

## DUTCH STRATEGIES AND THE *ESTADO DA ÍNDIA*

ERNST VAN VEEN\*

### Introduction

For about three-hundred and fifty years the Dutch were actively involved in Asian politics, warfare and business. Their decision makers and people 'on the spot' were supposed to be guided by strategies that were devised either in The Netherlands or in their Asian centre of control. However, in an era when communication could go no quicker than a sailing ship, their actions were often the opposite of what the strategies suggested. Establishing the right alliances and managing the logistics of money, manpower and hardware to be available at the right time and at the right place was far more difficult than could be visualized in the far-away home country. During the first half of the 17<sup>th</sup> century the objectives of the Dutch United East Indies Company (VOC) were the profitability of its business and, at the same time, warfare against the Iberians. This article disentangles the various strategies that resulted from that situation and describes their degree of failure and success.

### The Early Voyages

The Dutch began to show their first interest in Asia in the early 1590's, the time when the return fleets of the Portuguese *Carreira da Índia* suffered heavy losses and most of the spices that arrived in Lisbon were sold to Hamburg.<sup>1</sup>

---

\* Wassenaar (The Netherlands).

<sup>1</sup> Peter Thomas Rooney, "Habsburg fiscal policies in Portugal 1580-1640" in *Journal of European Economic History* 23, (1994) p. 548; H. Kellenbenz, "Autour de 1600: Le commerce du poivre des Fugger et le marché international du poivre" in *Annales, Economies-Sociétés-Civilisations* 11 (1956), pp. 1-28; James C. Boyajian, *Portuguese trade in Asia under the Habsburgs*,

The first Dutch fleet via the Cape of Good Hope left The Netherlands in 1595 and the next seven years saw the formation of nine private companies and their gradual amalgamation into one, the VOC. In the period to 1602 some 66 ships departed for the Indies, of which 49 returned.<sup>2</sup> The entrepreneurs, mainly immigrants from Flanders and Brabant, had only one objective: to make a good profit on Asian spices and Chinese goods. Their general strategy was to avoid the places where the position of the *Estado da Índia* was strong, to divide the fleets over the different primary sources of supply, i.e. Banten, Aceh and Patani for pepper, Amboina or the other Moluccan islands for cloves and the Banda islands for nutmeg and mace, and, if necessary move from one place to another to ensure full cargo's. Several attempts were made to obtain access to China, but they failed due to the resistance of the Portuguese private merchants there by for many years the Dutch had to buy their silk and other Chinese goods from the junks calling at Patani, Ayutthaya and Banten.<sup>3</sup>

The voyages received the material and formal support of the States-General of the United Provinces and of Prince Maurits, the high commander of the army and the Admiralty, because they fitted into their general strategy to thwart the Iberians wherever they could. In their view, after Philip II of Castile had become king of Portugal, all his Portuguese subjects had become 'the enemy' and warfare and privateering against the Iberians anywhere in the world would be beneficial for the outcome of the revolt in the Netherlands. Before departure each individual captain was given a letter, a so-called commission, which specified his obligations and rights. Although it was not an objective in itself, these commissions became increasingly more supportive of privateering against the subjects of the King of Spain. When they had the chance and the time the captains used this prerogative and the most famous examples during this early period were the capture of the *Santiago* near St. Helena and the *Santa Catarina* incident near Johore.<sup>4</sup>

1580-1640, Baltimore/London, 1993, p. 248; Ernst van Veen, *Decay or Defeat?: An inquiry into the Portuguese decline in Asia 1580-1645*, Leiden, 2000, p. 125.

<sup>2</sup> J. R. Bruijn, F. S. Gaastra, I. Schöffer, *Dutch-Asiatic shipping in the 17<sup>th</sup> and 18<sup>th</sup> centuries*, vol. I, The Hague, 1987.

<sup>3</sup> Ernst van Veen, "Dutch Trade and Navigation in the South China Sea during the 17<sup>th</sup> century" in *Revista de Cultura*, International Edition, 11, 2004, pp. 115-135.

<sup>4</sup> Paulo Guinote, Eduardo Frutuoso, António Lopes, *Naufrágios e outras Perdas da "Carreira de Índia": séculos XVI e XVII*, Lisboa, 1998, pp. 232, 372-376. Peter Borschberg, "Luso-Johor-Dutch relations in the Straits of Malacca and Singapore, ca. 1600-1623" in Ernst van Veen, Leonard Blussé (eds.), *Rivalry and Conflict: European Traders and Asian Trading Networks in the 16<sup>th</sup> and 17<sup>th</sup> Centuries*, Leiden, 2005, pp. 188-218. Peter Borschberg, "The Seizure of the *Santa Catarina* Revisited: The Portuguese Empire in Asia, VOC Politics and the Origins of the Dutch-Johor Alliance (1602-c.1616)" in *Journal of Southeast Asian Studies*, 33, 2002, pp. 31-62.

### The First Four VOC Voyages

The VOC obtained its first charter in 1602. It had a duration of 21 years and stipulated that it would be the only company in the Netherlands that would be allowed to sail to the Indies and that it would have the right to establish fortifications, appoint governors, maintain an army and conclude treaties. Effectively, the VOC became a state outside the State.

For the States-General the advantages were clear: it was easier to keep one single company in line with their own strategy, its fleet could be used to support the country's fleet against the Spanish, the revenues from convoys and licenses and the trade with neighbouring countries would increase, it would create continuous employment and they thought that the King of Spain would be obliged to redirect part of his war efforts from the United Provinces to Asia.<sup>5</sup> With the ideology of Hugo Grotius in their minds, privateering presented not only an additional source of income, but also a legal means of warfare.<sup>6</sup> Rather than avoiding the locations where the Portuguese were in a strong position, the directors of the VOC were told that they should '... sail with bigger vessels, well manned and armed, so that they could not only trade freely, but also do damage to the enemy in those quarters and protect the people with whom they were trading...'.<sup>7</sup>

The intentions of the States-General were fully reflected in the VOC directors' instructions to the commander of the first fleet that sailed on account of the VOC, Steven van der Haghen, who departed in 1603 with twelve ships, "... we are obliged to take the offensive, in whatever manner, against the Spaniards, Portuguese and their allies. This in order to protect our people, the inhabitants of the islands and our other friends, also to the advantage and security of the East India trade".<sup>8</sup> He was ordered to position his fleet near Mozambique to attack the Portuguese ships coming from Lisbon, to show the flag near Goa and along the Malabar coast, to sink and burn Portuguese ships he met along

<sup>5</sup> S. van Brakel, *De Hollandsche handelscompagnieën der zeventiende eeuw*, The Hague, 1908, pp. 20-21.

