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Dark horses of business : overseas entrepreneurship in seventeenth-century Nordic trade in the Indian and Atlantic oceans

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4 Like a Spider in the Web

4.1 Introduction

Whilst overseas, individuals were not only economic actors specialising in trade routes, markets and finances, but were also part of a larger social structure.⁴⁸⁹ Social relationships connected the European and overseas worlds, providing opportunities and imposing limitations. As such, entrepreneurship ought not to be seen as a purely individualist endeavour, but rather as a phenomenon that was socially embedded within network structures.⁴⁹⁰ In this chapter, I will discuss the ways in which Leyel and Carloff were connected to overseas communities, and how this simultaneously influenced both their individual careers and the prospects of the trading companies in Europe and overseas.

There has been considerable historiographical interest in the role of networks in early modern maritime business history.⁴⁹¹ Research has demonstrated the importance of studying not only the worldwide circulation of ships, products and people, but also the role of formal and informal networks in developing trade. Although I acknowledge the benefits of network analysis, I argue here that reducing overseas entrepreneurship to a series of “social networks” tends to underestimate the role played by specific individuals.⁴⁹² Networks require both reciprocity and a steady exchange of connections. In the overseas context, where distances tended to grow, maintaining continuous contact was nearly impossible.⁴⁹³

Furthermore, there seems to be a general assumption that networks are neutral in terms of power structures, and lack hierarchies.⁴⁹⁴ However, Hasselberg *et al* have argued that networks do in fact contain internal power relationships.⁴⁹⁵ Indeed, they have their own hierarchies, and participation in such networks via various social relationships means that individuals stand to both win and lose. Therefore, networks can be considered as relationships of exchange: collaborating with certain actors might result in exclusion from other networks; assuming a dominant role might empower a person, but might also expose the same person to tension with other members of the network.

Overseas, competition was fierce, and, as has been demonstrated in the previous chapters, switching allegiance from one empire to another was not uncommon. This serves to draw attention to central concepts of network analysis such as loyalty, trust and reciprocity. In the current chapter, I propose that in the case of overseas business, uncertainty was always present, and choosing whether or not to trust someone could have decisive consequences. Trust should therefore be understood in relation to the constant uncertainty that pervaded business relationships, rather as a simple relationship between two parties. Furthermore, Casson and Della Giusta have emphasised that trust

⁴⁸⁹ See chapter one for a more elaborate discussion of the social sides of entrepreneurship.

⁴⁹⁰ Mark Casson and Marina Della Giusta, “Entrepreneurship and Social Capital”, 222.

⁴⁹¹ The research on the topic is too large for a single footnote. One of the most important recent edited volumes on networks is Antunes and Polónia, eds., *Beyond Empires*.

⁴⁹² Similarly argued by Casson and Giusta, “Entrepreneurship and Social Capital.”, 224.

⁴⁹³ Ibid; similarly argued by Mark Granovetter and Leos Müller, Mark Granovetter, “Economic Action and Social Structure: The Problem of Embeddedness,” *American Journal of Sociology* 91, no. 3 (1985): 481–510; Leos Müller, *The Merchant Houses of Stockholm*, 36–39.

⁴⁹⁴ Discussion on networks and hierarchy, see Walter Powell, “Neither Market nor Hierarchy: Network Forms in Organization.” in *Markets, Hierarchies and Networks: The Coordination of Social Life*, ed. Grahame Thompson (London: SAGE, 1991), 265–276; Ylva Hasselberg, Leos Müller, and Niklas Stenlås, “Åter till historiens nätverk,” in *Sociala nätverk och fält*, ed. Håkan Gunneriusson (Uppsala: Historiska Institutionen, 2002), 7–32.

⁴⁹⁵ Hasselberg, Müller, and Stenlås, “Åter till historiens nätverk”, 16.

is an ambiguous concept. In their opinion, trust is a belief that a person holds about someone else.⁴⁹⁶ In the overseas context, I argue, the notion of trust as expressed in private correspondence was aspirational, a negotiating tool and a reflection of the uncertainty of business, rather than a corroboration of actual relationships. It is possible that some forms of trust did in fact exist, as Trivellato has demonstrated; however, this chapter will show that trust was not permanent, and could change quickly if personnel were replaced or if a breach of trust occurred.⁴⁹⁷ Although it might seem like a truism, trust was not necessarily a mutual feeling, since it was not necessarily mutually experienced. Moreover, I argue that trust within a mercantile network, for example in Denmark and Sweden, was considerably different to trust in an overseas business context. Overseas, the role of capacity, competence and know-how were of greater importance than in the domestic context. Indeed, this also explains the shifting employment patterns that occurred between companies and empires. Thus, these enterprises should be considered less as facilitators of mutual understanding and trust, and more as vehicles of entrepreneurial competition.

Rather than making general observations about the position of overseas connections within networks, I will study the role of specific actors. First, I will study the ways in which individuals were connected within overseas trade. Second, I will demonstrate that these connections were not static, but rather changed over time. I will also suggest that personal connections were context-bound: the behaviour of individuals in relation to their contacts depended on their interpretation of their surroundings. Moreover, wider contexts impacted on networks, which in turn impacted upon connections between individuals.

This chapter will focus on how individuals interpreted social relationships, and how they balanced numerous overlapping and competing connections, both in Europe and abroad. Focusing on the role of relationships will demonstrate the close interconnection between entrepreneurship and sociability. Leye and Carloff can offer particularly valuable insights into this subject, since they maintained several business connections in Europe and overseas. An analysis of these connections will elucidate the endeavours and the fate of the Nordic trading companies, as well as the influence of personal relationships on business and entrepreneurship.

4.2 *Leye's relationships within the Danish East India Company*

The metaphor of a “spider in a web” is especially appropriate in the Indian Ocean context, in which multiple networks overlapped and coincided, despite being motivated by distinct interests and needs. Between the many competing European companies, and even within the companies themselves, individuals faced great social challenges. In addition, they also had to navigate a multitude of Asian networks. In this sense, Leye resembled a spider in a web.⁴⁹⁸

The relationships that Leye developed within the company in Asia were initially strongly linked to Barent Pessart. The original reason for Leye's departure for India was to investigate the state of the company, since Europe had heard nothing from Pessart for some time. Leye demanded

⁴⁹⁶ Casson and Giusta, “Entrepreneurship and Social Capital”, 228.

⁴⁹⁷ On trust in long-distance trade, see Trivellato, *Familiarity of Strangers*.

⁴⁹⁸ Compared to the case of Carloff, there are relatively few sources regarding Leye's activities in Europe, and this complicates any attempt to analyse his networks. Despite this deficiency, studying Leye's overseas entrepreneurship can still provide insights into the fragile social relationships that characterised Danish trade in Asia.

that Pessart send a report regarding the state of affairs in Asia, which he failed to do.⁴⁹⁹ Leye immediately went to great lengths to demonstrate Pessart's disobedience, and reported that he had been shocked upon arrival, particularly due to the decadent behaviour and heavy drinking of the company employees. Leye doubted Pessart's administrative capacity, and especially condemned his thirst for alcohol.⁵⁰⁰

In detail, Leye went on to outline his concern that Pessart would seek to evade his duties and rob the company of its goods, leaving Leye empty-handed. Since they were supposed to share the command of operations, Leye had decided to keep a close eye on Pessart. While still sharing command, both men sailed to Masulipatnam in order to trade the goods that Leye had brought from Europe.⁵⁰¹ This trip was intended to be a test for Pessart. During the trip to Masulipatnam, Leye realised that a conflict was inevitable. Pessart sailed with the ship *Bengalske Prise*, and Leye followed aboard the *Christianshavn*. Although they were supposed to sail to Masulipatnam, Pessart insisted on first stopping at Madras for a meeting with the English agent, Francis Day. At Madras, Leye was once again scandalised by Pessart's drinking. Upon arrival at Masulipatnam, Leye experienced problems with the locals, apparently, at least in part, due to the credit of the company having been exhausted by Pessart's outstanding debts.⁵⁰² Pessart owed his creditors over 100,000 riksdalers, and although it was common for Europeans to borrow money there, Pessart had never repaid his debts.⁵⁰³ Unfortunately, Leye did not specify whether Pessart's loans were personal or made in the name of the company. Pessart had apparently taken credit from several merchants and "moors" (i.e. Muslims) in Masulipatnam. This money had not been used to improve the trade of the DEIC, which suggests that it was rather intended for Pessart's private use. Due to these debts, no further credit could be obtained from the lenders concerned. Although loans were sometimes made to individual employees, companies still had to trade on the same markets, and were often called to stand as guarantors when the employees failed to pay their debts. In practice, companies were often forced to pay someone else's debts, either through repayment of loans or through gifts to local rulers and merchants.

The hostile reception encountered at Masulipatnam forced Leye and the DEIC ships to continue to Emelydy in the Kingdom of Golconda.⁵⁰⁴ Leye soon realised that Pessart, his skipper Michell Kroutsen and several other crew members had planned to escape with the ship *Wahlby* and a large *shalup*.⁵⁰⁵ While the men were ashore at Emelydy, Leye boarded the ship in order to ensure that they would not be able to escape.⁵⁰⁶ Despite these efforts, Pessart and his associates still managed to take a small boat and escape from Leye. By the time Leye realised, Pessart was already sailing back to Tranquebar. Thus, it is evident that not everyone was pleased with Leye's arrival, and that there was a clear division in the governance of the company.

While Pessart was sailing to Tranquebar, Leye sent a messenger to the acting governor of Dansborg, Jakob von Stakenborrig, explaining the incident that had occurred at Masulipatnam. Leye

⁴⁹⁹ RAC, DK, B 246 A, Leye to the directors 22.11.1644.

⁵⁰⁰ RAC, DK, B 246 A, Leye to the directors 22.11.1644.

⁵⁰¹ Pessart had for the last years been in favour of abandoning Dansborg and moving the headquarters to Masulipatnam where the Northern textile trade was more profitable.

⁵⁰² RAC, DK, B 246 A, Leye to the directors 22.11.1644.

⁵⁰³ RAC, DK, B 246 A, Sentence declaration over Pessart, 28.06.1644.

⁵⁰⁴ Emelydy and the coast of Zinzley are in the Golconda kingdom.

⁵⁰⁵ A local merchant boat used in the Indian Ocean.

⁵⁰⁶ RAC, DK, B 246 A, Leye to the directors 22.11.1644.

stated that Pessart should be arrested, if he eventually arrived. However, Leyel's messenger was intercepted by Pessart, who had spent fourteen days at São Tomé of Meliapor.⁵⁰⁷ Concerned with what Leyel might do to him, Pessart had been expecting a messenger, lay in wait for him, beat him up, and confiscated Leyel's letter.⁵⁰⁸ Ultimately, Leyel was able to contact Stakenborrig by other means. In his second letter, Leyel declared that Pessart's command should be terminated, but that other employees should be forgiven. He insisted that he had the Nayak's support, and that therefore Stakenborrig had no choice but to arrest Pessart.⁵⁰⁹ Promising the other employees that they would not be held responsible for Pessart's conduct was Leyel's way of gaining the support of the employees at Dansborg. However, the latter refused Leyel's command, stating that they had no obligation to assist in this matter, since they were already working in the interest of the Danish crown.⁵¹⁰ Moreover, it is unclear whether Leyel really had the Nayak's support, since he had not been in Tranquebar long enough to send a proper embassy to his court; in fact, at this point, Leyel hardly knew how bad his situation was.

When Leyel was in sight of Tranquebar, he requested that governor Stakenborrig send supplies to the ship. However, he was denied not only supplies, but also assistance and entry. Thus, Leyel decided to sail to Carical, south of Tranquebar, where he encountered Simão D'Almeida, who claimed to be a highly respected Portuguese merchant from Negapatnam. D'Almeida explained that several Coromandel merchants had been treated unfairly by Pessart.⁵¹¹ As will be shown later in this chapter, D'Almeida was one Leyel's close business associates, and it is thus not surprising that he supported the latter in besmirching Pessart. Subsequently, Leyel began to refer to Pessart and his men as rebels. Eventually, he decided to attack Dansborg with D'Almeida's assistance, a subject to which I will return in chapter six in greater detail.⁵¹² Prior to Leyel's arrival in June 1644, Pessart had already left Dansborg. He had bought a small ship from his Portuguese connections in Negapatnam, and had taken everything worth stealing from Dansborg. This illustrates how Leyel's connections outside of the company affected both his own business and his relations with the DEIC. Later in this chapter, I will return to his relationships with local merchants.

Leyel's difficulties in maintaining good business relationships with Indian rulers and merchants were also reflected in the accusations he made against Pessart. Leyel informed a company employee, Hans Knutsen, that he could not accept Pessart and his associates' behaviour. Since Pessart had stolen or destroyed all of the accounts, Leyel did not know which employees had been paid their salaries, nor which payments (if any) had been made to the Nayak. Leyel mentioned the bad reputation that Pessart had given the Danish, stating that "God shall forgive him who has so shamefully damaged our reputation in these lands."⁵¹³ In a sense, it does not matter if the money concerned was company money or not, because either way it hurt the reputation of the DEIC. This shows that the relationship between Leyel and Pessart also had repercussions on Leyel's relationships with others on the coast. The first task was to guarantee that all ties to Pessart would be severed.

⁵⁰⁷ Today, it is located in the southern part of the city of Chennai, on the Coromandel Coast.

⁵⁰⁸ RAC, DK, B 246 A, Leyel to the directors 22.11.1644.

⁵⁰⁹ RAC, DK, B 246 A, Copy of the letter from Leyel to J. Stakenborrig, 18.11.1643, Masulipatanam.

⁵¹⁰ RAC, DK, B 246 A, The fort council's reply to Leyel 12.06.1644.

⁵¹¹ I will return to Simão D'Almeida later in this chapter.

⁵¹² RAC, DK, B 246 A, Leyel to the directors 22.11.1644.

⁵¹³ "gud folade hannem som saa skammelige haffue udset worsi nations gode naffn og rökte udi disse land.", RAC, DK, B 246 A, Leyel to H. Knutsen, 01.07.1644.

In June 1644, Leyel announced Pessart's official withdrawal as commander of the DEIC in Asia. All his rights were annulled, his salary was suspended, and his goods confiscated. The same applied to his companions, or fellow rebels, as Leyel called them. Leyel also summoned the council of the ship *Christianshavn* to open the instructions from Copenhagen, and he was placed in charge of the DEIC in Asia. Shortly thereafter, Leyel wrote out a statement, clarifying how Pessart had failed in Masulipatnam, the Bay of Bengal and Makassar. He further claimed that his rival had stolen the accounts and records of the company. For all of these reasons, he argued, Pessart and his associates should have no right to represent the Danish Kingdom in the future. The statement was signed by Leyel, Jörgen Hansen, Carsten Loodewycksten and Simon Janssen.⁵¹⁴

It became crucial for Leyel to justify his take-over before the directors in Europe and the DEIC employees in Asia. The different ways in which Leyel and Pessart had been appointed (the former by the king, and the latter by the directors, as represented by Crappe) reflected a conflict of interest that was waiting to happen, and which had been exacerbated further by Pessart's debts. Leyel's relationship with Pessart demonstrates that in an overseas setting, being in charge meant having the power not only to determine the destiny of the company, but also to use the company's resources to further one's own interests. In other words, one could acquire personal profit, income or opportunity by acting under the aegis of the company. The issue of taking out loans and then leaving the company to pay the debts is but one example of this. As seen in the instructions from the directors to the commander of the DEIC, being in charge also implied the duty and opportunity of communicating with the directors in Europe.⁵¹⁵ Leyel justified his power by discrediting Pessart's personal, moral and business abilities. Leyel, who had already been employed by the company during Crappe's time, understood the importance of being in a position of power, and pursued this by all means at his disposal. Leyel portrayed himself as having rescued the company, particularly by stressing Pessart's flaws, and using them to justify his own actions. Since we only have a record of Leyel's side of the story, it is difficult to determine whether Pessart's actions were really as damaging as Leyel claimed. Nonetheless, Leyel's account serves to underline the rivalry that existed within the highest ranks of the DEIC in Asia.

