges which now had to be supplemented by the hope of a reasonable potential profit, but the servants had to bear all the risk and leave their backs exposed. In order to seize the mounting opportunities for self-enrichment and avoid the risk involved in sending home money, the servants and their families felt a greater temptation to remain in Asia, although there it required more financial and social capital to cash in on the new opportunities. This provides an alternative explanation of why servants were more inclined to organize themselves in networks and remain in Asia at the end of their careers. There was a strong sense that it was simply no longer possible to rely entirely on oneself, but the actual prospect of a fortune was better than ever. This development was reinforced as the VOC steered an inevitable course towards bankruptcy. In such a situation, it was less tempting to send money home, as the servants could run the risk of losing their hard-earned money before it reached Europe. Astutely, many

servants opted for a longer and more profitable stay in Asia with their family, which also offered them opportunities to keep profitable positions over generations.

## 2. Hierarchy as a tool of control

The manipulation of hierarchy was essential in controlling the behaviour of servants as it bought time to correct the unruly conduct of recalcitrant servants and to profit from their services. Therefore the Company had an interest in assuring the hierarchy functioned according to its own priorities. The main priority was for a servant to start at the bottom of the VOC ladder in order to learn through experience. In a world without diplomas, learning equalled experience. Consequently seniority was the principle on which such promotions were based and employees had to wait their turn to achieve a higher rank. Other companies also adhered to this principle of having their servants climb the levels according to experience.<sup>486</sup> As men of their time, the servants also acquired in the virtues of embracing seniority and experience as a principle in promotions. When Van Eck became Governor of Ceylon, he thanked the High Government for bringing to his attention an old gentleman who could still counsel him drawing on his years of experience. Van Eck depicted himself as someone who readily accepted the advice of those who had acquired more knowledge because of their greater expertise, which they had built up empirically.<sup>487</sup>

By adhering to the principle of seniority in promotions, the VOC allowed itself ample time to teach its servants how to play the game and to adhere to its priorities. The employees were expected to remain steadfast to the principle 'For the benefit of the Company' and the same principle was applied to the system of appointments. The directors would occasionally bypass employees for promotion as a disciplinary measure. After complaints from the Ceylonese population who objected to his unacceptable behaviour during an inspection tour, *Dessave Le Beck's* reputation was damaged. Van

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<sup>486</sup> Marshall, *Fortunes*, 10-11, although he also admits that more seniority points could be obtained with powerful friends.

<sup>487</sup> NA, Van Eck, 20, 693, 8 september 1761, Van Eck to Van der Parra.

Eck warned Le Beck that in his case seniority did not automatically mean promotion. Should he persist in his greedy behaviour, a promotion to commander was out of the question. After several severe warnings, Le Beck was bluntly informed that a change in behaviour was essential if he wished to avoid future confrontations with indigenous chiefs. For the time being, the blame for the current problems was officially transferred to his wife who had accompanied him on the journey. In order to give him a second chance, the *Dessave* was ordered to leave his wife at home on work-related travels and to keep her from interfering in his work. If he succeeded in improving his behaviour, a promotion would be reconsidered.<sup>488</sup>

The vast geographical spread of the VOC meant its structure was composed of a long chain of positions, guaranteeing its servants a variety of careers over a longer period. There was a hierarchy in the VOC factories, which forced the servants to bide their time in less profitable settlements, until they attained a post in a more profitable region. There is plenty of evidence that the establishments where the VOC gained little income, exhibit changes in remuneration earlier, an indication that the servants ran more risks and were forced to invest their own capital and time at an earlier date. The regions in which the VOC exercised more power were only affected by structural change around 1780 as the Company's financial position grew desperate and the English inched in ever more closely.