<sup>6</sup> Hugo Grotius, G. L. Williams (transl.), *De jure praedae commentaries*, Oxford, 1950, 2 vols.; E. van Veen, *Decay or defeat? ...*, p. 157; Peter Borschberg, "«Hugo Grotius» Theory of Trans-Oceanic Trade Regulation; Revisiting *Mare Liberum* (1609)" in *Itinerario* 29, Leiden, 2005 n° 3, 31-53.

<sup>7</sup> Pieter van Dam, F. W. Stapel (ed.), *Beschrijvinge van de Oostindische compagnie*, I-II, The Hague 1929, pp. 484-485; *Resolutiën der Staten Generaal van 1576 tot 1609*, The Hague, 1910-1970, vol. 12, pp. 625-627.

<sup>8</sup> H. Hoogenberk, *De rechtsvoorschriften voor de vaart op Oost-Indië 1595-1620*, Utrecht, 1940, pp. 73-74; J. K. J. de Jonge (ed.), *De opkomst van het Nederlandsch gezag in Oost-Indië*, The Hague, 1862-1909, vol. III, p. 29; Hans den Haan, *Moedernegotie en grote vaart. Een studie over de expansie van het Hollandse handelskapitaal in de 16<sup>e</sup> en 17<sup>e</sup> eeuw*, Amsterdam, 1977, pp. 103-104.

the Indian coasts, to set up Johore against Malacca and to clear the Moluccas of Spaniards and Portuguese. In the process, his fleet visited Cananor, signed a contract for future military support with the Samorim of Calicut, demonstrated its full firing power when passing the Colombo fort (which had only two pieces of artillery), one of its ships sailed from Aceh to Masulipatnam and finally in 1605 the fleet ended up at Amboina where the Portuguese surrendered their fort and the Christian village heads took the oath of loyalty towards the States-General. A visit to Banda resulted in the re-establishment of a few trading posts and a contract which gave the VOC the monopoly on the export of nutmeg and mace and a similar arrangement was made with the rulers of the independent clove producing island of Hitu. Tidore was also conquered but was left undefended and anti-Portuguese Ternate, the ally, was left with a small Dutch presence. In 1606 the Spaniards from Manila occupied both islands.

The next invasion by Cornelis Matelieff, admiral of the next VOC fleet of 1605 with twelve ships, was mainly concentrated on South East Asia. It produced a failed attack on Malacca, a contract with Johore for its defence against Malacca in exchange for the right to establish a factory, a new contract with Aceh stipulating the exclusive sales of pepper, a visit to China that failed, and another visit to Coromandel. His re-conquest of a part of Ternate resulted in a treaty of friendship and mutual military assistance with the sultan, the establishment of several forts on the island and the promise to deliver all cloves from his territory to the VOC.

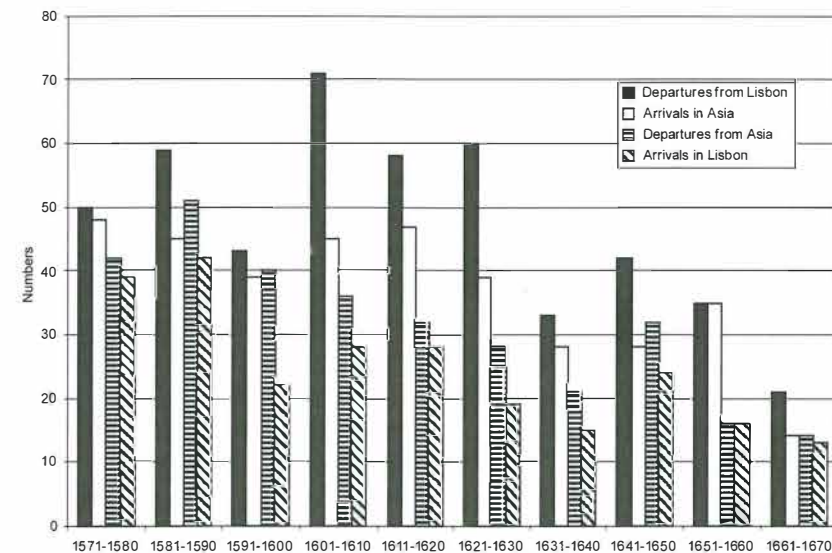
The next voyages of Van Caerden (1606, with eight ships) and Verhoeff (1607, with thirteen ships) were also aiming at Mozambique, the Indian Ocean and South East Asia. The Dutch were enjoying a good overdose of *hubris* and again they created a lot of noise and hot air in the Indian Ocean, in the Malacca Straits and even around Manila.

However, either as part of a war or a business strategy the first four voyages failed almost completely. In the first place, of the total of 45 ships that departed from the Netherlands, including the smaller yachts, six were lost due to warfare, seven due to other causes, six stayed in the Indies of which two were lost shortly thereafter and 26 arrived back in the Netherlands. Their attacks on Portuguese shipping caused the loss of only four ships of the *Carreira da Índia* and a few vessels along the west coast of the Indian continent.<sup>9</sup> In the battle in the Malacca Straits between the fleets of Matelieff and Viceroy D. Martim Afonso de Castro both sides lost two ships. The Dutch apparently never asked themselves the question what they would do with Mozambique or Malacca, had they conquered these places or what would happen with Tidore after they had left it.