4.3 *Betrayal of the trusted men and the mutiny: 1648*

Leyel's relationships within the company also demonstrate that he did not really know how to relate to his subordinates; subtle signs of tension are present throughout the sources. Indeed, Leyel continuously bemoaned the untrustworthiness and incompetence of the DEIC employees. For example, in a letter of instruction to merchant Poul Nielsen, he wrote that it was difficult to find trustworthy and capable employees, such as Hans Ekman and Adrien Jakobsen: men who, according to Leyel, knew that one could not trust foreigners.⁵¹⁶ In this sense, Leyel was isolated in India, and clearly expected problems, since few of the employees were on his side, a fact that resulted partly from the muddled hierarchy of the company. In 1645, Leyel appointed Poul Nielsen as governor of Dansborg during his own absence. Nielsen was to be in charge of all officers and soldiers, and also responsible for the town of Tranquebar. He could be released from his duties only by Leyel or the

⁵¹⁴ RAC, DK, B 246 A, Sentence declaration over Pessart, 28.06.1644.

⁵¹⁵ RAC, DK, B 246 A, Instructions to the commander.

⁵¹⁶ RAC, DK, B 246 A, Leyel to P. Nielsen, 20.10.1645.

king (for example, if a royal ship arrived from Copenhagen during Leyel's absence). If Nielsen died, then his main assistants, Ekman and sergeant Jakobsen, would take his place.⁵¹⁷ Once again, Leyel emphasised that the latter were among the very few people that he trusted.⁵¹⁸

To the letter was attached a copy of a document, containing oaths sworn by the officers and merchants of the DEIC, to the effect that they were committed to serving under acting governor Nielsen in Leyel's absence. They promised not to take any orders from Pessart or his associates, in the event that they appeared. The officers and merchants of Tranquebar also promised to defend the fort against all possible attacks. In a third document, the officers and merchants also swore to be loyal to Leyel himself.⁵¹⁹ Although the men had sworn to serve both Leyel and the company, it is difficult to distinguish which took precedence. Leyel represented the interests of the king, but were these the same as the interests of the company and its employees? They now had a new chief of operations in Asia, who had not only overthrown the previous commander, but had also implemented a far harsher regime. In the eyes of the employees, this could have negative consequences on their private trading activities. Such instructions and letters underline the fact that the various employees were not necessarily on good terms with each other. Indeed, this strengthens the argument that a shared nationality or employer did not necessarily imply common goals and aims while overseas.

Anders Nielsen, who Leyel considered one of the most capable merchants in the DEIC in Asia, was also entrusted with diplomatic missions, as has been mentioned in the previous chapter. Nielsen was important because he understood local languages and customs, and was experienced in the Indian Ocean trade more generally.⁵²⁰ Leyel also sent Nielsen to Makassar to supervise trade with the surrounding areas, especially Java, and to utilise his Chinese business connections in the interests of the company.⁵²¹ Thus, the case of Anders Nielsen highlights two important issues: Nielsen was specialised in the Indian Ocean trade, and Leyel was dependent on his skills and know-how. In particular, Nielsen's role was to streamline connections with merchant networks beyond the DEIC at Makassar. This gives the impression that Leyel was at the centre of the DEIC's web, striving to weave together connections with the outside world. However, as will be demonstrated below, the centre of the web could turn out to be a vulnerable position.

Early in 1648, the relationship between Nielsen and Leyel took a new course. Nielsen wrote to Leyel that he did not agree with the latter's plan to dispatch the *St Peter* and the *St Poul* to Makassar, due to the proximity of the monsoon season. Leyel, Nielsen added, ought to be aware that their mutual colleague, Claus Rytter, had tried to do the same thing in 1642, and had never reached Bantam. Nielsen hoped that Leyel would take his advice, especially since he had been a loyal servant for twelve years.⁵²² At this point, Nielsen for the first time demonstrated signs of discontent with Leyel. After all, Leyel's order to sail to Makassar put the lives of Nielsen and his crew at risk.

Leyel had problems with other company employees as well. In particular, the heavy drinking of his men was a constant problem. According to Leyel's first report, chaplains Christer Sturm and Niels Udbynder had been drinking every day, and flouting all possible rules and regulations. A complaint from the people of Tranquebar had accused the priests of behaving badly towards

⁵¹⁷ RAC, DK, B 246 A, Letter to the king, 18.10.1645.

⁵¹⁸ RAC, DK, B 246 A, Leyel to P. Nielsen, 20.10.1645.

⁵¹⁹ RAC, DK, B 246 A, oath to serve acting governor P. Nielsen, 18.10.1645.

⁵²⁰ RAC, DK, B 246 A, Leyel to the directors, 12.12.1645.

⁵²¹ RAC, DK, B 246 A, Leyel to P. Hansen, 01.02.1647.

⁵²² RAC, DK, B 246 A, A. Nielsen to Leyel, 10.02.1648.

Christians, Muslims and pagans in the town; for example, they had ostensibly harassed and beaten some of the inhabitants.⁵²³ According to Leyel, Udbyneder was the worst, even though he had initially made a promising start to his career in Tranquebar, quickly learning Portuguese in order to preach more widely. Eventually, however, he had changed, becoming increasingly hostile and violent. One day, Udbyneder had arrived in town brandishing a Japanese sword, killing a horse and destroying private property. He had also chased after several of the inhabitants with violent intent, and the latter had barely escaped unscathed. The owner of the horse had complained to Stakenborrig, who had decided to do nothing, since Udbyneder was liked by his Danish colleagues. Indeed, the Europeans at Dansborg do not seem to have regarded mistreatment of the local population as problematic, and the company employees turned a blind eye to Udbyneder's behaviour. However, Leyel continued to receive complaints from the local people. On one occasion, Udbyneder beat a woman called Francisca so badly that she died of her wounds. For Leyel, this damaged the reputation of the Danes in the eyes of other Europeans and the local populace alike.⁵²⁴

On 30 January 1645, Jörgen Lauridsen, another company employee, wrote to Leyel that he had been involved in a fight with Christian Sturm aboard the *Fortuna* the previous year. They had quarrelled because Lauridsen did not wish to harm Danish company trade. In retaliation, Sturm had conspired with some local Portuguese sailors to throw Lauridsen overboard. Fortunately, he had been saved by the crew of the *St Michael*, which had been travelling behind them, and the *Fortuna* had been boarded for investigation. During the night, Sturm had once again assaulted Lauridsen, before the rest of the crew had intervened, and bound him to the mast for bad conduct. Now, Lauridsen revealed that an agreement had been made to report nothing to the commander, so as to avoid any problems.⁵²⁵ Leyel replied on 30 January 1645 that he would handle the conflict and arrest Sturm, whose salary would be discontinued and his slaves liberated.⁵²⁶ Based on the evidence, it is impossible to assess what was the intent behind Sturm's behaviour. However, it is clear that there was considerable tension among the Danish employees in Asia.

On 8 October 1645, Leyel sentenced Udbyneder and Sturm to exile.⁵²⁷ This sentence increased the potential for unrest. Both priests were fairly popular among the other employees, and exile was a harsh punishment. Respect for Leyel, the man who held judicial power over the Danish community, subsequently withered.⁵²⁸ Leyel's harsh sentencing arose from his need to improve his relationship with the locals, upon whom trade depended (I will discuss this further later).

Ultimately, Leyel's government had caused too many problems for his fellow employees. Late in 1648, Leyel's command of the DEIC in India abruptly ended, when his closest partners overthrew him in a mutiny, and he was replaced by Poul Hansen Korsør.⁵²⁹ Korsør, Poul Nielsen and Anders Nielsen collected information regarding Leyel's actions, and sent it to the directors in Copenhagen, using similar language to that which Leyel had used against Pessart. Indeed, Leyel's rivalry with Pessart had been one of the reasons for the mutiny in the first place. Korsør had written to Leyel in 1646 that Pessart had been a good employee, that he had done the best he could according to his

⁵²³ RAC, DK, B 246 A, petition from the people of the town Tranquebar to Leyel, 26.07.1645.

⁵²⁴ RAC, DK, B 246 A, Leyel to the directors, 22.11.1644. More extensively about the two priests see Bredsdorff, *The Trials and Travels*, 106–119.

⁵²⁵ RAC, DK, B 246 A, J. Lauridsen to Leyel, 30.01.1645.

⁵²⁶ RAC, DK, B 246 A, Leyel's reply to J. Lauridsen, 30.01.1645.

⁵²⁷ RAC, DK, B 246 A, Leyel to the directors, 22.11.1644.

⁵²⁸ RAC, DK, B 246 A, Sentences over N. Udbyer and C. Sturm, 08.10.1645.

⁵²⁹ RAC, DK, B 246 A, Mutiny document, unknown author, most likely the mutineers. 31.12.1648.

knowledge, and that he ought not to be blamed for the severe problems of the DEIC.⁵³⁰ According to Bredsdorff, Korsør led the mutiny against Leye in 1648; he may, however, have been merely one participant amongst many.⁵³¹ Nikolai Samson and Anders Nielsen were also part of the mutiny, even though Leye had earlier stated that they were his most trusted employees.⁵³² Although trade had improved, according to Leye, the mutineers did not consider him a suitable commander, accusing him of misconduct and stealing from the company. One possible reason for the mutiny may have been that Leye did not want to give any of the more experienced employees management positions. One of Leye's last orders as commander had been addressed to Poul Hansen, appointing him acting governor of the fort during his absence. If something were to happen to Leye, his son-in-law Josias Stael would be put in charge.⁵³³ Thus, neither Poul Hansen nor Anders Nielsen would be promoted to commander, as they had probably been expecting.

There is only scattered information regarding the mutiny. In a "memoria", it is claimed that Leye had been trading for his own benefit.⁵³⁴ According to this document, Leye had traded at least 61 17/32 ounces of gold on his own account, and had also paid Tiagapule, the minister of the Nayak, the considerable sum of 500 *pardous*. The document also alleges that Leye had traded arrack from Ceylon for his own profit. In addition, he was reported to have sold a large quantity of sulphur, tobacco and pepper to local intermediaries.⁵³⁵ The document states that these goods were booty that had been captured from Bengali ships, and that Leye had sold them for his own profit. When Leye was confronted with these accusations, he claimed to have traded only for the benefit of the king. However, the document contradicts this claim. If this is true, it demonstrates the possibility for accumulating personal wealth and power by conspiring with local authorities and merchants.

It seems that the most important reason for the mutiny was Leye's decision to exclude DEIC officials and employees from privateering, one of the few ways in which they could make a significant profit. For example, the captured *St Michael*, a large Bengali ship, carried large amounts of cowrie shells from the Maldives, these being used as currency in local trade, in China and in Western Africa. The cargo of the *St Michael* was sold for 3,000 riksdalers, a considerable amount of money for a company that was continuously struggling to survive.⁵³⁶ The temptation to pocket such gains was thus high. The fact that Leye did not share the profits underlines the importance of balancing different loyalties. On the one hand, it suggests that Leye was participating extensively in business networks with local merchants outside of the company. On the other hand, it shows that the most important factor in becoming rich in Asia was not how many networks one participated in, nor the size of the networks. Rather, what was crucial was the extent to which men like Leye managed (or did not manage) to keep the various members of a network satisfied, within a complex nexus of reciprocity and income distribution.

It can be concluded that Leye was unsuccessful in his attempt to maintain order within the company hierarchy. A final remark regarding the tensions he experienced arises from a note that Leye wrote in 1644. He was having dinner with an English agent, Thomas Juie, in Tranquebar, when

⁵³⁰ RAC, DK, B 246 A, P. Hansen to Willem Leye, 08.01.1646.

⁵³¹ Bredsdorff, *The Trials and Travels*, 167–171.

⁵³² RAC, DK, B 246 A, Leye Report, 06.10.1643.

⁵³³ RAC, DK, B 246 A, Leye to P. Hansen, 31.07.1647.

⁵³⁴ RAC, DK, B 246 A, Mutiny document, unknown author, most likely the mutineers. 31.12.1648. Bredsdorff on the mutiny, see Bredsdorff, *The Trials and Travels*, 167–171.

⁵³⁵ Roberto White (in some sources Roberto Blanco) and Antonio Carvalho were mentioned as the local intermediaries.

⁵³⁶ RAC, DK, B 246 A, Leye to the directors, 12.12.1645; Bredsdorff, *The Trials and Travels*, 134.

suddenly Peter Lutzen, a drunken DEIC merchant, entered the dining room and attempted to shoot him with a pistol.⁵³⁷ Without more information, it is impossible to establish the reasons behind this attack. However, this and the other examples cited above strongly suggest that discontent with Leyel was widespread; in short, many of the men had been more satisfied with Pessart. Hoping to please the King and to enrich himself, Leyel had misunderstood his position within the DEIC's Asian web: while he successfully spun new connections with local merchants, brokers and rulers, he failed to share the proceeds with his fellow employees. As such, knowledge, skills and experience were not enough if one did not understand the different actors within the company itself.

4.4 *Connections outside the DEIC*

This section will focus on Leyel's views regarding relationships outside of the DEIC. Of primary importance in this regard were the relationships with the King of Candy (Ceylon) and the Nayak of Tanjore. Furthermore, the relationships with the local merchants, the VOC and the Portuguese will also be discussed.⁵³⁸ From a business point of view, the most important relationship was that with the Nayak of Tanjore. Without him, the company's presence in Tranquebar would have been simply impossible.⁵³⁹ When problems with Pessart arose, it was to the Nayak that Leyel went. According to Leyel, the Nayak had demanded a personal visit, but Pessart had failed to comply. This refusal was the cause of the Nayak's initial coolness towards Leyel. In order to be accepted again as a full trading partner, Leyel offered to pay an additional 1000 riksdalers, and, as a result, the standing of the DEIC with the Nayak improved substantially.⁵⁴⁰ However, even if it was of the utmost importance to remain on good terms with the Nayak, Leyel was still not prepared to meet with him in person. In 1645, he thus sent Anders Nielsen to negotiate with the Nayak.⁵⁴¹ Apparently, the relationship with the Nayak was vexed, to the extent that the ambassador of the company would be risking his life. According to Leyel, it would thus be "better to lose an egg than a hen".⁵⁴² That Leyel attached little value to Nielsen's life is evident, and it is thus not surprising that Nielsen later turned against him.

The Europeans understood that in order to improve their relationship with the Nayak, lavish gifts would be essential, particularly elephants. Indeed, the economy of gift-giving was a central part of early modern trade in the Indian Ocean. Throughout the region, elephants were prized for an array of economic, military and cultural reasons.⁵⁴³ Exotic gifts and gift-exchanging ceremonies demonstrated symbolic power, and thus served as an essential instrument for building trade connections, forging political alliances, legitimising authority, and making a statement about the power relations between Europeans and non-Europeans.⁵⁴⁴ In Leyel's case, the elephants were mostly purchased from the Ceylon. Other gifts were also important, and Leyel referred to these various

⁵³⁷ RAC, DK, B 246 A, Leyel to the directors, 22.11.1644.