As the VOC declined, the remuneration of servants continued to be tied to hierarchy, but an increasing personal responsibility was thrust upon them to make their fortune, causing structural organizational weaknesses to come to light. Well aware of the ominous threat of the low survival rate, every employee was bent on climbing the ladder as quickly as possible, since it would hopefully allow them to escape an early death and return to Europe at an earlier date. Games were played in order to eschew the cumbersome principle of seniority. One prime example is when Van Eck left for the island of Ceylon and Van Teylingen realized Vick was senior to him and was first in line to become Governor of the Coromandel Coast.<sup>489</sup> Van Eck reassured Van Teylingen that more was needed than just seniority to make a career, or to put it in the words of Van Eck:

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<sup>488</sup> NA, Van Eck, 20, 784, 12 Augustus 1764, Van Eck to Le Beck.

<sup>489</sup> NA, Van Eck, 27, 36, 2 February 1760, Van Teylingen to Van Eck.



'*Survivansse*' (the principle of 'survival') was not something immutable.<sup>490</sup> When Van Teylingen eventually was appointed, the Gentlemen XVII criticized the High Government for ignoring the principle of seniority. Similar games, such as waiting for a suitable job in *buitenemploij*, or outside service, were also frowned upon by the *Heeren XVII*. In order to force the High Government to adhere to seniority, they decided not to approve any promotions until the practice of *buitenemploi* had been ended.<sup>491</sup>

## 2.1 Personal interest in appointments

In Holland and in Asia, the battle for positions and influence in Asia is best exemplified by the informal system of recommending people. In this recommendation system at least lip-service was paid to the interests of the VOC. In order to obtain promotion through the Gentlemen XVII, company servants, had to pay a modicum of attention to honour the 'interests' of the Company. Although the Gentlemen XVII were ensconced far away, they still regulated abuse and exerted influence simply by blocking undesired promotions. Sponsorship of a powerful patron was not enough, as a servant thus recommended had to prove himself worthy by showing he shared common values and ideas. The most important and worthiest characteristic a capacity to see beyond personal interest, thereby displaying an attachment to the 'good of the Company'.<sup>492</sup> This kind of irreproachable behaviour ('*Onbesproken gedrag*') was applauded and in theory should have sufficed to win promotion without any recommendation. Van Rheden put this into writing when he tried to have his protégé Felitas promoted, although shrewdly he simply recommended him by pretending not to do so.<sup>493</sup> His statement on good behaviour gave the recommendation the appearance of a piece of advice, couched in such terms as to attract attention to a person who deserved protection. Of course, such a situation was not foolproof. The power-that-be were not blind and it was acknowledged

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<sup>490</sup> NA, Van Eck, 20, 784, 12 Augustus 1764, Van Eck to Le Beck.

<sup>491</sup> NA, Van Eck, 27, 36, 2 February 1760, Van Teylingen to Van Eck.

<sup>492</sup> NA, Van Eck, 38, 8, 20 January, 1764, Van Eck to Rien van Citters.

<sup>493</sup> NA, Van Eck, 26, 35, 1 June 1759, Van Rheden to Van Eck.

that even persons with a bad reputation were recommended and had a chance of succeeding if a powerful patron endorsed them.<sup>494</sup> Astutely the Company management tried to regulate such excesses.<sup>495</sup>

In order to avoid acts of recommendation which were too opportunistic, it was expected those who wrote such a commendatory letter would have had a personal relationship with the person when they were sponsoring. Any follow up on letters of recommendation was taken into consideration only after a personal relationship with the person recommended had been established. When Governor-General Mossel received a recommendation from the Republic referring to a VOC employee serving on the Coromandel Coast whom he had never set eye on, the recommendation was passed on to Van Eck, who had the task of assessing if the person lived up to the laudatory words.<sup>496</sup> Another example of this caution occurred when Van Eck judged a man who had just arrived in Ceylon very positively after talking to him.<sup>497</sup> Logically, the person recommended also had to be physically available on the spot where he was needed. After Van Eck recommended a ship's captain to some highly placed friends in Zeeland, they were very surprised that this sailor did not bother to visit them in person.<sup>498</sup> When the ship captain failed to make an appearance, Van Eck's friends decided it was impossible to pay attention to the recommendation, even though they needed captains.<sup>499</sup>