<sup>9</sup> The effects on the *Carreira da Índia* were thoroughly analysed by André Alexandre Martins Murteira, *A Carreira da Índia e o Corso Neerlandês 1595-1625*, Dissertação de Mestrado em História dos Descobrimentos e da Expansão Portuguesa (séculos XV-XVIII), Universidade Nova de Lisboa, 2006, Unpublished.

Most historians see the occupancy of the fort at Amboina as a great success for the Dutch, but the Christian area of Amboina occupied by the Dutch did not grow any cloves. Moreover, the contracts with the rulers of Ternate, Hitu and Banda were supposed to assure the exclusive sale of cloves, nutmeg and mace to the VOC, but the indigenous rulers had hardly any control over their subjects and their trade with the European competition. As a result, the Portuguese merchants who had escaped to Macassar, and the presence of English and French traders and the Spanish made these contracts useless pieces of paper.<sup>10</sup>

Graph 1. *Carreira da Índia*, numbers of ships



### Politics and Business

On the European side of the business the situation was not much better. Although in the 1590's the average tonnage per ship of the *Carreira da Índia* had been increased, the number of ships returning had declined considerably, but from 1600 until the mid 1620's it was in full swing again.<sup>11</sup> The arrival of

<sup>10</sup> G. J. Knaap, *Kruidnagelen en Christenen; De Verenigde Oost-Indische Compagnie en de bevolking van Ambon 1656-1696*, Leiden, 2004, pp. 19-29; G. J. Knaap, "De Ambonse eilanden tussen twee mogendheden; De VOC en Ternate, 1605-1656" in E. Locher-Scholten and P. J. A. N. Rietbergen (eds.), *Hof en Handel; Aziatische vorsten en de VOC 1620-1720*, Leiden, 2004, pp. 35-58.

<sup>11</sup> The data for the graphs concerning the *Carreira da Índia* have been borrowed from Vitorino Magalhães Godinho, *Os descobrimentos e a economia mundial*, vol. 3, Lisboa, 1991, p. 49; António Lopes, Eduardo Frutuoso, Paulo Guinote, "O movimento da Carreira da Índia

six carracks in 1600 caused the price of pepper in Lisbon, which had been 2,42 guilders per kilogram in the 1580's,<sup>12</sup> to fall to 1,75 guilders per kilogram. In the course of 1607 three carracks arrived with a total pepper cargo of 500,000 kilograms, which caused the price to drop further to 1,65 guilders per kilogram.<sup>13</sup>

In the Netherlands, in the period 1603-1604, the fleet of Heemskerck delivered some 700,000 kilograms of pepper, and the asking price was still 2,31 guilders per kilogram.<sup>14</sup> In 1607, in response to the lower price in Lisbon, the price in Amsterdam was lowered by almost twenty percent to 1,89 guilders per kilogram. In 1610 a large part of the pepper brought back by the fleet of Van Warwijck, which had returned in the years 1604-1607, was still stored in the warehouse. It was offered against a price that was another twenty percent lower, 1,44 guilders per kilogram, payable after 15 months.<sup>15</sup>

Clearly, the European markets had insufficient demand to absorb the quantities of pepper and Moluccan spices imported via Alexandria and through Lisbon, Amsterdam and London.<sup>16</sup> In the Dutch Republic, the first ones to suffer were the VOC shareholders. Their first dividend in 1610 was paid in the form of mace and pepper, in 1611 there was no dividend at all and in 1612 it was paid in the form of nutmeg. By the end of that year three hundred participants had sold their shares.<sup>17</sup> Obviously something had to be done about the supply and demand situation in Asia and Europe. One VOC strategy was to come to an agreement with the English Indian Company on cooperation in warfare and in product

---

nos sécs. XVI-XVIII. Revisão e propostas" in *Mare Liberum* 4 (1992), pp. 187-265 en T. Bentley Duncan, "Navigation between Portugal and Asia in the sixteenth and seventeenth centuries" in E. J. van Kley and C. K. Pullapilly (eds.), *Asia and the West. Encounters and exchanges from the age of exploration*, Notre Dame, Indiana, 1986, pp. 3-25. The VOC data have been borrowed from J. R. Bruijn, F. S. Gaastra, I. Schöffer, *Dutch-Asiatic shipping in the 17<sup>th</sup> and 18<sup>th</sup> centuries*, vol. 1, The Hague, 1987, pp. 163-164, 174, 177. For a good overview of the data of V. Magalhães Godinho and of J. R. Bruijn, F. S. Gaastra and I. Schöffer, see J. R. Bruijn, F. S. Gaastra, *Ships, sailors and spices. East India Companies and their shipping in the 16<sup>th</sup>, 17<sup>th</sup> and 18<sup>th</sup> century*, Amsterdam, 1993. Data on Portuguese tonnages have to be used with great care, but nevertheless they give a reasonable picture of the history of the Portuguese navigation to India in comparison with the VOC.

<sup>12</sup> In Portugal the prices of spices were mainly given in *cruzados* per *quintal*, in the Netherlands in Flemish *groten* per pound. To make easy comparison possible, these prices have been converted on the basis of the silver content of the coins at that time into Dutch guilders per kilogram.

<sup>13</sup> Vitorino Magalhães Godinho, "Finanças públicas e estrutura do Estado" in Joel Serrão (ed.), *Dicionário de História de Portugal*, vol. III, Porto, 1981, pp. 37-38; Gemeente Archief Amsterdam Not. Archief 107, fls. 226v-228.

<sup>14</sup> P. van Dam, F. W. Stapel (ed.), *Beschrijvinge...*, I, 1, The Hague, 1927, p. 147.

<sup>15</sup> P. van Dam, F. W. Stapel (ed.), *Beschrijvinge...*, I, II, pp. 148-149.

<sup>16</sup> Ernst van Veen, "VOC Strategies in the Far East (1605-1640)" in *Bulletin of Portuguese/Japanese Studies*, 3 (2001), p. 90.