⁵³⁸ The connections with the English were less frequent, and are thus left out of consideration in this dissertation.

⁵³⁹ More on the position of the Nayak see previous chapter.

⁵⁴⁰ RAC, DK, B 246 A, Leyel to the directors, 12.12.1645.

⁵⁴¹ RAC, DK, B 246 A, Leyel to A. Nielsen, March 1645.

⁵⁴² RAC, DK, B 246 A, Leyel to the directors 12.12.1645.

⁵⁴³ Martha Chaiklin, "Elephants and the Making of Early Modern India," in *The Indian Ocean in the Making of Early Modern India*, ed. Pius Malekandathil (New York: Routledge, 2017), 457–75, 459–460.

⁵⁴⁴ Frans Birkenholz, "Merchant-Kings and Lords of the World: Diplomatic Gift-Exchange between the Dutch East India Company and the Safavid and Mughal Empires in the Seventeenth Century," in *Practices of Diplomacy in the Early Modern World c.1410-1800*, ed. Tracey Sowerby and Jan Hennings (New York: Routledge, 2017), 219–36.

expenses as the “*protection costs*”, reflecting the importance of the security that the Nayak provided for the DEIC.⁵⁴⁵

Gift-giving also occurred during Nielsen’s visit to the Nayak. Together with Antonio Pacheco, one of Leyel’s trusted brokers, Nielsen went to Tranquebar to negotiate with the Nayak. To strengthen their case, Nielsen and Pacheco delivered a group of elephants to the Nayak’s court. Nielsen had obeyed Leyel’s orders, namely to pave the way for a possible visit by Leyel himself. Another of Nielsen’s important tasks was to aim for a reduction of the annual tribute. He was expected to negotiate free trade for the DEIC, both within the territory governed by the Nayak and the hinterland between the inland and the coast, as was the case with the Portuguese in Negapatnam.⁵⁴⁶ Nielsen was only one of many European merchants to undertake such a mission to the court of an Asian ruler. Guido van Meersbergen refers to such emissaries as “merchant-diplomats”, and emphasises their role as commercial agents with a political agenda.⁵⁴⁷

In March 1645, Nielsen wrote to say that he had arrived in Tanjore, and had been invited to the Nayak’s court. He had given the Nayak the gifts that he had brought, and these had been appreciated. Although Nielsen visited the Nayak four times, the latter initially refused to enter into negotiations regarding trade, and this impasse continued for weeks. On 23 March 1645, Nielsen finally met the Nayak in person, and wrote to Leyel that the DEIC was expected to pay the annual tribute as usual. Continuing, Nielsen wrote that if Leyel wanted compensation for the violent attack that had been made by one of the Nayak’s ministers, he would have to visit the Nayak himself.⁵⁴⁸

Following Nielsen’s visit, the relationship between the Nayak and the DEIC improved. In his second letter, Leyel informed the company directors that the trade with Porto Novo was flourishing. The relationship with the Nayaks at Tanjore and in Porto Novo was now better than that with the King of Golconda.⁵⁴⁹ Because Dansborg was in the region of the Nayaks, it was essential to ensure that they were pleased. Leyel reported that he also wanted to improve relationships with Golconda, and especially with the governor of Masulipatnam.⁵⁵⁰ For this reason, he had sent the *Ellefant* to Masulipatnam, carrying four elephants as gifts, in order to convince the governor of his good intentions. Masulipatnam was a central hub for the intra-Asian trade, especially for textiles.⁵⁵¹ The broker of the relationship was Virna, Leyel’s veteran and capable translator.⁵⁵² In a report written in December 1645, Leyel wrote of his disappointment in participating in the trade at Masulipatnam. In the end, he had had as little success as Pessart and Crappe before him.⁵⁵³

As with the Nayak of Tanjore, Leyel also tried to establish a friendly relationship with the King of Candy. In his first report, he informed the directors that he had sent a “white man”, Adrian Jakobsen, to Ceylon, carrying goods that Leyel had personally handpicked for the King of Candy.⁵⁵⁴

⁵⁴⁵ In the original document, “*forsækrings kostnader*”, RAC, DK, B 246 A, Leyel to the directors 12.12.1645.

⁵⁴⁶ RAC, DK, B 246 A, Leyel to the directors, 12.12.1645.

⁵⁴⁷ Guido Meersbergen van, “The Dutch Merchant-Diplomat in Comparative Perspective: Embassies to the Court Aurangzeb, 1660-1666,” in *Practices of Diplomacy in the Early Modern World c.1410-1800*, ed. Tracey Sowerby and Jan Hennings (New York: Routledge, 2017), 147–165.

⁵⁴⁸ The attack is discussed more in detail in the previous chapter. RAC, DK, B 246 A, several letters: 08.03.1645 – 25.0.3.1645.

⁵⁴⁹ RAC, DK, B 246 A, Leyel to the directors, 12.12.1645.

⁵⁵⁰ RAC, DK, B 246 A, Leyel to the directors, 22.11.1644.

⁵⁵¹ Tapan Raychaudhuri, *Jan Company*, 7.

⁵⁵² RAC, DK, B 246 A, Instructions to frigate *Ellefant*, 16.04.1644.

⁵⁵³ RAC, DK, B 246 A, Leyel to the directors, 12.11.1645.

⁵⁵⁴ RAC, DK, B 246 A, Leyel to the directors, 22.11.1644.

Leyel hoped that the Danish would be allowed to trade at the Baticallao port, and had thus sent his most trustworthy men to the king, including Jacobsen. From Ceylon, the DEIC imported wax, cinnamon and arrack, all of which were important goods in the intra-Asian trade. It was thus imperative to have access to ports in Ceylon, despite the political conflicts then underway between Candy, the VOC and the Portuguese.⁵⁵⁵ In other words, free trade and friendly relations between the DEIC and Candy were crucial.⁵⁵⁶ In his third report, Leyel reported that the King of Candy had rejected the VOC, and, for that reason, was on good terms with Leyel's representatives.⁵⁵⁷ As we have already seen, Leyel's grand design for a permanent free trade route between Tranquebar and Ceylon ultimately failed, but a profitable trade relationship was nonetheless established.

Leyel's relationship with the local brokers was vital. He instructed the Danish skipper, Simon Charstenson, and his pilot, Willem Mouridsen, to contact Seyed Nina, a local merchant, upon their arrival in Quedah. They were to maintain good relationships with him, since he was a crucial connection to the local markets, spoke the local language, knew the local customs, and, most importantly, specialised in the elephant trade.⁵⁵⁸ Consequently, Leyel was not only dependent on employees such as Nielsen, but also, and perhaps more significantly, on local merchants. Indeed, Sanjay Subrahmanyam has argued that the 1640s were an important moment in the growing interconnectedness between European companies and local merchant networks on the Coromandel Coast.⁵⁵⁹

The goods carried on board the *St Michael* were co-owned by Seyed Nina and Leyel, within the framework of a partnership. Most of the goods were not recorded, but the ship certainly carried slaves as a bulk commodity.⁵⁶⁰ Seyed Nina probably belonged to the Keling community, an originally Tamil-speaking people from India who had settled on the Malay Peninsula. Merchants from this community were the backbone of trade, and particularly trade with the Spice Islands.⁵⁶¹ Besides elephants, Seyed Nina was also able to provide timber for ship repairs, and was thus often entrusted with maintaining the DEIC's ships.⁵⁶² However, Seyed Nina was not the only broker upon whom Leyel relied. In addition, Ismael Nina was also involved in his network, and DEIC employees were advised to conduct any trade in Cutiara through him. For his part, Leyel transported slaves belonging to Nina, whilst the latter opened up the services of his agency to Leyel's colleagues.⁵⁶³

⁵⁵⁵ From 1527–1658, there occurred a series of conflicts between the Portuguese and the kingdom of Ceylon, which was under the rule of Candy. The VOC often intervened in these conflicts, especially between 1639 and 1658, usually allying itself with Candy. The conflict thus became a part of the Portuguese – Dutch rivalry in the East. Eventually, the alliance between the Candy kingdom and the VOC broke down, and all parties declared war against each other. See George Davison Winius, *The Fatal History of Portuguese Ceylon: Transition to Dutch Rule* (Cambridge, Mass: Harvard University Press, 1971).

⁵⁵⁶ RAC, DK, B 246 A, Leyel instructions to A. Jacobsen, 26.07.1644.

⁵⁵⁷ RAC, DK, B 246 A, Leyel to the directors, 15.11.1646.

⁵⁵⁸ RAC, DK, B247 B, Leyel instruction to S. Charstenson and W. Mouridsen, 19.09.1645; 21.09.1646.

⁵⁵⁹ Subrahmanyam, *The Political Economy of Commerce*, 167.

⁵⁶⁰ The *St Michael* made several business voyages to the Malayan peninsula, RAC, DK, B247 B, Leyel instruction to S. Charstenson and W. Mouridsen, 19.09.1645; 21.09.1646; RAC, DK, B247 B, Leyel instructions to Torstenson, 19.02.1645; Bredsdorff, *The Trials and Travels*, 149.

⁵⁶¹ Luis Felipe Ferreira Reis Thomaz, "The Indian Merchant Communities in Malacca under the Portuguese Rule," in *Indo-Portuguese History: Old Issues, New Questions*, ed. Teotonio de Souza (New Delhi: Concept Publishing Company, 1985), 56–72, 57–62.

⁵⁶² RAC, DK, B247 B, Leyel instructions to Torstenson, 19.02.1645; RAC, DK, B247 B, Leyel instruction to S. Charstenson and W. Mouridsen, 19.09.1645.

⁵⁶³ RAC, DK, B 246 A, Instruction to Jakob Andersen on Wahlby 05.11.1646 and instruction on Jörgen Hansen Christianshavn 19.02.1647.

Leyel's relationships with local merchants offer important insights into how the latter were involved in company trade, but without being officially in the company's service. Making use of his royal commission, Leyel issued a passport to the *Trangabara*, a small ship belonging to Michael van Danzig and his partners, and under the responsibility of skipper Rama Pule. Danish protection enabled the ship to trade in the Indian Ocean, and the Danish passport made it possible to transport a cargo to Malacca.⁵⁶⁴

In the instructions that he provided to his fellow company employees, Leyel emphasised the need to listen to and to take advice from local merchants, due to their superior knowledge of trade. Leading by example, Leyel used the services of men like Anina Marca in Ceylon (who specialised in the trade of elephants), ZiuZiu, a Chinese merchant in Bantam, Abdul Latif in Japara, and Francisco Mendes in Makassar.⁵⁶⁵

Thus, it appears that there was more trade than that which Leyel reported to the company's directors in Copenhagen, at least to judge from the number of passports that he issued to merchants not on the payroll of the company. These merchants and their personal relationships with Leyel serve to illustrate, in many ways, the way in which he developed and maintained trade. Moreover, such external connections tended to subvert the purpose of the company: although operating under a European charter, the company evolved an Indian Ocean enterprise directed by Leyel, who used his relationships with local merchants as a means to enrich himself. Furthermore, local merchants benefitted from sailing under Danish protection, since this allowed them to avoid harassment by other Europeans.

One of the most important relationships that Leyel maintained was with the Portuguese in India, or, more precisely, with two different groups of Portuguese in India. First, Leyel had connections with the formal Portuguese empire, the *Estado da Índia*, which had its headquarters in Goa. Second, and far more importantly, he also had connections with the informal Portuguese empire, i.e. those Portuguese who operated outside of the *Estado*. Indeed, there has been a great deal of research into the latter group. In general terms, the dominion of the Portuguese crown in India lay mainly to the west of Cape Comorin, whereas the informal Portuguese networks lay to the east, extending all the way to the South China Sea and Timor.⁵⁶⁶ During the seventeenth century, the *Estado* also had factories east of the Cape: Masulipatnam (1598–1610), Pulicat (1518–1610), São Tomé of Meliapor (1523–1749) and Negaptnam (1507–1657). In practice, by maintaining relations with both groups, Leyel was able to simultaneously participate in both European and Indian Ocean networks.

Subrahmanyam has characterised the Portuguese-Asian society that existed east of the cape as footloose, freewheeling, mercenary and renegade.⁵⁶⁷ For his part, George Winus has referred to these elements of Portuguese society as a shadow empire, with its own logic and aims. Some of those

⁵⁶⁴ RAC, DK, B 246 A, Passport to ship *Trangabara*, 28.08.1644.

⁵⁶⁵ RAC, DK, B 246 A, instructions to Adrian Jacobsen, 27.07.1644; RAC, DK, B 246 A, Leyel to A. Nielsen, 01.02.1647.

⁵⁶⁶ Leonard Y. Andaya, "The 'Informal Portuguese Empire' and the Topasses in the Solor Archipelago and Timor in the Seventeenth and Eighteenth Centuries," *Journal of Southeast Asian Studies* 41, no. 3 (October 2010): 391–420; Stefan Halikowski Smith, *Creolization and Diaspora*; Anthony Disney, *The Portuguese in India and Other Studies, 1500–1700*. New York: Routledge, 2009; Maria Augusta Lima Cruz, "Exiles and Renegades in Early Sixteenth Century Portuguese India." *The Indian Economic & Social History Review* 23, no. 3 (1986): 249–62.

⁵⁶⁷ Subrahmanyam, *The Portuguese Empire in Asia*.

involved were willing to work for other Europeans, and many were connected to Leyel.⁵⁶⁸ The identities of these communities were multifaceted and diverse, and here it is sufficient to examine Leyel's connections to the *Estado* and to what Subrahmanyam has called "the fifth column".⁵⁶⁹

Leyel's relationship with the Portuguese in Tranquebar was particularly important. In his first report to the directors, Leyel wrote that he had allowed the local Portuguese community in Tranquebar to build their own Catholic church. In his explanation to the directors, he argued that it was important to let the locals express their faith, to worship their gods and to have their own religious symbols, as this was beneficial for trade.⁵⁷⁰ Leyel always wrote highly of the Portuguese agents, and appreciated their knowledge and experience of intra-Asian trade.⁵⁷¹ Moreover, they were also involved in Leyel's personal trading activities. In a letter from Anders Nielsen to Leyel, Nielsen informed his commander of the arrival of Simão D'Almeida from Negapatnam, along with large quantities of tobacco and gold from Makassar. D'Almeida had announced that he wished to contribute to Danish trade, but Nielsen was suspicious,⁵⁷² perhaps not without reason. Although Nielsen did not specify the nature of his suspicion, it probably related to the partnership between Leyel and D'Almeida, which centred on trade in gunpowder with viceroy Mascarenhas.⁵⁷³

Bearing in mind the importance of D'Almeida, Carvalho and Pacheco, as well as that of the Portuguese merchants at Tranquebar, it is not surprising that local Portuguese merchants and their partners featured prominently in Leyel's correspondence. In the short term, the DEIC headquarters became a safe haven for entire Portuguese merchant families from Negapatnam, São Tomé of Meliapor, Manar and Ceylon, who had been driven out by the territorial advances of the VOC.⁵⁷⁴ According to Tapan Raychaudri, Danish ships kept bringing Portuguese refugees from Masulipatnam to Tranquebar, and people thus continued to arrive in great numbers.⁵⁷⁵ In his second report to Copenhagen, Leyel informed the directors that the Portuguese connections in Tranquebar were trading successfully with Ceylon, and were making a good profit for the DEIC.⁵⁷⁶

Leyel also used his Portuguese connections to improve trade with Ceylon, and sent Antonio Gomes and Razia Pahsa to visit the King of Candy, bearing gifts in the hope of opening up trade.⁵⁷⁷ Furthermore, Leyel established strong relationships with the Portuguese merchants in Porto Novo. He sent one of his best brokers, Canacapel Tayapa, to establish a factory there,⁵⁷⁸ since the trade in Porto Novo was particularly important to him.⁵⁷⁹ The close connection with the Portuguese also included direct employment with the DEIC. In a list of the employees at Dansborg compiled in 1645, only six had Danish names, whereas the majority had either Indian or Portuguese names.⁵⁸⁰ In fact,

⁵⁶⁸ Winius, "The 'Shadow Empire'", 83–101.