A recommendation was considered tantamount to a guarantee of good behaviour from the person who had given it, in other words, the sponsor was held responsible for the acceptable conduct of his protégé.<sup>500</sup> How this worked out in practice is illustrated by the story of Captain Lochman. After he had been provisionally promoted him to the rank of captain in the army in the field until approbation of this promotion was received from

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<sup>494</sup> NA, Van Eck, 27, 33, 31 January 1760, Faure to Van Eck, It is very honourable of Your Honour that you have not made mentioned anything to Batavia about this case, certainly since I was the one who recommended him to you. But I had hoped to receive as answer that this man would have possessed a better character (:but this remains between the two of us:).

<sup>495</sup> NA, Van Eck, 26, 35, 1 June 1759, Van Rheden to Van Eck.

<sup>496</sup> NA, Van Eck, 28, 20, 31 March 1761, Mossel to Van Eck.

<sup>497</sup> NA, Van Eck, 20, 761, 30 September 1763, Van Eck to Van der Parra.

<sup>498</sup> NA, Van Eck, 36, 7, 28 December 1764, Hoiret to Van Eck.

<sup>499</sup> NA, Van Eck, 36, 5, 31 October 1764, Rien van Citters to Van Eck. I have not received any notice. I would have wished he had presented himself, certainly since our Chamber has a great lack of captains and knowledgeable naval officers.

<sup>500</sup> NA, Van Eck, 36, 6, (...) It has been said here that he possessed many capacities and the desired art, as well as many other qualities, Since I have later received less favourable reports of this man after, I have asked mr Schreuder to inform me on behalf of the person. (...)

Batavia, Van Eck changed his mind about this advancement. After certain facts had been brought to his attention he no longer supported the promotion. Two days after the provisional promotion, Van Eck learned the captain had married a ‘black woman whose first husband had died on the scaffold’. Anxious to ensure that this misjudgement might blemish his own reputation, Van Eck decided to countermand the promotion. He shifted the blame to Schreuder who had recommended the captain to him.<sup>501</sup> In his turn, Schreuder withdrew his recommendation and blamed a major for recommending Lochman to him (although the major denied having knowledge of the case). Lochman had to step down and with this reversal in his fate all the nice words spoken about his character were revoked.<sup>502</sup>

The train of thought common at that time was that good behaviour had to be supported by and was inevitably related to a good background. Van Eck was blatantly predisposed to people of aristocratic descent with powerful friends.<sup>503</sup> The principle of descent is best expressed by Van Teylingen’s father who recommended his son to follow in the footsteps of Van Eck as Governor of Coromandel Coast. He spoke of Van Eck’s known good character, which was to say his habit of behaving well towards everybody possessed of distinction of good behaviour and impeccable descent.<sup>504</sup> If a VOC employee’s family background had been accurately assessed, this obliged others to help him. Van Teylingen’s father was very pleased that this patronage had been bestowed on his son, who was helped to a higher position.<sup>505</sup> When a patron helped, he normally did not confine his efforts to assisting in a career. Van Eck often advanced the people who had been recommended to him with money to launch their enterprise and only expected them to pay the loan back when they had earned enough money.<sup>506</sup>

A recommended employee was often proposed as the most logical choice to fulfil the interests of the VOC, but behind promotion lurked personal interest. All servants had

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<sup>501</sup> NA, Van Eck, 20, 779, 12 November 1764, Van Eck to Ooster & Bordes.

<sup>502</sup> NA, Van Eck, 20, 719, 15 March 1762, Van Eck to Van der Parra, it was also said that half a year earlier Lochman had been nothing more than a sergeant, further discrediting any future promotion.

<sup>503</sup> Frank Lequin, *Het personeel van de Verenigde Oost-Indische Compagnie in Azië in de 18e eeuw : meer in het bijzonder in de vestiging Bengalen* (Leiden: , 1982), 164, According to Stapel, two types of career existed, one based on family relationships and one on climbing the ladder to success.