<sup>17</sup> H. den Haan, *Moedernegotie...*, p. 122.

sharing. Another, to flood the Mediterranean markets with spices against such a low price or favourable payment conditions, that it would stop the European competition and the overland supply of these products via Alexandria.<sup>18</sup>

Another problem the Dutch encountered, in the Moluccan islands as well as in Banten, was that the value of the silver they brought from Europe, depended on the supply and demand situation for this metal, whereas the Asian and Portuguese competitors were able to barter with the highly regarded Indian textiles from Gujarat and Coromandel. As they became aware of this, the Dutch began to talk about Coromandel as being the 'left arm' of the Moluccas. Their attempts to set foot in Pulicat were initially thwarted by the Portuguese private merchants of São Thomé de Meliapur, the *Estado* and the local governor, but by diplomatic manoeuvring at the court of the *nayak*, around 1615 the Dutch were able to firmly establish themselves in a new fort in Pulicat and in two additional factories in Teganapatam and Petapuli. From here and Masulipatnam they could make their first steps into the intra-Asian trade,<sup>19</sup> and, attracted by the slave trade, in the 1620s the first Dutch ships appeared in Arakan. As we shall see hereafter, in the 1630s the VOC was allowed to establish its first factory in Bengal.<sup>20</sup>

### War as a Business

For the VOC directors the monopoly or monopsony on Moluccan spices had become an obsession and monopolistic endeavour, if necessary by the use of force, the cornerstone in the VOC strategic thinking. The directors of the VOC were therefore not at all in favour of the Twelve years' Truce (1609-1621). Quite the contrary, in 1608 a special order was sent to Admiral Verhoeff: 'the islands of Banda and the Moluccas is the principle target we are aiming for, either by treaty or force, they have to be in our possession before 1 September 1609'.<sup>21</sup> However, under the circumstances, without continued support from the States-General this was a difficult target. So, as soon as the war in Europe had come to a standstill, the VOC directors began to pay regular visits to the States-General to complain about the Portuguese who did not seem to adhere to the Truce, about

---

<sup>18</sup> Jonathan I. Israel, "The Phases of the Dutch Straetvaart, 1590-1713. A Chapter in the Economic history of the Mediterranean" in Pieter Emmer, Femme Gaastra (eds.), *The organisation of interoceanic trade in European Expansion, 1450-1800*, Variorum, Aldershot, 1996, pp. 157-186.

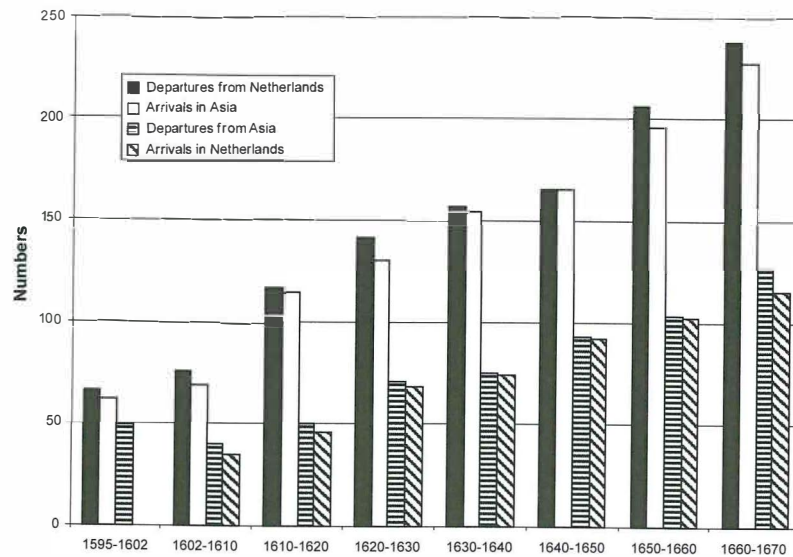
<sup>19</sup> Sanjay Subrahmanyam, *The political economy of commerce. Southern India 1500-1650*, Cambridge 1990, pp. 166-173, 206-218, 314-322.

<sup>20</sup> Sanjay Subrahmanyam, *Explorations in Connected History; From the Tagus to the Ganges*, New Delhi, 2005, p. 208.

<sup>21</sup> H. T. Colenbrander, *Jan Pietersz. Coen; Bescheiden omtrent zijn bedrijf in Indië*, The Hague, 1919-1934, vol. VII, p. 37.

Spanish attacks on the Moluccas and other Spanish aggression.<sup>22</sup> The VOC shipping data confirm that their continued insistence on more ships and more money met with success.

Graph 2. VOC, numbers of ships



In the years 1602-1610 the number of ships that left for the Indies amounted to 76, of which 35 returned in the Netherlands. In the period 1610-1620 these numbers amounted to 117 and 46 and during the next decade (1620-1630) they were 141 and 68 respectively. In 1610 the Company possessed seven fortresses, nine ships, six hundred soldiers and five hundred sailors in Asia. In 1623 these numbers had increased to twenty-one fortresses, more than one hundred ships and about two thousand civil and military personnel.<sup>23</sup> So, apart from the few losses and the replacement of old vessels, over the years a considerable built-up of maritime and military power was taking place.<sup>24</sup> This process was greatly enhanced by the discovery in 1611 of a new route to the Indies: from Cape of Good Hope in a southerly direction to 35-40 degrees latitude, then continuing in an easterly direction until pilots thought to have reached the meridian of the Sunda Straits and from there in a northerly direction. It went through a colder and therefore healthier climate and shortened the duration of the voyage.

<sup>22</sup> *Resolutiën der Staten Generaal Nieuwe Reeks van 1610 tot 1624*, The Hague, 1971-1989, vol. 1, pp. 254, 350, 694, 701, 703. See also H. den Haan, *Moedernegotie...*, p. 119.

<sup>23</sup> P. van Dam, F. W. Stapel (ed.), *Beschrijvinge...*, pp. 1, 2, 525-526 and H. T. Colenbrander, *Jan Pietersz. Coen...*, vol. IV, pp. 577-601.

<sup>24</sup> Kees Zandvliet, "Vestingbouw in de Oost" in Gerrit Knaap, Ger Teitler, *De Verenigde Oost-Indische Compagnie*, pp. 151-180.

As we will see hereafter, the maritime strength was used mainly in confrontations with the Spaniards around the Philippines and the Moluccan islands, in privateering and blockades of Goa and to participate in the intra-Asian trade.