⁵⁶⁹ Subrahmanyam, *The Portuguese Empire in Asia*, 261–292.

⁵⁷⁰ RAC, DK, B 246 A, Leyel to the directors, 22.11.1644.

⁵⁷¹ Readers familiar with the historiography of the Indian Ocean might wonder whether the local Portuguese were Topazes (mixed-race, European-Asian Christians, who were not necessarily connected to the official Portuguese authorities). Based on the sources at hand, it is difficult to say one way or the other.

⁵⁷² RAC, DK, B 246 A, A. Nielsen to Leyel, 11.10.1644.

⁵⁷³ RAC, DK, B 246 A, Leyel instructions to A. Nielsen, 04.09.1644.

⁵⁷⁴ RAC, DK, B 246 A, Leyel to the directors, 22.11.1644.

⁵⁷⁵ Raychaudhuri, *Jan Company*, 114. Confirmed by Leyel. RAC, DK, B 246 A, Leyel to the directors, 22.11.1644.

⁵⁷⁶ RAC, DK, B 246 A, Leyel to the directors, 12.12.1645.

⁵⁷⁷ RAC, DK, B 246 A, Leyel to N. Samson, 24.05.1647.

⁵⁷⁸ His salary was 4 *pardous*, which was a considerable amount in the Danish context. Poul Nielsen, the acting governor, had a monthly salary of 10 *pardous*. RAC, DK, B 246 A, Instructions to P. Nielsen, 20.10.1645.

⁵⁷⁹ RAC, DK, B 246 A, Instructions to P. Nielsen, 20.10.1645.

⁵⁸⁰ RAC, DK, B 246 A, Instructions to P. Nielsen, 20.10.1645.

maintaining connections with the Portuguese on the Coromandel was one of Leyel's priorities, and I believe that it was one of the reasons for his initial commercial success.

Leyel also developed a relationship with the formal Portuguese empire, the *Estado*. Indeed, he often stressed his good relationship with the viceroy, D. Filipe de Mascarenhas: "*We correspond much with each other*", he wrote. According to Leyel, Mascarenhas had received orders from the King of Portugal to remain friendly with Leyel. For this reason, the DEIC was allowed to trade in all Portuguese ports and factories in India. Moreover, the viceroy also offered support in the conflicts that the Danish were facing in Bengal.⁵⁸¹ According to Raychaudri, the Danish provided the Portuguese with secret intelligence regarding the VOC, and carried their cargo on board Danish ships.⁵⁸² Leyel had also traded with a fleet of "*barcos de remos*" (canoes), which had been sent from Goa to the Coromandel.⁵⁸³ Although it is unclear whether the fleet was sent specifically to trade with Leyel, it nonetheless reveals the trading connection between the headquarters of the *Estado* in Goa and Leyel.

The close collaboration of the Danish and Portuguese crowns also had a diplomatic aspect. Leyel wrote of a treaty that had brought great benefit to the Danish, who had been treated more favourably than the Dutch or the English.⁵⁸⁴ The viceroy had also received orders to allow the Danish to trade within all Portuguese spheres of influence, including Macao. Leyel emphasised that he had goods stored at Dansborg, and that these should be transferred to Manila on a ship that would depart in May the following year, arriving in June and returning in November. From Manila, the Danish would transport silver to Macao, where Chinese goods could be purchased using the proceeds.⁵⁸⁵ Indeed, this exchange had the potential to yield a high profit in Europe. If the ship eventually returned to Dansborg by February, a significant profit could be made in only ten months. For the journey between Manila and Macao, Leyel relied on the Danish-Dutch treaty, which allowed the Danish to sail freely between those two ports.⁵⁸⁶

Leyel's other important external relationship was to the VOC, which he himself hardly mentioned as a company, referring simply to "the Dutch". During the seventeenth century, the VOC had managed to undermine Portuguese dominance, and had thus become the dominant commercial power in the Indian Ocean. The VOC had capitalised on its power by acquiring exclusive rights in the spice trade, and to a large extent came to control the latter. On the Coromandel Coast, the VOC

⁵⁸¹ "wi corresponderer meget med huarandra", RAC, DK, B 246 A, Leyel to the directors, 15.11.1646.

⁵⁸² Raychaudhuri, *Jan Company*, 98 and 113.

⁵⁸³ RAC, DK, B 246 A, Leyel to J. Hansen, 24.05.1647.

⁵⁸⁴ It is unclear to which treaty Leyel was referring. Future research might focus on Danish foreign policy towards Portugal, but this is of little importance to the present study, which concentrates on entrepreneurship. Nevertheless, it is important to stress that in the first half of the seventeenth century, there was no centralized Danish foreign policy. Responsibility for foreign relations was divided between the Danish Chancery and the German Chancery, and the relationship between the two chanceries was diffuse. Throughout the 1640s, Denmark's main concern was the venomous relationship with Sweden and particularly the situation in the Baltic. Even during the Thirty Year's War, Denmark tried to maintain an equal standing in relation to the continental powers, but eventually failed due to its diminished position in the Baltic. From this perspective, it is plausible that Denmark aimed at maintaining a good relationship with the Portuguese king. From the Portuguese end, after gaining independence from Spain, the Portuguese crown had concluded an alliance with Sweden in 1641. The Portuguese relationship with Denmark requires further research. However, considering the numerous overseas battles between the Dutch Republic and Portugal, including in the Indian Ocean, it would not be surprising if the Portuguese crown had been open to the possibility of a diplomatic arrangement with the Danish, who were fellow competitors against the Dutch.

⁵⁸⁵ Although the trade was still under monopoly control, silver was the main currency, and therefore crucial to successful trade in China.

⁵⁸⁶ RAC, DK, B 246 A, Leyel to the directors, 15.11.1646.

possessed a relatively large factory in Pulicat and a smaller trading post in Masulipatnam.⁵⁸⁷ In the South of the Coromandel, the VOC used local brokers, although during the 1640s, they also tried to acquire permanent factories.⁵⁸⁸ Indeed, the VOC took the retreat of the Portuguese on the Coromandel as a sign to increase their own presence, as Raychaudhuri has noted.⁵⁸⁹

In 1645, Leyel reported that the VOC had rescued the survivors of a DEIC shipwreck off the coast of Bengal, only to deliver the men into the hands of the “moors” of neighbouring Pipeley, who had taken them prisoner.⁵⁹⁰ Coincidentally, the DEIC had encountered the VOC ship *Lys* at sea, this being the ship that had delivered the DEIC employees to the “moors”. Danish troops, under the command of Poul Nielsen, managed to rescue the prisoners shortly thereafter.⁵⁹¹

Soon after this episode, Leyel reported that some Dutchmen had arrived from Carical, which lay at a short distance from Dansborg. They were following orders from the VOC governor in Pulicat, Arnold Heussen, to obstruct trade and communication between the Danish and the Nayak. Leyel also noted that two VOC ships, the *De Haen* and the *Lys*, were patrolling the adjacent waters. Officers from the *De Haen* had earlier boarded a Danish ship by force, a sign that Leyel read as the VOC wanting to get rid of the DEIC in Tranquebar.⁵⁹²

Leyel’s suspicions turned out to be well founded, and he soon reported that the VOC was willing to pay the Nayak more than the DEIC. Luckily for Leyel, the Nayak had decided to stay loyal to the DEIC, and rejected the overtures of the VOC. The VOC representative had showered lavish gifts upon the father of the Nayak, Regnade Naiq, but the Nayak had refused to have any further contact with the English or the Dutch.⁵⁹³ Leyel also stated that the VOC should not trespass on the lands of the Nayak of Tanjore, since this would harm the DEIC’s trade. The DEIC had been trading in Negapatnam alongside the Portuguese for twenty-five years, and the Nayak had agreed to exclude the VOC, the EIC and the French from his realm. Leyel attached great value to this exclusive access, having paid a large sum to the Nayak in order to establish the relationship.⁵⁹⁴

However, Leyel reported that the VOC continued to obstruct the DEIC in both Porto Novo and the territory of the Nayak of Sines. For trade purposes, Leyel had entrusted business to one of his old partners, Malaio Chinene Cheti, who had 35 years’ experience of trading in Pulicat and on the Coromandel Coast, and who enjoyed good relations with the local rulers. The VOC opposed the activities of DEIC and Malaio by obstructing their access to Pondicherry, Porto Novo and Tegnapatnam. Leyel retorted that all trade was conducted in agreement with the local rulers, as brokered by Malaio. In 1645, Leyel remarked with reference to the latter: “I maintain correspondence and friendship with him because he is really capable, and can be of great help to us not only in relation to the King and the Nayaks, but also in our struggle against the Dutch”. Leyel thus felt that his

⁵⁸⁷ Seshan, *Trade and Politics*, 24; In Masulipatnam the VOC did not have a fortification, Subrahmanyam, *The Political Economy of Commerce*, 168.

⁵⁸⁸ Subrahmanyam, *The Political Economy of Commerce*, 168.

⁵⁸⁹ Raychaudhuri, *Jan Company*, 2–3.

⁵⁹⁰ Bredsdorff, *The Trials and Travels*, 134–135.

⁵⁹¹ *Ibid*, 91.

⁵⁹² RAC, DK, B 246 A, Leyel to the directors, 12.12.1645.

⁵⁹³ *Ibidem*.

⁵⁹⁴ *Ibidem*.

relationship with Malaio was significant, and that his collaboration with the DEIC was particularly valuable in competing against the VOC.⁵⁹⁵

Malaio belonged to the principal trading community of South India, the Chettis. During the seventeenth century, the latter were involved in many commercial enterprises, offering a combination of brokerage and moneylending. Remarkably, many Chettis originated from the same family. In particular, it is known that Malaio Chetti and his brother Chinanna Chetti were important shipowners and merchants.⁵⁹⁶ It is difficult to pinpoint exactly to whom Leye was referring, but, according to Dutch sources, Malaio Chetti, had already died in 1634, prior to Leye's appointment as commander.⁵⁹⁷ It is thus more likely that Leye was referring to Chinanna Chetti, who had considerable experience in Pulicat and connections to the VOC, having worked as the latter's chief broker in Pulicat.⁵⁹⁸ Subsequently, the VOC put an end to their dealings with Chinanna, for reasons that remain unclear. However, Radika Seshan has suggested that the VOC feared losing control over their main broker, to the point that they had his family imprisoned in Pulicat. Chinanna had his revenge by besieging Pulicat and damaging the interests of the VOC on the Coromandel Coast. Subsequently, in 1657, he established a business in the Kingdom of Tanjore.⁵⁹⁹ Leye, emphasising his relationship to Malaio (Chinanna Chetti), demonstrates that the competing European powers were attempting to win the support of local rulers and merchants for their own ends.⁶⁰⁰

The VOC had also visited the Nayak's minister Tiagapule and his brother Regnapdopule in the hope of establishing trade relations. The Nayak himself had been in Tranquebar during Leye's absence, in order to discuss the matters that had arisen from Tiagapule's attempt to confiscate money from the inhabitants of the town. The reason for this aggression was that Tiagapule had the right to tax certain regions in the Nayak's territory, and had decided to tax the inhabitants of Tranquebar. To Leye, this was unacceptable. The DEIC had refused to pay, stating that their agreement with the Nayak of Tanjore exempted Tranquebar from Tiagapule's taxes. Tiagapule was furious, surrounded the town and began to burn down houses. Nielsen, who at the time was the acting governor, had decided to open the fort, in order to provide shelter to the general population. According to Leye, the VOC had assisted Tiagapule in his attack, which proved that it was willing to go to any lengths to damage the DEIC.⁶⁰¹

The relationship between the DEIC and the VOC was also reflected in the disputes between Leye and Pessart. As has been discussed previously, Pessart had left the employment of the DEIC. Prior to his departure, he had bought a small ship from the local Portuguese at Negapatnam. He and his associates had then stolen all the ray-skins from the warehouse at Dansborg and set sail for Japan. During the voyage, Pessart had posed as a representative of the DEIC, even though he was no longer part of the company. Leye reported that the VOC had encountered Pessart sailing in the Straits of Malacca. When the VOC boarded Pessart's ship, they had immediately perceived that everyone was

⁵⁹⁵ "jeg holder goed correspondent og wenskab med hannom eptersom hand meget for maar. Baade hoss formentioned kong ogh naiquerne ogh hand kand oss megit were behuelkelig imod hollenderne.", RAC, DK, B 246 A, Leye to the directors, 12.12.1645.

⁵⁹⁶ Seshan, *Trade and Politics*, 62–64.

⁵⁹⁷ Malaio Chetti, also known as Astrappa Chetti, Coolhas, ed., *Generale missiven*, deel 1, 1610-1638, 07.03.1631, 298; Subrahmanyam also confirms this, *The political Economy of Commerce*, 307.

⁵⁹⁸ Chinanna Chetti, also known as Malaio Chinene.

⁵⁹⁹ On the career of Chinanna, see *ibid*, 307–314.

⁶⁰⁰ Brenning has discussed the importance of the Malaya family as key brokers in the Coromandel trade. See Brenning, "Chief Merchants", 323–329.

⁶⁰¹ RAC, DK, B 246 A, Leye to the directors, 12.12.1645.

drunk. The skipper, Michiell Kroutsen, had punched the VOC captain, at which point the VOC captain had Pessart's entire crew arrested and the ship confiscated. The ship was then taken to Malacca, while Pessart and some of his men were sent to Batavia, being accused of having sailed in closed waters; in other words, the VOC did not accept that the ship had a right to sail to Japan or China.⁶⁰² The authorities at Batavia confirmed the lawful apprehension of the ship, and confiscated a large amount of ray-skins, which could yield an enormous profit in Japan, where they were highly in demand.⁶⁰³ For his part, Pessart was given a relatively mild sentence by the VOC. According to Leyel, the VOC officials had pressured Pessart to undertake espionage for them, and particularly to travel to Manila posing as a trade convoy, while really reconnoitring the strength of the Spanish defences there.⁶⁰⁴

In June the following year, Pessart had been captured along with the ship *Den Goede Hand* during a storm north of Manila. He had dropped anchor in La Bahia Honda on the Spanish island of Luzon (the same island on which Manila is situated). After six days, a group of locals had raided the ship, and Pessart was killed by an arrow. The rest of the crew continued on their voyage, but were eventually taken prisoner in Manila, being accused of undertaking espionage on behalf of the Dutch.⁶⁰⁵ Thus, Pessart's competition with Leyel ended with the death of Pessart.