<sup>504</sup> NA, Van Eck, 34, 2, 22 March 1762, Father of Van Teylingen to Van Eck.

<sup>505</sup> NA, Van Eck, 35, 17, 5 July 1763, Father of Van Teylingen to Van Eck.

<sup>506</sup> NA, Van Eck, 10, 2, 3 September 1765, Falck to heirs.

a personal interest in every promotion as they were highly conscious of the fact that networks partly determined their future prospects of fortune. Behind one particular servant, a whole group of servants had an interest in helping their own protégés to a profitable position as soon as possible. One crucial decision was made in determining a servant's career even before he ventured forth to Asia. The first divide was between the people designated qualified, those suitable for government positions, and those who would play such supporting roles as soldiers and sailors. If a person candidate aspired to belong to the first category which offered the best opportunities of a successful and profitable career, during the eighteenth century it was advisable to sail out with the rank of *onderkoopman* (junior merchant). If their pupil could reach a higher rank, this also served the interests of that employee's patron. Sometimes patrons had their eye on a certain position for their protégé and they waited for this position to fall vacant. When Faure was helping Van Eck in private trade as his agent in his capacity of a free-burgher, he was temporarily not in the service of the VOC or *buiten emploi*, in his own words 'under the pretext of an indisposition' and without pay or *gagie*. This had two advantages, firstly, as a free-burgher he could help others with their private trade, but more importantly he enjoyed a strong position with important patrons and this allowed him the possibility to wait for a suitable job to turn up in the VOC. These patrons, including the Governor-General, had their sights on a certain position for Hugo Faure. The problem was that the position was still occupied.

## **2.2 From nepotism to redistribution of wealth**

However devoid of personal interests the VOC employees endeavoured to make their decisions appear, often very different principles lay behind recommendations. Personal advantage to 'friends' of the people involved in appointing invariably played a part or as Mr De Witt from Dordrecht remarked to Van Eck: *(...)I sincerely wish, and by no means doubt, that you will thrive to the benefit and advantage of your good friends, and those who make your favour worthwhile, may this also befall upon my good friend,*

*who will hand this letter over to you (...).*<sup>507</sup> Meteoric careers of employees have often been explained by the presence of a family-based system. One basic assumption about the VOC and the family system in Batavia, has been that it revolved around women.<sup>508</sup> By recommending a person, employees often made the servants they helped seem like their friends and this concept can fundamentally be explained in terms of reciprocity. Friendship in practice meant family or at least a person over whom one had a certain degree of control.<sup>509</sup> The sheer fact of belonging to a influential family gave access to wealth, status and positions. ‘The glue that held this society [Batavia] together was the family system.’<sup>510</sup> The VOC has been seen as evolving towards a colonial state or perhaps more aptly ‘a colonial society that was formed in Dutch settlements on the coasts of Asia and that evolved for a brief period into a ruling caste in the Indonesian archipelago.’ Taylor argues that this gave ‘white women’ a privileged place in society, especially when they were daughters of or related to powerful men.<sup>511</sup> These women could be named the sole heir to a man’s property, so widows were also sought after for the fortune they could bring into a marriage.<sup>512</sup>

For the Company elite in Batavia marriage was of paramount importance in sealing relationships and securing investments. The key proof of the significance of the family system in Batavia is found in the early years of the eighteenth century with three successive directly related Governors-General: Willem van Outhoorn, Joan van Hoorn and Abraham van Riebeeck. Of these a central role was played by Joan van Hoorn, who succeeded in keeping the position of Governor-General within the family. This is also appositely illustrated by the people named in the will of Abraham Patras, showing the links between highly placed men. An elaboration is provided by the Van Riemsdijk clan,

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<sup>507</sup> NA, Van Eck, 34, 9, 2 December 1762, De Witt to Van Eck.

<sup>508</sup> G. Taylor, *The social world of Batavia, European and Eurasian in Dutch Asia* (Madison: The University of Wisconsin press, 1983).

<sup>509</sup> L. Kooijmans, *Vriendschap en de kunst van het overleven in de zeventiende en achttiende eeuw* (Amsterdam: Bakker, 1997).