Included in the numbers mentioned above was a VOC war fleet, which arrived in the Indies in 1613. More or less simultaneously the Spanish, keeping themselves well informed, were sending two galleons and six caravels to the Philippines via the *Carreira da Índia* to support Don Juan de Silva who was preparing the largest armada ever in Manila of sixteen big galleons for an attack on Banten and the Dutch positions on Banda, Amboina and Ternate. However, because he met considerable administrative opposition to his plans, De Silva could only leave in February 1616. So when in October 1615 Steven van der Haghen brought his part of the war fleet from Banten to Malacca, De Silva had not arrived yet and when he arrived Van der Haghen had already left for the Moluccas. In the meantime Joris van Spilbergen had been sailing around the Strait of Magellan and along the West coast of South America with the intention to do as much damage as possible to the Spanish and to meet De Silva's fleet in Manila, but when he arrived there he was informed that De Silva had already left for the Moluccas. After De Silva finally arrived in Malacca he caught dysentery and died. His fleet returned to Manila. So, what was probably going to be 'the mother of all sea battles' in Asia became a total non-event. The situation just described was rather typical for the sea warfare and privateering activities in those days. Due to non-existence of direct communication, delays in arrivals, too early departures and wrong decisions, many opportunities were missed.<sup>25</sup>

One of the strategies could have been the interruption of the flow of Asian products to Lisbon, but as already demonstrated above, as far as the *Carreira da Índia* was concerned, the effectiveness of war at sea was very limited. A blockade of Lisbon was only possible with a strong fleet; Goa had the disadvantage that, until 1636, there was no refreshment station nearby and when they passed St. Helena the Dutch captains were not keen on risking their cargoes. Mozambique channel offered the best chances, but waiting for the Portuguese carracks to appear took a lot of patience. As we have seen above, between 1602 and 1609 the first four VOC fleets were not able to capture or destroy more than four ships of the *Carreira da Índia*.

During the years 1621-1623 something like thirty Dutch ships were engaged in blockades and privateering activities, in co-operation with the English Indian Company. Besides the Philippines their target was Goa and the Indian Ocean, where they used Surat as a refreshment station. According to the Dutch reports, their blockade of Goa from December 1622 until April 1623 delayed the departure of seven ships of the *Carreira* return fleet,<sup>26</sup> but according to Portuguese

<sup>25</sup> E. van Veen, *Decay or Defeat?...*, pp. 188-190.

<sup>26</sup> Rijksarchief, The Hague (RA), VOC inv.1078 fo.1-3, 8, 396-400; inv. 1076, fl. 288.

sources six of those were in bad condition or without rigging, so that they could not sail anyway.<sup>27</sup> Their greatest success was the disaster inflicted upon the Portuguese fleet with the re-appointed viceroy Francisco da Gama and 200,000 *cruzados* on board near the coast of Mozambique in July 1622. Three of his ships and the greater part of the silver were lost.<sup>28</sup> In later years it was only occasionally that *Carreira* vessels were taken.<sup>29</sup>

Privateering was most successful against the Portuguese trade via Macassar, the Chinese trade with the Philippines and against other Portuguese and indigenous shipments South and East of the Indian continent. During the first twenty years between one hundred and fifty and two hundred prizes were taken. The estimated total gross revenue at the auctions was 10-20 million guilders, but this did not take in account the costs and losses of the ships and their crews and the percentages to be paid to the State, His Excellency the Prince and the officers and their crews.<sup>30</sup>

Towards the end of the charter and the Truce (1621) the total assets of the VOC were valued at almost 6,5 million guilders, but its debt amounted to 8 million guilders. Whereas Amsterdam merchants with a good reputation normally paid 3 to 4½ percent interest on their debts, the VOC had to pay 6¼ percent.<sup>31</sup> The participants were generally of the opinion that the VOC charter should not be renewed; they wanted to distribute the cloves amongst themselves and have their money back. However, the directors did not want to give up, no doubt out of personal interest, and so, as they said 'in view of the obligations towards the Indians, the costs made so far and the fact that the enemy would use the forts left behind' they requested another round of subsidies.

### Politics and Business Strategy

Except for the interest it took in defending the Portuguese positions on the Coromandel coast, so far the *Estado da Índia* has been hardly mentioned because, after the first four fleets, for a long time the Dutch aggression was not directed against the *Estado* itself. So, let us now turn to the Indian Ocean. In South East Asia, the Far East and the East Coast of India the Dutch were the main European competitor of the indigenous and private Portuguese trade. However, along the West coast of India and in Iran it was initially the English

<sup>27</sup> A. Murteira, *A Carreira da Índia...*, pp. 122-123.

<sup>28</sup> E. van Veen, *Decay or Defeat?*..., p. 76 note 79; *ibidem*, pp. 80-81; A. Murteira, *A Carreira da Índia...*, pp. 101-104, 110-117.

<sup>29</sup> P. Guinote *et al.*, *Naufregios...*, pp. 248-258.

<sup>30</sup> Victor Enthoven, *Zeeland en de opkomst van de Republiek. Handel en strijd in de Scheldedelta c.1550-1621*, Leiden, 1996, pp. 212-213.

<sup>31</sup> Om Prakash, *Precious Metals and Commerce. The East India Company in the Indian Ocean Trade*, Aldershot/Hampshire, Variorum, 1994, vol. I, p. 191.