Leyel's desire to cultivate trade with Manila and Macao necessarily implied conflict with the VOC, which maintained a policy of harassing DEIC ships in the Straits of Malacca, levying custom duties and rights of passage. Leyel explained to the directors in Copenhagen that the Portuguese, by contrast, never demanded any payment when the DEIC sailed through Malacca.⁶⁰⁶ Indeed, Leyel had attempted to make this case before the Dutch authorities in Batavia, but the VOC had replied that they did not allow the DEIC to trade with Japan or China, or on the coast of Sumatra, where the gold and pepper markets were already saturated.⁶⁰⁷

However, Leyel's relationship with the Dutch was not unremittingly hostile. In 1646, during a return voyage from Makassar, the ship *Christianshavn* called at Batavia to buy supplies. They discovered that at least since July, no ships had arrived from the Republic, and that the VOC was currently without a governor; Cornelis van der Lyn, an elderly council member, was occupying the position on an interim basis. Van der Lyn treated the DEIC well, and provided them with a new bookkeeper and materials for repairs. Some fifteen Danish employees from the VOC enlisted with the DEIC.⁶⁰⁸

In a letter dated 1 October 1645, Leyel instructed Poul Nielsen to maintain friendly relations with other Europeans, including the VOC. According to Leyel, there were VOC merchants who wished to trade with the DEIC in Tranquebar, and it would be prudent to conduct negotiations with them in private, so as to conceal the affair from the Nayak. Leyel was in favour of such trade, so long as the VOC agreed to pay the DEIC twenty per cent tax. Leyel also suggested that the English should

⁶⁰² Ibidem.

⁶⁰³ Indeed, the fact that Pessart had stolen the ray-skins from Dansborg would suggest that the DEIC had plans to trade in Japan. Japan was completely closed for other European powers, except for the VOC, who obtained the small island of Deshima outside Nagasaki as a trading station. On ray-skins, see, Raychaudhuri, *Jan Company*, 177.

⁶⁰⁴ RAC, DK, B 246 A, Leyel to the directors, 12.12.1645.

⁶⁰⁵ RAC, DK, B 246 A, Leyel to the directors, 15.11.1646; the rest of the episode falls outside the scope of this dissertation, but is dealt by Bredsdorff. Bredsdorff, *The Trials and Travels*, 120–125.

⁶⁰⁶ RAC, DK, B 246 A, Leyel to the directors, 15.11.1646; Bredsdorff, *The Trials and Travels*, 159.

⁶⁰⁷ Ibidem.

⁶⁰⁸ Ibidem.

be invited to participate in the trade with Tranquebar, through the medium of Calipa and Jayapa, Leyel's brokers, and in return for the same tax.⁶⁰⁹

The different events on the Coromandel Coast and around Manila demonstrate the sheer number of relationships that Leyel was attempting to balance. On the one hand, he avoided contact with the VOC, because of its dominant trading position, but on the other hand, he was willing to participate in cross-imperial trade. However, he remained suspicious and cautious regarding the VOC. In all of his reports, he stated that the VOC had tried to harm the DEIC, and, in a letter of instruction to skipper Hans Ekman dated 21 September 1646, Leyel insisted that Ekman should ignore all gossip regarding the VOC.⁶¹⁰ Rumours were circulating regarding the possible intentions of the Dutch towards the DEIC, but Leyel preferred to remain within the realm of actual realities. Flows of information were difficult to control, and balancing various types of information, as well as relationships with other employees, competing companies and local merchants, was indeed a challenge.

To summarise, Leyel had to balance competing and overlapping networks. The different types of relationships he had with the VOC underline the fact that the companies were run by people who had their own ways of doing business, especially in the local context. The relationship with the Portuguese demonstrates that Leyel was engaged not only with the *Estado*, but especially with the merchants outside of the *Estado*. Such local connections were vital for Leyel, and it was largely through local merchants that he managed to develop business in Asia. Indeed, this highlights the importance of focusing not only on the business relationships between royal monopolies and trading companies, but also on the merchants who operated outside of the states and companies. Their dependency on certain key individuals was not only a challenge for the companies, but also for the employees representing them. In the end, Leyel proved better at balancing his connections with local merchants than with DEIC employees. In fact, Leyel's complicated balancing act demonstrates just how international, intertwined and multifaceted social connections overseas were.

4.5 *Carloff: from the SAC to Glückstadt, and into the spider's web of networks*

During Henrich Carloff's overseas career, the conquest of Fort Carolusborg in 1658 was a unique moment in history.⁶¹¹ The attack was led by Carloff, sailing under a Danish commission. In the aftermath of the conquest, Carloff's business partner, Samuel Smidt, surrendered the fort to the WIC. This series of events has been of interest to historians working on the Gold Coast during the mid-seventeenth century, and was even noted in contemporary travel journals.⁶¹² Until now, analysis of these events has been on a large scale, at the level of companies and imperial powers.⁶¹³ The aim of this section is not to provide a complete narrative of the events, but rather to demonstrate how the balance between social relationships related to the conquest of the fort. The first part of the section

⁶⁰⁹ RAC, DK, B 246 A, Leyel instruction to P. Nielsen 01.10.1645.

⁶¹⁰ RAC, DK, B 246 A, Leyel to H. Ekman, 21.09.1646.

⁶¹¹ Chapter six will focus on the actual attack on the fort.

⁶¹² Nováky, *Handelskompanier*; Granlund, *En svensk koloni i Afrika*; Heijer, "Een dienaar" Weiss, "Danskar och svenskar" to mention the main authors. Especially the work by Porter is of central relevance. See Porter, *European Activity*; Wilhelm Johann Müllers description of the Fetu Country, 1662-9, Adam Jones, *German Sources for West African History, 1599-1669* (Wiesbaden: Franz Steiner Verlag, 1983), 134-181.

⁶¹³ Porter, *European Activity*; Nováky, *Handelskompanier*; Nørregård, *Danish Settlements*; Granlund, *En svensk koloni i Afrika*.

will focus on how Carloff planned and financed the attack, and the second part will focus on how a number of ruptures in Carloff's relationships eventually excluded him from the Gold Coast trade.

As was discussed in the previous chapter, due to the diminishing power of the Swedish Africa Company (SAC), Carloff decided to leave the SAC in 1657. He then approached the Danish King Fredrik III, requesting a commission to attack the SAC fort on the Cape Coast. In short, he promised to seize the fort and hand it over to the Danish king.⁶¹⁴ On 1 August 1657, Carloff received his commission and began to prepare his attack, which would take place during the Danish-Swedish War of 1657. Carloff arrived on the coast on 25 January 1658. Assisted by the WIC and the Fetu caboceer Acrosan, he marched into the fort and took it from the SAC. He met with limited resistance, and the support of the Fetu people served to hinder any European response. Carloff took over other Swedish possessions, including lodges at Takorari, Anomabo, Jumoree and Orsu, and also captured the SAC ship *Stockholms Slott* along with the gold it was carrying. As early as 28 February 1658, Carloff was able to sail back to Europe, leaving Samuel Smidt as the acting governor of the fort, to be assisted by the factor Johan Canter.

4.6 *Carloff and the establishment of the Glückstadt Company*

When Carloff returned to Glückstadt on 8 June 1658, the Danish-Swedish war had resulted in heavy losses for Denmark. The peace treaty of Roskilde, signed on 26 February 1658, stated amongst other things that the Danish were to return all the captured forts to the Swedish, including Carolusborg. The Swedish representatives had heard what had happened in Africa, and wanted to have Carloff arrested. Carloff therefore fled from Glückstadt and hid abroad for several months.⁶¹⁵ However, his connection with the Danes remained intact. After the conflict between Sweden and Denmark had been resolved, in 1659, the Danes contacted Carloff in Groningen in the Dutch Republic. The Danish representative, Poul Klingenberg, offered Carloff and his companions trade rights in Africa under Danish protection. In May 1659, a new contract was signed. Carloff could keep the gold from the captured ship *Stockholms Slott*, and Carolusborg would become the property of the Kingdom of Denmark.⁶¹⁶ According to the agreement, Carloff and his associates would also be allowed to trade in Western Africa. The commanders of the fort would be servants of the king, but would also assist Carloff with trade.⁶¹⁷ Klingenberg, who represented the interest of the Danish crown, was an important connection for Carloff. Through this connection, he could balance his personal interest with that of his new patron, Fredrik III (1648-1670). The negotiations were held in Hamburg, where Carloff was represented by his business partner, Jan de Swaen.⁶¹⁸ Right after the agreement between Carloff and Klingenberg, on 20 May 1659, the Glückstadt Company was established, being destined to hold a monopoly over Danish trade in Africa for twenty-five years. Once again, a Nordic company with close links to an international maritime community had been established, and this time the most

⁶¹⁴ RAC, TKIA, Diverse akter vdr. Det ostindiske kompagni og Guinea, Contract between Carloff and Fredrik III, 01.08.1657; Justesen, *Danish Sources*, 1–3.

⁶¹⁵ Henrich Sieveking, "Die Glückstädter Guineefahrt", 30; The diplomatic negotiations have been extensively dealt with by Granlund, *En svensk koloni i Afrika*, 32; Nováky, *Handelskompanier*, 205.

⁶¹⁶ Sieveking and Nørregård give different dates. I have decided to follow Nørregård's date in this case.

⁶¹⁷ Nørregård, *Danish Settlements*, 23.

⁶¹⁸ SAA NA: 1128, fol.272-273, 15.03.1659.

prominent investors had come from Hamburg.⁶¹⁹ The company was established to serve the interests of both the king and the foreign investors. The initial regulations of the company suggest that these investors had a strong role in the company, and it was first and foremost their interests that were to be developed. Later, however, when the king transferred the charter to merchants based in Copenhagen, the situation changed.⁶²⁰

The relationship between the WIC and the Glückstadt Company in Europe was also important for their activities on the Gold Coast. On 8 July 1659, the Danish resident in The Hague, Peter Charsius, negotiated with the States General regarding Danish trade in Africa, proposing a friendly agreement to be observed by the Glückstadt Company and the WIC. The States General approved, and ordered the WIC to maintain good relations with the Glückstadt Company on the Gold Coast.⁶²¹ These negotiations were bound up with a shift in relations concerning the Baltic trade, in which the Dutch had transferred their allegiance from the Swedish to the Danish. Initially, the States General had remained neutral towards the Glückstadt Company, since it had no desire to disrupt its relationship with the Danish king, with whom it had entered into alliance in 1645 (the alliance was then renewed in 1653).⁶²² This view was not shared by the WIC, however, which did not desire competitors on the coast. Over the subsequent years, the tension between the WIC and the Glückstadt Company continued. In 1662, the WIC accused the Danish company of being operated by a group of Amsterdam merchants, being a Danish operation only on paper.⁶²³ This context will be important for the next section of this chapter, which focuses on how Carloff balanced between business and politics, using his overseas connections to profit from trade in Africa. Particular attention will be given to the financing of Carloff's voyages, and the ways in which the Glückstadt Company was built financially.

4.7 *Carloff, ghost investments and internal business network connections*

The contract of August 1657 with Denmark stated that Carloff should finance the attack on Carolusborg on his own account. As such, he contacted a group of Amsterdam merchants for financial assistance: Jasper Vinckel, Jean le Vainqueur, Jan Vlasblom, Floris Elias, Cornelis Joosten Heyns and Nicholas Pancreas. Together, they agreed to provide a ship called the *Diamant*, which would be renamed the *Glückstadt*, and which would set sail from Emden to Glückstadt, and from there to

⁶¹⁹ The first three years were tax-free for the investors. The sixth article of the charter shows that most of the initial capital came from Hamburg. One third was supposed to come from Danish residents. Of the twenty-four investors, twelve were from Hamburg and five from Glückstadt. Some other main investors were: Jacob del Boe, Johan Beckman, Corenlus von der My (representing Loys du Boyd), Adam von Sorgen, and Cornelis Jansen. Others invested in smaller shares. In 1661, Gerrit Bremer and Marten Baers joined the company with considerable investments. The company directors were Vincent Klingenberg and Jacob del Boe, both stationed in Hamburg. Vincent Klingeberg, the nephew of Poul Klingenberg, was a valuable connection between Carloff and the new company directors. The ships were expected to depart from and return to Glückstadt. See Feldbæk, *Danske Handelskompagnier*, 355–363.

⁶²⁰ Nørregård, *Danish Settlements*, 47–55.

⁶²¹ Sieveking, "Die Glückstädter Guineafahrt", 33.

⁶²² This alliance had been established as a result of the increasingly central presence of the Swedish empire in the Baltic. For the Dutch economy, the Baltic trade was necessary, and for the Danes, the growth of Sweden, especially in the German provinces, had caused disquiet. However, the alliance was primarily a defensive alliance, intended to protect Denmark against Sweden. L. Laursen, *Danmark-Norges Traktater, 1523-1750*, Vol. V (1650-1664) (Copenhagen: C.A. Reitzel Nielsen & Lydische, 1920), 28–37.

⁶²³ The statements analysed in this chapter were given to justify the transfer of the settlements in case of issues between the competing companies. Thus, the WIC could use the statement as a document of proof, in the case that complications arose between them and the Danes. *Ibid*, 36–37; Nicholas De Roever, "Twee Concurrenten", 195–220.

Africa, before finally returning to Glückstadt.⁶²⁴ The reason for this stopover in Glückstadt was that the ship would receive its official Danish documents from the factor of the city, and thus acquire a Danish façade. During the voyage to the Cape Coast, Carloff was supposed to make another stopover in Sierra Leone and deliver a cargo to the local factor, Gerrit Bremer. Thus, the attack on the Swedish possessions was not the sole intention of the voyage.

The financing of the voyage was performed through what will be referred to here as *ghost investing*.⁶²⁵ In principle, a ghost investor was someone who wanted to remain anonymous, due to the logic of mercantilism, whereby countries did not allow their subjects to invest in foreign trading enterprises and ventures.⁶²⁶ This kind of ghost identity protected Dutch investors and previous employees of the WIC.⁶²⁷ In practice, ghost investments were made through fake bottomry loans, in which the official freighter of the ship was a strawman for the real investors. As referred to in this chapter, bottomry loans (a contract based on a combination of credit and insurance) were usually made to skippers, who had also received foreign passports. The freighter of the ship could purchase a bottomry in advance of the voyage. If the voyage was successful, the freighter would pay back the creditor with interest, but if the voyage was not completed, the creditor would cover the losses. Basically, the bottomry loan revolved around the question of who the actual owner of the cargo was. In the passports, the skipper had the license for the voyage, and also appeared as the owner of the cargo. In the licenses, there was nothing about bottomry contracts. Thus, it would be almost impossible for inspectors and prosecutors to know who was providing or paying for the trading goods. Ghost investing was thus a widely used practice in Western Europe. At the end of the 1640s, ghost investors from Amsterdam had already participated in African voyages that had set out from Glückstadt. Thielman Wilkens, Carloff's colleague during his time with the WIC on the Gold Coast, was officially running similar investments, in which the funding really came from Amsterdam. Here, too, the aim was to circumvent the privileges of the WIC.⁶²⁸ Officially, Carloff ran the operations, but, in reality, much of the capital came from the Amsterdam investors.

Carloff stated that he had invested money in the voyage himself. However, the real financial means were provided by Abel Verbeeck and Andries Sael. The reason why the latter chose to offer their support is unclear, but it would seem that Carloff did not possess enough capital. According to Carloff, the combined investors had invested a total of 50,000 guilders in the operation, and he was supposed to return their investment plus interest. His previous personal investments in the SAC had likely been a combination of his own capital, earned during his years as prosecutor, and similar *ghost investments*. Carloff himself claimed that he had used the money that he had accumulated as a WIC

⁶²⁴ In 1662 Carloff was forced to declare the events around 1659 because the WIC had pressed charges against the Glückstadt Company and Carloff would otherwise have been accused for treasoning. Via the declaration he received immunity for the charges; Sieveking, "Die Glückstädter Guineefahrt", 37; NL-HaNA, Staten-Generaal, 1.01.02, inv.nr. 12572.41, Carloff declaration, 12.10.1662; Carloff's declaration printed in De Roever, "Twee Concurrenten".