<sup>510</sup> J.G. Taylor, *The social world of Batavia*, 71.

<sup>511</sup> If we look at the origins of the society in the seventeenth century we see that, as a colony, Batavia had to import Dutch people, but these were mostly men. Consequently, Batavia developed into a colony with a shortage of women and this led to a patronage system with certain specific characteristics.

<sup>512</sup> The daughters remained in Batavia and hence these women are supposed to form the heart of the Indies clans. This, in turn, was intensified by the fact that mortality rates were very high, which made remarriage attractive and caused spouses to circulate. For more details on this phenomenon, not always to the advantage of women. See Taylor, *Social World*.

which demonstrates the political importance of family alliances and the contribution of Asians to colonial culture.<sup>513</sup> This irrefutable evidence still begs the question if such an analysis does not overemphasize the role of women in the VOC system in order to dispel a perceived absence of women, white and native, in earlier works. However important these women were in creating alliances, they were not making the actual decisions; neither concerning the policy of the VOC nor about promotions. Again caution is advised and we have to guard against exaggerating the role of family in view of the fact the relations between employees have to be examined without a great deal of any other corroborative information.

The concept of friendship/family has been applied particularly to Batavia and such a blanket assumption makes it seem as if politics has been reduced to the sphere of family rivalry. Without denying that family was important to eighteenth century VOC employees, too much focus on the information available from a genealogy may easily lead the researcher to overestimate the importance of family. Certainly some questions marks need to be set against the concept since non-family members were also included in a network. There is ample evidence that employees were also included on a the basis of conceived shared values, and Van Eck is a good example of this. Van Eck acknowledged a man claiming to be related to him, even though he only knew of family-members carrying his name in the Netherlands, which he had left at a very young age. His case demonstrates that although he had no contact with family members in Asia, he was quite successful in using other means to advance his career. In this respect Van Eck is interesting as an ‘outsider’ from the family system of Batavia. His career reveals very plainly how an alternative system of mutual favours functioned. When a person had to invest time and energy in a non-familial relationship, it is only to have been expected that the reciprocity underlying the system would have been less hidden and more conspicuous.

The functioning of the system of recommendation is more understandable if we take in account that positions with the VOC simply represented a certain value in monetary terms. When Van Eck was promoted to Governor of the Coromandel Coast, he ordered his agent in Batavia to pay a commission of 600 rix-dollars to the persons who had appointed him. Though small, this was thought to be a sufficient amount, since the

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<sup>513</sup> Taylor, *Social world*, 72.

Government of the Coast of Coromandel was at that time ‘not the most pleasant or the most profitable one’. The position itself did not bring in much money even when the incumbent was given freedom to conduct private trade.<sup>514</sup> The High Government had unofficially institutionalized such commissions. The historiography teems with many examples of bought promotions. Certainly there was gossip had it that Schreuder had paid *f*70,000 for the position of Governor of Ceylon. This was not paid directly to a commission but to a person in Holland who pushed the promotion through from there.<sup>515</sup> In view of the expected return on investment, the difference in amount paid by Schreuder and Van Eck for their respective positions shows Ceylon was a more coveted position than the Coromandel Coast.

The Company servants quantified the value of every position and therefore networks can be viewed as systems of the redistribution of wealth. It was, however, an investment in future wealth as it took time for the investment to solidify and bear fruit. This is best exemplified by the way clients repaid their patrons after they died. When Van Rheden passed away in 1760, he left substantial sums of money to powerful people. Salomon Dedel, alderman of the city of Amsterdam and director of the West India Company, was bequeathed *f*10,000 and Johan Hudde Dedel, mayor of The Hague, *f*5000. De Klerk, the later Governor-General, received 4000 rix-dollars,<sup>516</sup> Van Rheden’s debt to these men is an unmistakable clue to this custom. Such conduct between patron and client was not uncommon; as we have seen Vermont left his whole estate to Mossel.<sup>517</sup> Rather than depending on commercial acumen it was possible to attain a quicker return on investment by building a barter trade with other powerful patrons on this virtual value of positions and the indebtedness of protégés.