India Company that took the lead, developing diplomatic channels to the courts and seeking permission to set up trading posts. Notwithstanding Portuguese resistance, in 1612 Shah Jehangir allowed the English to set up a factory in Surat, the most important port of the Mughal empire and the largest coastal city along the western coast of India. Thanks to the diplomatic efforts of Sir Thomas Roe, by 1617 they received official permission to establish factories in several other places. A year later the Dutch also received permission to trade with a *firman* from prince sultan Khurram, the future Shah Jahan, who was no great friend of the Portuguese.<sup>32</sup> As mentioned earlier, the Basin of Suali near Surat became the basis for the individual and combined English and Dutch fleets privateering against Portuguese vessels near Hormuz and along the coast of India and for the first blockade of Goa. Surat itself became one of the nodal points in the intra-Asian trade of the VOC, exporting cloths and importing spices.<sup>33</sup>

In Iran, in 1619 Shah Abbas had made the silk trade a state monopoly and there were rumours that the VOC was planning to establish factories in Isfahan and other Persian cities. Playing the European companies against each other, in late 1621 the Shah got the English India Company to agree to a military alliance against the Portuguese at Hormuz. The loss of Hormuz in 1622 was a considerable blow to the *Estado da Índia* – at that time its revenues represented more than 18 percent of the total, the expenditures a little more than 12 percent.<sup>34</sup> Afterwards, in 1627, Shah Abbas signed a contract with the VOC. For both companies the Persian silk trade became a disappointment, the Shah required either cash or firearms and canon in payment for his silk, and for Iran the overland route to the West organised by the Armenians, remained more attractive than the Gulf.<sup>35</sup>

Bengal was another area where English diplomacy prevailed. The Moghul attack on Hughli in 1632 caused a serious setback for both the *Estado* and the Portuguese private intra-Asian trade. The Dutch were keen to take over, but their efforts were undermined by the English competitors. They had to wait four years to obtain the official *firman* from the Great Moghul for free passage and free trade in Bengal. However, because of the hostility of the local merchants and authorities, they moved their factory very soon to Pipli in Orissa.<sup>36</sup>

<sup>32</sup> RA 1.04.02 inv. 1072, fls. 215-216; inv. 1070, fls. 445-451; inv. 1068, fl. 438.

<sup>33</sup> O. Prakash, *Precious Metals...*, vol. II, pp. 107-126.

<sup>34</sup> Artur Teodoro de Matos, "A situação financeira do Estado da Índia na período Filipino (1581-1635)" in *Na Rota da Índia. Estudos de História da Expansão Portuguesa*, Macau, 1994, pp. 61-81; A. R. Disney, *Twilight of the pepper empire. Portuguese trade in Southwest India in the early seventeenth century*, Cambridge Mass./London, 1978, pp. 54-55.

<sup>35</sup> Andrew J. Newman, *Safavid Iran. Rebirth of a Persian Empire*, London/New York, 2006, pp. 61-63.

<sup>36</sup> Om Prakash, "The Dutch East India Company in Bengal: Trade Privileges and Problems, 1633-1712" in *Precious Metals...*, vol. III, pp. 258-267.

## The Empire Builders

When Matelieff returned to the Netherlands he had already recommended the establishment of a central *rendezvous* and the appointment of one single commander of all VOC operations in Asia "to bring order and discipline amongst the seafaring officers and merchants". The appointment of a Governor-General and his Council since 1609 and the establishment of a central office in Batavia in 1619 had important side effects. It set in motion some 180 years of regular correspondence, between the various VOC settlements and his office and between his office and the directors in Amsterdam. However, as far as decision making was concerned, the correspondence had the great deficiency that urgent letters could take 7-9 months to reach their destination. Consequently, it was very difficult for the Amsterdam directors to keep the ambitious empire builders amongst their Governors-General under control. The governors, captains or merchants in the VOC hierarchy were people who were used to taking their own decisions and, on the highest level, Governors-General would develop their own strategies. As a result, the instructions coming from Amsterdam and the actions taken in Asia were very often in complete contradiction with each other and, after the event, the directors could not but accept the final outcome.

The most well-known example is Jan Pietersz. Coen. He had very positive ideas about the work ethics of the Chinese and it was his idea to use the crews of the junks captured in the South China sea to populate Batavia and to replace the indigenous population of the Banda islands. As a consequence, the strategy of the VOC directors to attract the Chinese merchants who were trading with Manila towards Batavia failed. He also repeatedly insisted that the VOC itself should take a more active role in the intra-Asian trades and the China-Japan trade was an obvious target. The VOC directors therefore suggested to establish an intermediate trading post on the island of Formosa, but what he had in mind was an attack on Macao. The protest of the directors came too late. When their letter arrived in Batavia the fleet was already well on its way. After a resounding defeat it withdrew to the sandy islands of the Pescadores, but as the Chinese governor did not accept this, it was compelled to move indeed to Taiwan, at that time a peninsula of Formosa. As far as mainland China was concerned, he thought that 'There could be no doubt that we will be allowed to take part in the Chinese trade, either by force, or through mildness, or by connivance or by public concession of the king of China'.<sup>37</sup>

In fact it took until the early thirties, by making a deal with the Chinese pirate Cheng Chih Lung (Nicolas Iquan) who became the sole supplier to Taiwan, before regular supplies of silk were assured. Already from 1622 the Dutch had

<sup>37</sup> H. T. Colenbrander, *Jan Pietersz. Coen...*, vol. IV, p. 620; "Points of order and redress of the state of affairs of the Company of the Indies" of November 1623.

managed to import some silk into Japan in exchange for silver, but due to serious disagreements with the *shogun* about Japanese trading rights on Formosa, this trade could only really be brought to life in 1632. Three years later, with the abolition of the *shuin* system, the Dutch could take over the silk trade between Japan and Siam, Quinam and Tonkin. Dutch imports of silk and exports of silver peaked in the years 1638-1640, after the Portuguese had been denied access to Japan.<sup>38</sup>

During the 1630s the financial results of the VOC were improving. The emphasis of the directors in Amsterdam was now on friendly and decent behaviour towards the Asians, in particular the Chinese, and on ways to economize. Plans for attacks on Diu, Malacca or a blockade of Goa were turned down, because, as they wrote, 'for the company to get involved in more war was inadvisable, inexpedient and costly'. From now on any possible form of aggression had to be directed against the private trade of the Portuguese and Macassarese and against the Spanish in their Kelang settlement on Formosa.<sup>39</sup> The Council in Batavia reacted with continuous blockades of the Malacca Straits, directed against Portuguese shipping to and from Macao and Macassar. The Portuguese, after their peace with the English in 1635, counteracted by making use of English ships or by bypassing the Straits altogether, sailing from Macao to Goa via Solor or Timor and south of Java. In the minds of the Council in Batavia an attack on Malacca itself and even a new assault on Macao were again becoming serious options.