⁶²⁵ A similar concept has been discussed by Filipa Ribeiro da Silva, who has referred to investors involved in these kinds of activities as silent or passive investors, Filipa Ribeiro da Silva, "Private Businessmen in the Angolan Trade, 1590s to 1780s: Insurance, Commerce and Agency," in *Networks and Trans-Cultural Exchange: Slave Trading in the South Atlantic, 1590-1867*, ed. David Richardson and Filipa Ribeiro da Silva (Boston/Leiden: Brill, 2014), 90.

⁶²⁶ NL-HaNA, Staten-Generaal, 1.01.02, inv.nr. 12572.41, Placaten of the WIC 1624, 1632 and 1657.

⁶²⁷ Christian IV also made similar arrangements when financing the first DEIC. See chapter three.

⁶²⁸ SAA NA: 2278, fol.63, 25.10.1650.

official.⁶²⁹ However, the amount of capital invested was so large that it could not, I claim, have come from Carloff alone.

Carloff did not only discuss his own role in the 1657 operation, but also shed light upon other ghost investments, or, as Carloff called them, “*simulatie*”. In 1662, he declared that there had not been a single Dane involved in the plans for the African voyages, even though the official head of planning was Marten Baers, a resident and factor of Glückstadt, whom Carloff knew very well.⁶³⁰ In 1651 and 1656, the Danish king granted Baers licences for trade in Africa. The licence of 1656 was granted to three residents of Glückstadt: Henry and Marten Baers and Gerrit Bremer, the factor of the Amsterdam merchants in Sierra Leone.⁶³¹ Baers was involved in negotiating favourable terms for the Glückstadt merchants, not only for trade in Africa but also for trade in the North Atlantic.⁶³² According to Carloff, Baers had no own capital invested, and it was merchants from Amsterdam who were footing the bill. Baers later complained that the investors had failed to pay for his services.⁶³³ This complaint probably referred to the license that Baers, his brother and Bremer obtained in 1656. Notwithstanding, Baers and Bremer invested a considerable sum in the Glückstadt Company in 1661.⁶³⁴ This was also a ghost investment. According to Carloff, the company ships *St Marten* and *Die Liebe* (previously *Stockholms Slott*) were covered by ghost investors. The company ships *Postellion von Venedig* and *Fredricus* were also financed by similar false bottomry loans. Apparently, the ship *Graaf Enno*, which was investigated on the Gold Coast by the WIC on suspicion of interloping, was also equipped and financed by the same people.⁶³⁵ As we see in the case of ships sailing with Glückstadt licenses, private investors could thus take advantage of the mercantile framework. This suggests that the main function of the company was to further the private interests of the foreign investors. The company offered a legal framework within which such individuals could pursue their business. Indeed, this was a quicker way to make a profit from the African trade than buying shares in larger companies and waiting for dividends. As such, a significant portion of the early shipping to the African coast from the Nordic countries was based on these types of ghost investments.

Carloff’s relations with the Amsterdam investors made him aware of the mechanism of ghost investing. Carloff later stated that he had heard from Jasper Vinckel that the bottomry loans between the investors and Baers were intended to avoid raising suspicion amongst WIC officials, who might encounter the *Glückstadt*.⁶³⁶ This demonstrates that investors in Amsterdam, Dutch skippers in Glückstadt and the royal factors in Denmark were all aware of the opportunities and risks that bottomries offered. Furthermore, Carloff served as the central node that connected the various different parties. It is worth noting that his knowledge of how to balance these different networks had

⁶²⁹ NL-HaNA, Staten-Generaal, 1.01.02, inv.nr. 12572.41, Carloff declaration, 12.10.1662; De Roever, “Twee Concurrenten”, 200; Dahlgren, *Louis de Geer*, 348; Porter, *European Activity*, 378.

⁶³⁰ In 1625 Baers became a resident in Glückstadt. Glückstadt, Das Stadtarchiv, Bürgerbuch, Baers Bürger rights, 06.01.1625; NL-HaNA, Staten-Generaal, 1.01.02, inv.nr. 12572.41, Declaration by Carloff 12.10.1662, Carloff’s declaration printed in De Roever, “Twee Concurrenten”.

⁶³¹ Nørregård, *Danish Settlements*, 13.

⁶³² Glückstadt, Das Stadtarchiv, urkunden 12, 16.05.1651; Nørregård, *Danish Settlements*, 12.

⁶³³ NL-HaNA, Staten-Generaal, 1.01.02, inv.nr. 12572.41, Carloff declaration, 12.10.1662; Carloff’s declaration printed in De Roever, “Twee Concurrenten”.

⁶³⁴ Nørregård, *Danish Settlements*, 22.

⁶³⁵ De Roever, “Twee Concurrenten”, 216.

⁶³⁶ NL-HaNA, Staten-Generaal, 1.01.02, inv.nr. 12572.41, Carloff declaration, 12.10.1662; Carloff’s declaration printed in De Roever, “Twee Concurrenten”.

been acquired during his years as WIC prosecutor on the Gold Coast. In particular, it was during this time that he learned how shipping documents could be used for or against specific freighters and skippers.

Carloff set sail from Glückstadt for the Gold Coast in December 1657, returning to Glückstadt in the summer 1658. On his return voyage, he stopped at Harlingen, in Frisia, in the most Northern Province of the Dutch Republic. There, he unloaded the gold that he had taken from the *Stockholms Slott*.⁶³⁷ For Carloff, returning to Europe via Harlingen was a way of transporting the gold back to his initial investors while avoiding suspicion. At the time, the province of Friesland did not have its own chamber in the WIC. This meant that there would be no enquiries from the company. Carloff eventually went to Amsterdam, where he met the financial backers of the voyage, who promptly demanded their premium back.⁶³⁸ Carloff was willing to pay, although he stressed the fact that he had borne the expenses of equipping the ship and paying the crew. The investors, who met with Carloff at Cornelis Joosten Heyns' home, agreed to reimburse him for these expenses, but still required the return of their original loan plus the agreed rate of interest.⁶³⁹

The international financiers in Amsterdam had provided Carloff with the necessary capital to annex the Swedish possessions in Western Africa on behalf of the Danish king, who in turn provided Carloff with a royal commission. Consequently, if we are to understand the role played by Carloff and his fellow business partners, it is paramount to understand that many did not themselves finance overseas operations, but rather represented networks looking to invest risk capital in new ventures. Overseas entrepreneurs were able to attract such investors because of their connections and expertise overseas, which increased the chance of a profitable return on any investment. This particular case demonstrates the mutual dependency between Carloff and the Amsterdam network. Without the network, Carloff would have had no means to make the voyages, but without Carloff, the investors would not have been able to access profits from the African trade.

When the Glückstadt Company was founded, several preparatory meetings were held at Jan de Swaen's house in Amsterdam. According to Carloff, Isaac Coymans and Gerard von Tets were frequently involved in the planning. Both were previous WIC employees. Indeed, I would suggest that there were three contextual reasons for Coymans, von Tets, Cramer and Carloff to join the Glückstadt company, all of which stemmed from their time in the WIC: first, they were aware of the financial challenges that the WIC faced as a result of its numerous conflicts with Portugal in the South Atlantic; second, they knew that other WIC employees had received licenses in Glückstadt; and third, they knew that there was a strong possibility of being able to access the profitable gold trade, particularly by offering their expertise to Nordic rulers in exchange for the right to operate the Nordic trade in Africa. Danish licenses also enabled individuals like Coymans, Carloff and Cramer to make a personal profit. Therefore, ghost investments constituted an entrepreneurial opportunity for investors and overseas entrepreneurs alike. As Clé Lesger has shown, not all entrepreneurial mechanisms were ethical or legal from the point of view of the communities in which they were based. Nevertheless, they were an important feature of early modern societies, and ought thus to be taken into account when analysing early modern entrepreneurship.⁶⁴⁰

⁶³⁷ NL-HaNA, Staten-Generaal, 1.01.02, inv.nr. 12572.41, Carloff declaration, 12.10.1662; Carloff's declaration printed in De Roever, "Twee Concurrenten".

⁶³⁸ *opgeld* = premium.

⁶³⁹ De Roever, "Twee Concurrenten", 211.

⁶⁴⁰ See the introduction for discussion of Lesger.

According to Carloff, de Swaen was the largest investor in the Amsterdam network, making a profit of approximately 8,000 guilders on each successful trip, which constituted a strong incentive for further investment. For Coymans, the reason to join the Glückstadt Company was the possibility of trading his personal goods on the coast.⁶⁴¹ The skippers of the *Die Liebe* and the *St Marten*, Jorrien Schroeder and Joost Cramer, both previous SAC employees under Carloff, were also present at the meetings at de Swaen's house.⁶⁴² However, the records in the Glückstadt municipal archives state that the captain of the *St Marten* was Cornelis Janssen, who had been born in Voorburg (in the Netherlands), had received burgher rights in Glückstadt, and had been granted a license to travel to Guinea.⁶⁴³

Things eventually took a surprising turn, to the point that Carloff withdrew his power of attorney from de Swaen on 14 October 1659.⁶⁴⁴ Apparently, Carloff expressed considerable unease with regard to de Swaen, and did not want to have his name associated with him anymore. However, this may have been only a pretext given in an official declaration, and, without further evidence, it is impossible to know the exact reason for Carloff's decision. Perhaps he feared what might happen if the WIC eventually prosecuted the Dutch consortia for having accepted foreign commissions. Indeed, this would later happen to one of Carloff's business partners, Coymans, who was convicted of treason.⁶⁴⁵ Carloff was not charged, since he had turned himself in, and had assisted the Dutch in investigating and dismantling the network.

According to Carloff, de Swaen had wanted Poul Klingenberg to act as advisor to the company, since he was highly respected in the circles of the Danish court. His participation would also provide the company with a more Danish appearance. De Swaen and Coymans proposed to transport half of the capital of the company directly to Hamburg, in order to further improve the credibility of the company.⁶⁴⁶ This suggestion was not supported by the Danish resident in The Hague, Peter Charsius, who stated that the company should be based in Glückstadt, where investors and employees held burgher rights. Charsius' standpoint was clear: he was aware of the possible conflict between the company and other European companies operating on the coast, and wanted to avoid giving the latter sufficient reason to apprehend the ships sailing under Danish commission. In the 1660s, he represented the company in The Hague, when the conflict between the WIC and the Glückstadt Company eventually became public in the aftermath of the events of 1659.⁶⁴⁷

Finally, a series of notarised statements exemplify how Carloff, de Swaen and the Amsterdam merchants financed the Glückstadt Company's ships. In August 1660, Carloff, then residing in

⁶⁴¹ De Roever, "Twee Concurrenten", 216.

⁶⁴² NL-HaNA, Staten-Generaal, 1.01.02, inv.nr. 12572.41, Carloff declaration, 12.10.1662; Carloff's declaration printed in De Roever, "Twee Concurrenten".

⁶⁴³ Glückstadt, Das Stadtarchiv, Bürgerbuch 23.04.1660, It is not clear why Carloff stated that the other captain was Schroeder.

⁶⁴⁴ De Roever, "Twee Concurrenten", 214.

⁶⁴⁵ For more about this event, see Brieven, confessie; mitsgaders, advisen van verscheyden rechtsgeleerden in de saeck van Isaac Coymans gegeven; als mede de sententie daer op gevolgt, (Rotterdam 1662); Den Blanken, "Imperium in Imperio".

⁶⁴⁶ Hamburg was chosen because at the time it was partly under Danish rule, since the Danish king considered Hamburg to be a part of Holstein. Although the city considered itself a free "Reichstadt", the Danish kingdom did not recognise Hamburg until in 1769.

⁶⁴⁷ Pamflet Knuttel 8905A, 'remonstrantie aen de Ho: Mo: Heeren de Staten-Generael der Vereenighde Nederlanden: Overgegeven den Junij 1664 Bij de Heeren de Bewint-hebberen van de Geoctroyeerde West-indische Compagnie der Vereenighde Nederlanden. Opende jegens Verscheyde Memorien van den Heer Resident Charsius, wegens de (gepretendeerde) Deensche Africaensche Compagnie, aen haer Ho: Mo: overgegeven.' (Amsterdam 1664).

Amsterdam, declared that he had, on his patrons' behalf, given de Swaen, the factor of the Glückstadt Company, a bottomry loan in order to outfit the *Die Liebe* and the *St Marten* for a cargo worth 20,000 guilders, to be transported from Amsterdam to the Gold Coast and from there back to Glückstadt. However, he also declared that many of the goods remained unsold. Because of the privileges in the charter of the WIC, Carloff had been forced to transfer the "bottomry loan, with premium" to Jacob del Boe, the director of the Glückstadt Company.⁶⁴⁸ In this notarised statement, three things stand out. First, Carloff had received funds from his patrons, and was still in 1660 involved in ghost investing. Second, the Amsterdam merchants were involved not only as investors in the Glückstadt Company, but also in the provision of cargoes to be traded in Western Africa. Third, because of the privileges enshrined in the charter of the WIC, Carloff, at that point resident in Amsterdam, was obliged to transfer the bottomry and premium through Jacob del Boe, instead of dealing directly with his ghost investors. What stands out, however, is that even though Carloff had withdrawn his power of attorney from de Swaen, he had no problem raising funds to invest in Danish ships.

Another notarised statement from November 1660 shows that Carloff transferred shares in the Glückstadt Company worth 25,000 guilders to the Hamburg merchant Adam van Sorgen. 18,000 guilders were to be used to equip the ships *St Marten* and *Die Liebe* in return for six percent interest, while 7,000 guilders were to be used for the ship *Fredricus*.⁶⁴⁹ In another notarised statement, de Swaen stated that he owed Carloff 6,000 guilders, which he had borrowed to equip the *Die Liebe*. De Swaen had entrusted the ship to Jürgen Schröder (Jorrien Schroeder) as skipper, and had expected him to sail to the Gold Coast and São Tomé, before returning to Glückstadt. Upon arrival, de Swaen would repay Carloff his loan, plus thirty percent interest.⁶⁵⁰ These notarised statements illustrate how Amsterdam investors transferred capital and resources abroad, via their connections in Hamburg and Glückstadt, in order to circumvent the monopoly of the WIC.

Carloff stood at the intersection of several networks. On the one hand, there was a pool of Amsterdam investors, among them Jasper Vinckel, Jean le Vainqueur, Jan Vlasblom, Floris Elias, Cornelis Joosten Heyns and Nicholas Pancras. Given that all these men held burgher rights in Amsterdam, they were covered by the WIC charter. However, they used Carloff to transfer capital, resources, and powers of attorney to de Swaen in Amsterdam and Adam van Sorgen in Hamburg. Officially, van Sorgen was a large-scale investor, but, in reality, much of his capital was raised by Carloff, via his pool of Amsterdam investors.

In the end, ghost investments serve to highlight the complexity of the social relationships between the businessmen who supported overseas entrepreneurship. It was partly Carloff's own desire for profit, but partly also his social connections that forced him to act. He was thus never completely free to do as he pleased, but rather compelled to balance various connections and to mediate between the interests of different networks.

4.8 *Carloff, difficult relationships and connections in Western Africa*

The challenges that Carloff faced with his different networks were even more apparent during the aftermath of the conquest. On the Gold Coast, he fulfilled a similar role as in the European context,

⁶⁴⁸ SAA NA: 1134, fol.143, 03.08.1660. "bodemerijgeld with opgeld".