Since both the Company and patrons had their sights fixed on a share in private fortunes by assessing the financial condition of employees and protégés, it was in the

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<sup>514</sup> NA, Van Eck, 20, 279, 15 April 1759, Van Eck to Faure.

<sup>515</sup> A.J.C.M. Gabriëls, *heren als dienaren en de dienaar als heer: het stadhouderlijk stelsel in de tweede helft van de 18de eeuw* (1989 non-published thesis), 106.

<sup>516</sup> NA, VOC, 6849. Will of Van Rheden of 2 December 1760, (...) To the Honourable mr Saloman Dedel, former alderman of Amsterdam, as well as Director of the West India Company, I leave a sum of 10.000 holland guilders, to the Honourable mr Johan Hudde Dedel, mayor of The Hague, a sum of five thousand holland guilders, to the Honourable mr Reynier de Klerk, extraordinary council of the Netherlands East Indies a sum of four thousand rix-dollars of 48 pennies. (...)

<sup>517</sup> NA, Van Eck, 27, 36, 2 February 1760, Van Teylingen to Van Eck.

interests of the employees to be coy about their income. When an employee made too much money, regardless of its origin, it was seen as stealing. As long as employees were pursuing a career in the VOC, they were very careful about concealing the amounts remitted to Europe.<sup>518</sup> Money was not sent and received in one's own name, but through officially appointed agents. As did many other servants, Van Eck was prepared to pay unrelated middlemen in Asia and Holland to receive and send his money, in order to disguise any links from it to him. He sent money in his own name only sporadically. If the amount were to be deemed to be too excessive, this would have damaged his career or his patrons may have demanded a larger share. The VOC management was quite capable of retracting privileges and if an employee sent home too much money, this form of sanction might be wielded to discipline them. Needless to say, a permanent stay in Asia made it much easier to hide income from the eagle eye of the VOC, as the money was not going to Europe through the hands of the Company.

## **Conclusion**

Throughout its history the VOC had always used the individual initiative of its servants to solve certain structural organizational problems. As its ineluctable decline set in this interaction between Company and servant changed to such an extent that the Company used its servant to ward off decline. This is illustrated by the increasing number of remittances accepted for Europe and their increasing role in financing the returns of the Company. In order to safeguard the interests of the Company, the VOC devised a system of relating fortune and the chance to procure it to the Company hierarchy. The inevitable outcome when the Company linked remuneration to hierarchy was that the servants also held the Company responsible for supplying them with adequate means of remuneration. The decline of the VOC brought the sea change of allowing more freedom to its servants

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<sup>518</sup> Most of the examples of Dutch fortunes mentioned above date from during or after the return of servants to Europe or after death. Still, lists of the names people sending money from Asia to Europe can be consulted in the NA in the Hague. The lists do not contain names of many high-ranking officials, so it is almost impossible to track them.



in their pursuit of fortune. This was partly attributable to the financial problems the Company faced, but it was also linked to the fact that the old ways of remunerating servants grew less attractive since they were predominantly linked to the declining intra-Asian trade of the Company, pressuring the VOC to allow new privileges on top of the old ones. Although more freedom entailed a possible greater personal fortune, there were various risks, which the Company servants were only willing to take if they had something to gain. They had to invest more of their own time, energy and money into making a fortune, and there was far more risk involved. From a situation in which they simply shared in the Company profits, they were transformed into providers of capital. Indeed they even participated directly in the official VOC trades, VOC monopolies and colonial exploitation. As the Company had to concede more freedom, it became increasingly dependent on its own servants, tipping the balance of power in their favour. As the Company grew more demanding, they countered strategies to cope with their changing role. Since they needed more capital and larger networks they were increasingly forced to depend on family networks. The fact that larger numbers of servants chose to remain in Asia after service also gives a cogent indication that they clearly saw their future lay in Asia.