In 1636, Antonio van Diemen, the new Governor General, without asking his superiors in Amsterdam, took it upon himself to initiate a new warfare strategy with a siege of Malacca and Ceylon combined with a blockade of Goa. Whereas the Adil Shah of Bijapur, seeking support against the Portuguese *Estado*, allowed the English to set foot in Dabhol, Karwar and Rajapur, the Dutch were allowed a trading post in Vengurla, close to Goa. For many years Vengurla served as a refreshment station for the Dutch fleets and as basis for communication with the VOC spies in Goa.

In May 1638 a combined Dutch-Singhalese army captured Baticaloa and a year later the Dutch took Trincomalee, followed by Negombo and Galle, so that the cinnamon trade fell almost completely into Dutch hands. In May 1640 the largest part of the Dutch fleet in Asia, consisting of eighty-five men of war, was concentrated in the Straits of Malacca, while the troops of Johore lent their assistance on land. The Portuguese surrendered the town after heroic resistance in January 1641.

<sup>38</sup> E. van Veen, *VOC Strategies...*, pp. 85-105.

<sup>39</sup> P. Mijer, *Verzameling van instructiën, ordonnanciën en reglementen voor de regering van Nederlandsch Indië vastgesteld in de jaren 1609, 1617, 1632, 1650 etc.*, Batavia, 1848, pp. 47-67.

In the mean time, in their letter of 11 September 1640 the Directors in Amsterdam had expressed their disapproval of and discontent with Van Diemen's actions. His response was rather typical: "We cannot wait for orders if we wish to serve the company. Your Honours know why that is so: there is no time for it, the peoples of these countries and their actions are also so variable that, as a result, our decisions and advices seem to contradict each other, ... however we trust, that if Your Honours would see the matters as close as your servants here, and see and feel them, you would have a different opinion and would be satisfied".<sup>40</sup>

The Dutch seasonal blockades of the roadstead of Goa would last until 1644.<sup>41</sup> On 22 September 1641 a Dutch fleet appeared once again before Goa and captured a carrack. The viceroy protested because just eleven days previously Goa had acclaimed Dom João IV as the new king and in his opinion this signified the end of the war. However, the Dutch commander refused to accept a truce without instructions from Batavia. This story repeated itself a year later. Apparently, the Viceroy Da Silva Telles had now received the official message about the truce and had begun to send copies, amongst others to the Dutch governor of Coromandel. He was therefore greatly surprised to see the new blockade fleet appear again. A lengthy correspondence developed between the viceroy and the Dutch commander of the fleet, but the Dutchman did not budge: as far as he was concerned there was no truce as long as he had not received confirmation from Batavia.<sup>42</sup>

In October 1642, as soon as the High Government in Batavia had received the confirmation from Amsterdam, they proclaimed the Ten Year's Truce between the new Portuguese king and the States-General, but their delaying tactics did not come to an end.<sup>43</sup> A year later they created an incident about the partition of the cinnamon gardens at some distance from Galle, declared the truce null and void and took up the blockades of Goa again.<sup>44</sup> Also the Portuguese ships that wanted to pass through the Malacca Straits were regularly captured, with the result that the Portuguese increasingly made use of English shipping volume. In November 1644 the truce in Asia was once more confirmed. The Portuguese private trade with the Far East was able to continue, but arrangements were made for a toll to be paid by Portuguese ships passing the Malacca Straits and for many years this would remain a sore point for discussion.

<sup>40</sup> J. de Jonge, *Opkomst...*, pp. 248-254.

<sup>41</sup> René Barendse, "Blockade: Goa and its Surroundings 1638-1654" in E. van Veen, *Rivalry and Conflict...*, pp. 232-266.

<sup>42</sup> RA, VOC inv. 1144, fls. 171-178, 339-348, VOC inv. 1141, fls. 398-426.

<sup>43</sup> Marcus P.M. Vink, "The *Entente Cordiale*. The Dutch East India Company and the Portuguese shipping through the Straits of Malacca 1641-1663" in *Revista de Cultura*, 13/14, Macau, 1991, p. 290.

<sup>44</sup> George Davison Winius, *The fatal history of Portuguese Ceylon; Transition to Dutch rule*, Cambridge Mass., 1971, pp. 69-83.

A year later history repeated itself, this time with the silk in Persia. Arguing that Isfahan did not honour its obligations and was harassing the Company's traders with heavy tolls, Governor-General Van Diemen and his Council decided to blockade the port of Bandar Abbas and to occupy the island of Khism at the entrance of the Persian Gulf. This time he did not receive the support of the Directors in Amsterdam, quite the contrary. In 1650 they issued a General Instruction indicating the position of the Company *vis-à-vis* the local powers: trade on conditions determined by negotiations rather than military power was to be the basis of the VOC presence on the coasts of the Indian Ocean and the Chinese Sea.<sup>45</sup>

After 1652, the end of the Ten Years' Truce, the beginning of the first Dutch-English war and the rapprochement between João IV and Cromwell, which might result in giving the English Indian Company free access to most of the Portuguese possessions, formed the introduction to the final phase in the Luso-Dutch conflict.

In 1655 Rijckloff van Goens, who was called 'a child of the Company' because as an orphan he had already been working in the Batavia office, visited Holland and expressed his view to the VOC directors, that the Portuguese should be completely chased away from Ceylon. What he really had in mind was to set up Ceylon as an administrative centre for the whole of Persia and India, under his command. Once Jaffna was in Dutch hands, he argued, it would be possible to control the Indian east coast and from Ceylon it would also be possible to stop all traffic to Aceh and through the Malacca Straits. The textile trade could then be concentrated in Orissa in the North and in the most southern part of the Coromandel coast and all other factories along the Coromandel coast could then be closed. Besides, he argued, the conquest of Diu would get rid of Portuguese traffic and would allow a better control on the Muslim trade to Mocca, Persia and Basrah.