⁶⁴⁹ SAA NA: 1761, fol.834, 20.11.1660.

⁶⁵⁰ NL-HaNA, Staten-Generaal, 1.01.02, inv.nr. 12572.41, de Swaen signed the declaration 03.07.1659; FC, N8, 183.

having as his main counterparts Samuel Smidt, his subordinate and the acting governor of Carolusborg, the caboceer Acrosan, and other WIC personnel such as Jan Valckenburgh. All of these connections played a role in the events that followed Carloff's conquest of the Swedish possessions on behalf of the Danish king.

The correspondence that Carloff maintained with the WIC officials show that Carloff was not only serving the interest of the Danish king, but also played a high-risk game in which he offered his services to several people, and then took advantage of his business partners in order to turn the conquest to the best possible advantage. The correspondence also highlights the volatility of business relationships. The tone of the correspondence could quickly turn from friendly to hostile and back again. Some of the correspondence between Carloff and Valckenburgh suggests a close partnership, whereas other letters suggest frustration, and even bitterness.

The relationship between Carloff and the WIC Director-Generals, Jan Valckenburgh and Casper van Heussen, was complicated, yet at the same time representative of the relationships that Europeans had with each other on the coast.⁶⁵¹ Valckenburgh had been employed by the WIC as prosecutor during the same period that Carloff had been employed by the SAC, and it was under his directorship that the WIC lent Carloff military support in attacking the SAC's possessions.⁶⁵² Their personal relationship was also essential to the political and commercial changes that were taking place on the coast.

Initially, Carloff was friendly, and suggested a mutually beneficial plan to maintain trade on the coast.⁶⁵³ Carloff assured Valckenburgh that following the conquest of the SAC's assets, the SAC employees would swear an oath to him. Those who refused would be arrested and sent back to Europe. Among the men who had sworn allegiance to Carloff, Carloff chose Samuel Smidt as acting governor. Indeed, Smidt was perhaps the most important connection in Carloff's plan. He had previously been employed by the WIC and the SAC under the patronage of Carloff, and remained a reliable asset.⁶⁵⁴ Smidt was already close to Carloff prior to the conquest. In a declaration to which I will return later, Smidt stated that in 1657, he had been hired by Carloff to accompany him onboard the ship *Glückstadt* on a voyage to Guinea. The ship owners were Carloff, Mr. Lavinckeur (Vaincquer), Mr. Vinckel and Mr. van de Beecken. Smidt knew all three personally, since they had bought cargo for Africa together. Lavinckeur (Vaincquer) also accompanied Smidt to Friesland, in order to purchase cloth from the merchant Geert Oeges.⁶⁵⁵ The cloth was delivered in Amsterdam to Vinckel and other shipowners, and then dispatched along with the rest of the cargo on the *Glückstadt*, which sailed to Guinea under Carloff's direct command.⁶⁵⁶ Smidt's declaration demonstrates that he was well informed about Carloff's network of investors in Europe. Although only a junior partner, Smidt was well connected himself, and aware of Carloff's social and business relations in Europe. It is therefore not surprising that Carloff appointed him as acting governor.

⁶⁵¹ Valckenburgh was the Director-General of Elmina 24.01.1656 – 27.04.1659 and Casper Van Heussen 27.04.1659 – 07.04.1662.

⁶⁵² Nørregård, *Danish Settlements*, 16; Porter, *European Activity*, 380.

⁶⁵³ NL-HaNA, Staten-Generaal, 1.01.02, inv.nr. 12571.38.1, Henrich Carloff to Jan Valckenburgh, 15.02.1658, FC, N8, 41–43.

⁶⁵⁴ NL-HaNA, Staten-Generaal, 1.01.02, inv.nr. 12571.38.1, Henrich Carloff to Jan Valckenburgh, 15.02.1658, FC, N8, 41–43.

⁶⁵⁵ At the time, cloth was one of the primary European products on the Western African market.

⁶⁵⁶ NL-HaNA, Staten-Generaal, 1.01.02, inv.nr. 12572.41, Declaration by Samuel Smidt, at Elmina, 22.07.1659; FC, N8, 184.

Carloff's correspondence with Valckenburgh shed further light on his plan for the region. He envisaged the entire Gold Coast under one (European) ruler, and made a proposal to this effect to the Directors of the WIC in Amsterdam. He also proposed that Valckenburgh should be called to Amsterdam to testify in favour of this plan. Carloff would also have appreciated a personal meeting with Valckenburgh. However, at that time, such a meeting might be seen as suspicious.⁶⁵⁷ Considering that the two companies were supposed to be competing, it was probably a wise precaution to avoid gossip that might call into question Carloff and Valckenburgh's loyalties.

In another letter, Carloff wrote that he was pleased that Valckenburgh had agreed to the idea of bringing the coast under one ruler.⁶⁵⁸ Carloff had received confidential information from Coenrad van Beuningen, who at this time was the Ambassador of the Dutch Republic in Denmark. Apparently, van Beuningen had recommended that the Danish crown turn over the management of the Swedish possessions to an ally of Denmark. The ally in question was of course the Republic, which had signed an alliance with Denmark in 1645. The connection to van Beuningen endured for a considerable time. Almost twenty years later, van Beuningen wrote a recommendation letter on behalf of Carloff to the States General, arguing in favour of appointing him governor of Suriname.⁶⁵⁹ Indeed, Carloff was well connected within the diplomatic and political circles of the Republic.

Carloff added that he had already discussed the topic with Eduard Man, the director of the WIC in Amsterdam, who thought that it would be better to destroy the fort altogether. Man's suggestion to destroy Carolusborg arose because the WIC wanted to attract trade to Elmina instead, and to put an end to the use of Fetu merchants as middlemen (as has been discussed in earlier chapters). According to Carloff, Man did not understand coastal politics: demolishing the fort was impossible, because the locals would oppose it. In the event of such opposition, he believed, the fort would fall into the hands of the English, to the detriment of all parties concerned. As such, Carloff's plan was to raise the topic once again with the WIC. He would do his best to keep the Danish out of the enterprise, and he desired Valckenburgh's assistance in doing so. Carloff concluded his letter by requesting that Valckenburgh keep its contents a secret, and, if necessary, burn the letter.

Carloff's two letters to Valckenburgh highlight the events that occurred in Western Africa following the conquest of the SAC fort. The letters reveal a reality that was radically different to what had been envisaged in the contract (August 1657) between the Danish monarch and Carloff: in particular, it becomes clear that Carloff had never entirely severed his connections with the WIC. Although negotiating with WIC officials in Western Africa, he was at the time sailing under a Danish commission, financed with Dutch capital, and making use of his local African connections. All of this demonstrates that Carloff was entangled in several competing networks.

The events in Western Africa also influenced Carloff's relationships in Europe. Having returned to Europe, he once again approached Eduard Man, suggesting an agreement between Smidt and the WIC.⁶⁶⁰ Carloff suggested that the handing over of the fort should be done in Smidt's name. Thus, the Danish would not be able to accuse him of misconduct in the future. Indeed, Carloff did not wish to interfere with the agreement, but merely to keep the gold and merchandise he had procured

⁶⁵⁷ NL-HaNA, Staten-Generaal, 1.01.02, inv.nr. *12571.38.1*, Henrich Carloff to Jan Valckenburgh, 15.02.1658, FC, N8, 41–43.

⁶⁵⁸ NL-HaNA, Staten-Generaal, 1.01.02, inv.nr. *12571.38.1*, Henrich Carloff to Jan Valckenburgh, 16.02.1658, A copy of the letter from 16.02.1658 also in, NL-HaNA, 1.01.02, inv. nr. *12572.41*; FC, N8, 43–44.

⁶⁵⁹ NL-HaNA, Verspreide West-Indische Stukken, 1.05.06, inventarisnummer *1178*. Van Beuningen recommendation letter on behalf of Carloff, Undated document.

⁶⁶⁰ NL-HaNA, Staten-Generaal, 1.01.02, inv.nr. *12571.38.1*, Carloff to Man, 11/21.01.1659, FC, N8, 166.

during the attack on the settlement. However, I would argue that Carloff wanted to remove any possible suspicion of wrong-doing in the event of any future collaboration with the WIC. In March, Carloff wrote to Smidt once again.⁶⁶¹ Here, he stated his suspicion that Klingenberg, Marselis and other potential investors were planning to continue trading in Africa without him.⁶⁶²

Judging from the letter to Smidt, it seems that the Danish did not have a long-term plan for Carloff. Indeed, he may have used this fact as an excuse to justify the transfer of the fort to the WIC. Carloff continued his letter to Smidt by stating that the Swedish had made an agreement with the English to attack Carolusborg together. According to Carloff, it would thus be preferable for the Danes to voluntarily cede the fort to their Dutch ally. As such, Casper van Heussen should prepare a document preparing the surrender of the fort.⁶⁶³ In other words, Carloff was almost ordering Smidt to surrender the fort to the WIC.

However, matters were more complicated than they appeared. After all, during the spring of 1659, Carloff was still negotiating with the Danes regarding the progress of Danish trade in Africa. However, at the same time, he entered into an agreement with representatives of the WIC chamber in Amsterdam. On 20 March 1659, it was agreed that Carloff would order Smidt to transfer the fort to the WIC. As a result, Smidt and Carloff would be treated with respect by the WIC. The agreement further stipulated that Carloff would be allowed to sell the goods that he accumulated in Africa in Amsterdam. These goods would be transported to Amsterdam on WIC ships, under his name.⁶⁶⁴

Eventually, Carloff changed his mind, and sent a new letter to Smidt. All of a sudden, he no longer wanted to surrender the fort to the WIC, but to the Danish crown instead. In Carloff's words, the situation had changed in Europe, due to the shifting political relationship between Sweden and Denmark. Once again, he had the chance to send ships to Western Africa, but Smidt would have to be patient. Smidt ought to be aware of the possibility of English ships coming to the coast, and to remain alert and suspicious towards the WIC and English merchants at all times.⁶⁶⁵ As mentioned at the beginning of this section (4.8.), in May 1659, an agreement had been made between Poul Klingenberg and Carloff (Jan de Swaen had represented Carloff in these negotiations). This agreement acknowledged that Carloff would surrender the fort to the Danish king, but that he was to be allowed to keep the gold from the ships. Furthermore, it was stated that Carloff and his business partners were to be allowed to trade in the regions that he had surrendered to the Danish crown. Carloff was to be respected on the coast, and the Danish officials should always assist Carloff.⁶⁶⁶ The agreement was a result of the political changes that were taking place in Europe, and new opportunities were thus arising for Carloff. In this respect, it is plausible that the political context in

⁶⁶¹ RAC, Tyske Kancelliet Udenrigske Afdelning (TKUA), Nederlanderne: akter vedr. Det poltiiska forhold, 1660-1665, 70-14-70-1, Henrich Carloff to Samuel Smidt, 2/12.03.1659; FC, N8, 169-170.

⁶⁶² Carloff must be referring to the Klingenberg family. On the Klingenberg and Marselis family, see John Lauridsen, *Marselis konsortiet: en studie over forholdet mellem handelskapital og kongemagt i 1600-talets Danmark* (Copenhagen: Jysk Selskab for Historie 1987); Sieveking, "Die Glückstädter Guineafahrt", 24; Nørregård, *Danish Settlements*, 11 and 15.

⁶⁶³ RAC, TKUA, Nederlanderne: akter vedr. Det poltiiska forhold, 1660-1665, 70-14-70-1, Henrich Carloff to Samuel Smidt, 2/12.03.1659; FC, N8, 169-170.

⁶⁶⁴ NL-HaNA, Staten-Generaal, 1.01.02, inv.nr. 12572.41, Contract: Henrich Carloff – WIC, 20.03.1659, FC, N8, 175.

⁶⁶⁵ NL-HaNA, Staten-Generaal, 1.01.02, inv.nr. 12571.36, Henrich Carloff to Samuel Smidt, 13.04.1659; FC, N8, 178-179; NL-HaNA, Staten-Generaal, 1.01.02, inv.nr. 12572.41, Henrich Carloff to Samuel Smidt, 26.07.1659, FC, N8, 185.

⁶⁶⁶ RAC, TKIA, Diverse akter vdr. Det ostindiske kompagni og Guinea. Contract between Poul Klingenberg and Henrich Carloff, 28.03.1659 and 10.05.1659, The date from March indicates that this negotiation had started already in March.

Europe played an important role in how Carloff perceived his business opportunities. This episode demonstrates that Carloff was playing a high-risk game with two different parties. On the one hand, he was negotiating future plans for the Africa trade in Denmark. On the other hand, he was attempting to improve his relationship with the WIC by promising to surrender Carolusborg to the Dutch.

However, Carloff's last letter to Smidt did not have the intended outcome. Unbeknown to Carloff, Smidt had already surrendered the fort to the WIC. In this regard, an official statement sheds light on how Smidt and Canter had justified the surrender of the fort to the WIC.⁶⁶⁷ Smidt, Canter and the others who had sworn an oath to Carloff had decided to transfer all the possessions to the WIC, because Carloff had not kept to his side of the bargain. In particular, he had failed to send four ships to the coast with cargo and means of payment for the caboceers. Smidt and Canter explained that Carloff had clearly lied, since the promised ships had never arrived.⁶⁶⁸ The reason why Carloff had failed to send ships was most likely that the Glückstadt Company had not yet fully taken form; the Danish King Fredrik III was busy with the peace negotiations that followed the peace of Roskilde in 1658, and, soon after the peace, war broke out once again. Acrosan was disappointed with the absence of ships that could be used for trade. Carloff had failed to deliver on his promises to Smidt, Canter and Acrosan, and this had ultimately resulted in Carloff losing the trust of his local connections. For Carloff, the worst blow was the loss of Acrosan.⁶⁶⁹

Smidt went to great lengths to explain that it was Carloff's failure to send ships and payments that had damaged the relationship between the men on the ground and Acrosan. Acrosan's anger had been exacerbated by the fact that he had dismissed several Swedish ships, which had attempted to reclaim the Swedish possessions. According to the caboceer, the contract with Carloff was still valid, and he had full trust in his former partner, and, for that reason, he had not allowed the Swedish ships to land on the coast. However, Carloff's failure to appear had left Acrosan with no other option than to trade in gold with an English ship, even though he had forbidden the English to establish contact with the Danish. Acrosan had isolated Smidt and Canter, and his subordinates had been unable to conduct trade. According to Smidt, the trade was in shambles because of Acrosan's aggression. This illustrates the state of dependency in which Europeans found themselves when operating in African markets with African partners or associates.

Smidt and Canter felt that they had been abandoned by Carloff, a feeling that had been exacerbated by the fact that when the WIC ships *Eyckenboom* and *Coninck Salomon* had arrived on the coast, they carried no letters addressed to them. Most of all, Smidt and Canter feared the incipient alliance between the English and Acrosan, since this could potentially ruin not only Carloff's investment, but also Smidt and Canter personally. As such, they discussed the situation with their subordinates, and concluded that transferring the fort to a friendly ally was the only possible solution. Smidt and Canter's arguments indicate that Carloff did not manage to convince his subordinates to continue under his patronage. In this case, none of his contacts had shown any real sign of loyalty,

⁶⁶⁷ The statements were later used as proof in the dispute between the WIC and the Danish representatives regarding rights to trade on the coast. For Smidt and Canter, the statement was given to provide a detailed overview, and to show that they had been left with no choice, since Carloff had failed to send reinforcements. RAC, TKUA, Nederlanderne: akter vedr. Det poltiiska forhold, 1660-1665, Samuel Smidt & Johan Canter to Dirck Wilree 18.04.1659; Copies of the declaration, NL-HaNA, Staten-Generaal, 1.01.02, inv.nr. 12571.38.1, 22.08.1662; NL-HaNA, Staten-Generaal, 1.01.02, inv.nr. 12572.41, 27.06.1664.
FC, N8, 205–206.

⁶⁶⁸ It is likely that the WIC employees managed to intercept the letters coming from Europe.

⁶⁶⁹ Acrosan was the richest and most powerful man not only in the Fetu kingdom, but on the entire Gold Coast.

since they all knew that loyalties could shift rapidly. In addition, the WIC officials had attempted to use the slow information flow between Carloff and Smidt to their own advantage. Indeed, it is likely that they confiscated letters sent from Europe, and circulated malicious rumours and gossip.

After his official statement, Smidt wrote a letter to Carloff.⁶⁷⁰ He indicated that due to the desperate state of affairs, the fort and lodges at Cape Coast, Anomabo, Takorari and Orsu had been transferred to the WIC. Smidt described in great detail that he had done as Carloff had instructed him. Smidt further argued that they had had no other choice, because Carloff had not sent any more ships to the coast. In particular, the caboceer Acrosan was not pleased with the fact that no goods or payments were forthcoming. Smidt also stated that Carloff had acted under false pretences, and had not kept his promises. People on the coast had eventually perceived Carloff's dishonest behaviour, which Smidt already knew well from his earlier personal experience. Smidt ended his letter by informing Carloff that the WIC had hired him to manage their trade on the coast. He was pleased with the fact that the WIC had chosen to offer him employment, despite his previous actions. Smidt had changed allegiance, and the way that he addressed Carloff was not the way to treat a trading partner. The relationship between Smidt and Carloff had thus changed dramatically.

However, it is important to consider the other motives behind the surrender. The contract had stipulated the transfer of the fort and lodges to the WIC.⁶⁷¹ The remaining gold in the fort was to be transferred to Carloff. All previous Danish employees who were willing to accept a new job offer would be entitled to do so, and those who wanted to return home could. Furthermore, the employees were allowed to keep or to trade their belongings, including slaves, who could be sold at a fixed price on the coast. The commander (Smidt) and the upper factor (Canter) were allowed to either take employment with the WIC or to wait for a suitable moment to depart for Europe. The WIC would cover their daily expenses on the coast while they awaited transport. Smidt and Canter were also offered a bonus for their favours to the WIC (Smidt 5,000 Guilders, and Canter 4,000 Guilders). Canter returned to Europe late in 1659 with a significant quantity of gold, with which he meant to compensate Carloff for the surrender of the fort. However, Canter deposited the gold with the WIC, and the company only released it to Carloff after he had formally signed off the surrender of the fort.⁶⁷² In short, for Smidt and Canter, there were also financial and career motives behind the transfer. Employment in the WIC could provide them with new opportunities, and potentially greater stability than that offered by Carloff.

In the autumn of 1659, still unaware of the transfer on the coast, Carloff tried to maintain his balancing act in Europe. On 14 September 1659, de Swaen informed Carloff that he had become aware of his true intentions. According to de Swaen, he had already done more in Carloff's favour than his power of attorney allowed him to do, and he was not satisfied with what Carloff had done for him in return.⁶⁷³ Consequently, Carloff withdrew the power of attorney from de Swaen.⁶⁷⁴ Around

⁶⁷⁰ NL-HaNA, Staten-Generaal, 1.01.02, inv.nr. 12572.41, Samuel Smidt to Henrich Carloff, 31.07.1659; FC, N8, 189–191.

⁶⁷¹ This is a combination of capitulations from three different sources. NL-HaNA, Staten-Generaal, 1.01.02, inv.nr. 12571.38.1; NL-HaNA, Staten-Generaal, 1.01.02, inv.nr. 12571.36; NL-HaNA, Staten-Generaal, 1.01.02, inv.nr. 12572.41; FC, N8, 201–202.

⁶⁷² Porter, *European Activity*, 397; Brieven, confessie; mitsgaders, advisen van verscheyden rechtsgeleerden in de saeck van Isaac Coymans gegeven; als mede de sententie daer op gevolgt, (Rotterdam 1662).

⁶⁷³ NL-HaNA, Staten-Generaal, 1.01.02, inv.nr. 12572.41, Jan de Swaen to Carloff, 14.09.1659; FC, N8, 193.

⁶⁷⁴ NL-HaNA, Staten-Generaal, 1.01.02, inv.nr. 12572.41, Henrich Carloff to Jan de Swaen, 15.03.1659 (the withdrawal was added to the power of attorney document 04.10.1659); FC, N8, 171–173.

the same time, Carloff wrote to the upper factor Johan Canter, stating that he wanted to know about the state of affairs there.⁶⁷⁵ In another letter to Smidt, he wrote that he knew about four ships being equipped to sail to Guinea. According to Carloff, the WIC had received orders to treat Danish ships with respect.⁶⁷⁶ These letters demonstrate that Carloff was not aware of the current state of business in Western Africa. However, he continued to try to reconnect with his subordinates. This highlights how challenging it was to maintain connections with people at a distance through ineffective modes of communication.

The challenges of the networks in question can also be observed in a letter that Smidt wrote in April 1659 to Dirck Wilree, factor of the WIC.⁶⁷⁷ Smidt wrote that he had heard from Van Heussen that the Swedish had allied themselves with the English, and that a Swedish ship was sailing to the coast under a double commission. Smidt informed Wilree that Carloff had joined the English, and that he was going to attack Carolusborg with English support.⁶⁷⁸ Smidt also wrote that he had not heard from Carloff. This letter exemplifies the impact that unfounded rumours could have overseas; in fact, there was no proof that Carloff had made any kind of agreement with the English. Nevertheless, van Heussen had in effect convinced Smidt that Carloff had once again changed his loyalty. Indeed, Robert Porter has suggested that van Heussen had intercepted and confiscated incoming letters, and that Smidt had thus been unaware of Carloff's change of plans.⁶⁷⁹ It is impossible to know exactly what had happened and why events turned out as they did. However, the correspondence discussed above shows not only how difficult it was to balance between different networks, but also how difficult it was to navigate between different types of information produced within these networks.

Matters were further complicated by local issues. In a letter to the representatives of the SAC dated May 1659, Acrosan claimed to have been mistreated by Carloff and his men.⁶⁸⁰ In 1658, Carloff had promised that when he arrived on the coast, he would continue to improve trade with Acrosan and the Fetu. However, Acrosan had eventually understood that Carloff had broken his promises, and sold him a pack of lies. Indeed, this was the reason why Acrosan had conquered the fort when it was transferred to the WIC. He wished to remain loyal to the SAC, and to allow only the Swedish company to enter the fort. He confirmed that Carloff's behaviour was the reason for his decision, and that he would hand over the fort to a Swedish representative if one appeared within a year. In the meantime, he would be in charge. If the SAC did arrive within the stipulated period, they would only have to pay the monthly tribute and other customary gifts for the time that Acrosan had taken care of the fort. Whether Acrosan would have been able to keep his promises is unclear, since the SAC was unable to send ships to the coast by the time of the deadline.

Finally, in October, the first Glückstadt Company ship arrived on the coast. In charge was Joost Cramer, the previous business partner of Carloff in the SAC, who was now employed by the

⁶⁷⁵ Carloff sent the letter with Joost Cramer on the *St Marten* to the coast.

⁶⁷⁶ NL-HaNA, Staten-Generaal, 1.01.02, inv.nr. 12572.41, Carloff to Canter, 01.10.1659; FC, N8, 198.

⁶⁷⁷ Wilree would eventually become the Director-General of Elmina. He was also involved in the transfer of the fort.

⁶⁷⁸ RAC, TKUA, Nederlanderne: akter vedr. Det politiska forhold, 1660-1665, Samuel Smidt to Dirck Wilree, On 18.04.1659; FC N8, 203.

⁶⁷⁹ Porter, *European Activity*, 394.

⁶⁸⁰ NL-HaNA, Staten-Generaal, 1.01.02, inv.nr. 12571.38.1, Jan Claessen (Acrosan) to the directors of the SAC, 29.05.1659; FC, N8, 215.

Glückstadt Company.⁶⁸¹ Cramer soon realised what had happened in April, and found himself unable to enter Fort Carolusborg. Cramer did not manage to claim Carolusborg for the Glückstadt Company, but did receive Acrosan's permission to build another fort further east on the coast. Cramer tried to protest against the WIC, but in vain. Over the subsequent years, the Cape Coast would remain a contested region.⁶⁸² The WIC remained a strong power on the Gold Coast, and the English and the Danish also managed to establish permanent settlements. The SAC also tried once more to establish itself, but eventually left the coast having had little success.

To conclude, this section has emphasised the difficulties that Carloff faced on the Gold Coast during the years 1657–1659. He had attacked his former employer the SAC, under Danish protection, and supported with Dutch capital. Thereafter, he had played a double role, offering his loyalty to both the WIC and the Danish officials. At first, he was unsure what the Danes could offer him. In the context of the Swedish wars, siding with the Danes might have seemed a less attractive prospect than simply surrendering the fort to the WIC. Therefore, Carloff decided to surrender the fort to the WIC, but at the same time to keep negotiating with Danish officials about the possibility of trading in Western Africa under Danish protection. The negotiations with the Danes dragged on, probably because of the war with Sweden, and Carloff ultimately failed to send ships to the Cape Coast. Smidt, due to other reasons, interpreted the situation as Carloff having failed in his enterprise, and therefore decided to transfer the fort to the WIC. Because of the slow flow of information, Carloff was completely oblivious of Smidt's decision, and continued planning his future business with the Danes.

Eventually, Carloff realised that his opportunities on the Cape Coast had evaporated, and that even his former ally Acrosan had abandoned him. During a subsequent dispute between the WIC and the Glückstadt Company (1662–1665), Carloff took the side of the WIC, and openly declared that the Glückstadt Company had been a sham. He was pressured to pick a side so as to avoid being accused of treason (at the time, he resided in Amsterdam). He even managed to keep the gold that he had stolen from the SAC. However, Carloff no longer returned to the Gold Coast.

This section has shown that Carloff ultimately failed to balance his connections. However, at the same time, it has demonstrated just how fragile these social connections were for all Europeans. Furthermore, the section has shown the ways in which the European political context had an impact on how individuals perceived business opportunities. In short, the different modes of agency between competitors and collaborators on the coast could change almost overnight, with serious implications for the balance of business networks, and ultimately for the trading companies themselves. Indeed, this made business uncertain, and even chaotic, a fact of which the individuals concerned were abundantly aware.

4.9 Conclusion

This chapter has argued that although people in the seventeenth century did not use the term “networks”, they were, nonetheless, aware of the different sets of connections that linked them personally to others. As such, the management and optimal balancing of connections was crucial to

⁶⁸¹ NL-HaNA, OWIC, 1.05.01.01, inv.nr. 13A, Joost Cramer to Casper Van Heussen, 11.10.1659, 461–465 (scan 463–467); FC, N8, 221–222.

⁶⁸² NL-HaNA, OWIC, 1.05.01.01, inv.nr. 13A, Joost Cramer to Casper Van Heussen, 11.10.1659, 461–465 (scan 463–467); FC, N8, 221–222; NL-HaNA, OWIC, 1.05.01.01, inv.nr. 13A, Casper Van Heussen to Joost Cramer, 22.10.1659, 466–475. (scans, 468–477); FC, N8, 223–225.

career opportunities and economic success. Business and exchanges, in Europe and overseas, included several competing, overlapping and collaborating networks, which could change quickly if their participants decided to enter, leave, support or even betray a network.

This chapter has explained why balancing different connections was important in overseas entrepreneurship. Leyel not only had to manage the accounts and books of the company, but also had to please local rulers and merchants in order to maintain effective trading relationships. He managed these connections by instructing company employees and local merchants, who were directly or indirectly involved with the DEIC. Through Leyel, several overlapping business networks became intertwined. The experiences of Leyel and Carloff also show that relationships with local rulers and merchants were crucial. Local business relationships were built upon the promise of selling goods at low prices in the local market, paying tributes, offering lavish gifts, and obeying local rulers. As such, the local relationships of individuals were key to the success of the companies they served.

Carloff's involvement in ghost investing shows how the interests of individuals alternately coexisted and conflicted with those of the trading companies. A study of the investments made through the Glückstadt Company shows how complex systems were devised in order to circumvent the privileges of chartered companies, in this case, the WIC. These systems were operated through both individuals and interest groups. As has previously been noted, in the Nordic context, overseas entrepreneurship required coexistence between the trading companies and individuals on almost an equal footing. In addition, the interests of the various individuals were important either within, or in relation to, the local trading systems and networks in which they operated.

Carloff, who balanced between his own interests and those of the Danish, the Swedish and the Dutch, provides a good example. However, through close study of the challenges that such individuals faced, it becomes apparent that these connections were extremely fragile. The ruthlessness of seventeenth-century overseas business stemmed from the way in which relationships could be transformed almost overnight. Without good relationships with local rulers, European merchants and employees were at the mercy of their rivals. Here, the difference between Leyel and Carloff was that Leyel was more isolated and forced to survive with only a few men, with whom he ultimately failed to reach a mutual understanding. His relationships with the Nielsens and Hansen show this well: one day, he appointed them as acting governors or factors, and the next day, they conspired to overthrow him. The explanation is that Leyel represented the interests of the king, and simultaneously collaborated with local merchants, both of which were disliked by the other company employees. Carloff, on the other hand, was moving back and forth between Europe and Africa, and was more closely connected to his European networks. In the end, Leyel remained loyal to the king, whereas Carloff switched his allegiance multiple times. Leyel hoped that his loyalty would bring him upward social mobility, whereas Carloff was in a different position, and demonstrated no enduring loyalty to any monarch, or indeed, to anyone at all.

This chapter has also demonstrated that Leyel and Carloff often chose to act in an individualistic fashion. In particular, they were unable to maintain any inner coherence in the social relationships within the companies. The fact that both men had problems with the companies they worked for suggests, on the one hand, that they failed to develop their social connections within the companies effectively. On the other hand, it suggests that the companies were not harmonious enterprises, but were rather riven by conflicts of interest between the various employees.

Choosing the right business associates is crucial for an individual entrepreneur. Indeed, this choice says much about the individual's capacity to interpret his social environment. The choice of

connections is based on the individual's evaluation of the potential benefits, which again indicates the individual's intentions. If the intention is understood, it becomes clearer why individuals choose to connect with some and not with others.⁶⁸³ In my view, this approach can shed new light on the concepts and uses of trust and loyalty. When Leyel and Carloff faced questions regarding the loyalty and trust of others, they unconsciously signalled that they too were subject to chains of trust and loyalty. The people involved in overseas trade were aware of how quickly loyalty could shift, and knew that trust was a vague, rhetorical matter. In the end, Leyel and Carloff ultimately failed to balance the networks they were supposed to connect. Leyel was overthrown in a mutiny, and Smidt handed Carolusborg over to the WIC just as Carloff had decided that the fort should not be transferred to them after all. Trust was fluid and negotiable, as was the line between loyalty and betrayal.

Both Leyel and Carloff were indeed moving like spiders in a web. The cases studied above show just how difficult it was to balance different interests in an overseas business context. As for the spiders, the web served as a means to draw in and trap what they sought. For both Leyel and Carloff, their connections were worth pursuing, but eventually the webs became too complex, ultimately causing the threads to break.

⁶⁸³ Mark Casson, *Entrepreneurship*, 24–26.