The directors in Amsterdam accepted this new strategy and sent him back to the East, where he became the upper commander of his own project. The capture of Diu did not take place because the blockade of Goa was taking too many ships, but the conquest of Ceylon was certainly successful.<sup>46</sup> Colombo had already been taken in 1656, but in 1658 he could finish the job, capturing Tuticorin, Manar, Jaffna and Nagappattinam. However, the possession of Ceylon now caused a new problem: how to protect it against a Portuguese attack from the coast of Malabar?

<sup>45</sup> Peter Rietbergen, "Upon a silk thread? Relations between the Safavid court of Persia and the Dutch East Indies Company, 1623-1722" in E. Locher-Scholten and P. J. A. N. Rietbergen (eds.), *Hof en Handel: Aziatische vorsten en de VOC 1620-1720*, Leiden, 2004, pp. 160-182.

<sup>46</sup> Hugo s'Jacob, "Rijcklof Volckertsz van Goens, 1619-1682, Kind van de Compagnie, diplomaat en krijgsman" in Gerrit Knaap, Ger Teitler, *De Verenigde Oost-Indische Compagnie tussen oorlog en diplomatie*, Leiden, 2002, pp. 131-149.



In their instruction of 1657 to Rijkloff van Goens the Governor-General and Council in Batavia had already touched upon the possibility of an attack on Malabar, emphasizing that the Dutch should not accept to be pushed away by the English. However, the first VOC expeditions to the Malabar coast: Quilon in 1658, Cochin in 1660 and Cananor in 1661, with the intention to chase the Portuguese away, were a great disappointment because the local rulers were not in the least interested in a Dutch take-over of the Portuguese rights. An alternative would be to bring the local rulers under submission and to set up a new Dutch administration with the necessary military power. But because of the high costs, the Governor-General and Council in Batavia suggested that the Portuguese should be forced to leave the Malabar coast and that their rights and authority should then be delegated to the local rulers. Van Goens objected, he remained optimistic about the final outcome of a military attack and the possibility that both Ceylon and the Malabar coast would yield sufficient revenues to cover the costs of an occupation.

At that very moment Van Goens suddenly received the full support from the Directors in Amsterdam. The province of Holland, in support of its trade relations with Portugal, was pressing to finalize the peace negotiations with this country and the VOC directors had written to Batavia to take action against the Portuguese as long as this was still possible. Besides, they feared, with the marriage between King Charles II and princess Catarina of Portugal the English would get access to most of the Portuguese territories.

The first Dutch conquests were Quilon and Cranganur, but the first siege of Cochin failed. The directors in Amsterdam had suggested that the Portuguese inhabitants might accept a Dutch government if they were offered freedom of religion and were allowed to keep their possessions, but they refused. Van Goens's forecast that the Malabar pepper would come in large volumes and that the pepper monopoly would ensure high profits for the company yielded renewed support for a siege of Cochin, which took almost two months and ended on 7 January 1663 with the surrender of the military and the ruling clan of the Cochin fort. Cannanur followed soon thereafter.<sup>47</sup> For the *Estado da Índia* it meant the end of a long free fall.

## Conclusions

The Dutch actions in Asia were guided by a mixture of business and warfare strategies.

<sup>47</sup> H. K.'s Jacob (ed.) *De Nederlanders in Kerala 1663-1701. De memories en instructies betreffende het commendement Malabar van de Verenigde Oost-Indische Compagnie*. Rijk's Geschiedkundige Publicaties Kleine Serie Nr. 43, The Hague, 1976; George D. Winus, Marcus P. M. Vink, *The Merchant-Warrior Pacified. The VOC (The Dutch East India Company) and its Changing Political Economy in India*, Delhi, 1991, pp. 28-40.

During the early voyages, financed by various entrepreneurs, profitability was the main objective and already at that time a general business strategy was developed. Rather than trying to control the freight traffic, as the Portuguese did with their royal and concession voyages and their *cartaz* system, the Dutch went directly to the primary sources of supply, i.e. the production areas, and tried by contracts which sometimes stipulated purchase monopolies, to obtain a reliable supply of spices.

With the foundation of the VOC, warfare and privateering against the Iberians became a second, but certainly not less an important, objective. In first instance the Dutch used their fleets to attack Portuguese positions like Mozambique, Malacca and Amboina. This was strongly supported by the States-General of the United Provinces as long as they were at war with the Habsburg monarchy, and even during the Twelve Years' Truce heavy subsidies enabled the VOC to build up a strong military and maritime force which they used against the Spaniards in the Philippines, Chinese shipping on Manila, private Portuguese shipping east of India and in cooperation with the English, for a first blockade of Goa.

Finding their attempts to establish the desired trading contacts and monopolies frustrated, they also waged war against indigenous populations. By 1621 the population of the Banda islands was almost extinguished and it was replaced by Dutch free burghers and Chinese labour. However, after the first conquest of the Amboina fort in 1605 it took until 1647, when the ruler of Macassar was defeated, to get control over the Moluccan spice trade. Access to the cinnamon trade in Galle, initially in cooperation with the King of Kandy, was achieved in 1640, and it took some fifty years of warfare and thereafter thirty years of diplomatic endeavour to acquire free access to the trade in China.<sup>48</sup> Finally, during the early 1660's the conquest of the Portuguese possessions in Malabar, often against the will of the local rulers, might have been a last possibility to establish a monopoly in the pepper trade but Asian and European competition made this an unrealistic objective.

Striking the balance of the direct Luso-Dutch confrontations in Asia, until 1636 the impact of Dutch aggression on the trade of the *Estado*, the *Carreira da Índia* and the private Portuguese merchants was very limited, whereas the costs of war in Asia and low prices in Europe weighed heavily on the financial results of the Company. However, as from the mid 1620s participation in the intra-Asian trade began to contribute to the total cost of the Dutch enterprise. Quite in contrast with the warfare in South East Asia and against the Chinese, the political shifts in Asia allowed the Dutch merchant-sailors to gain sympathy where the Portuguese had lost it. 'Diplomacy' at the courts of the Shah of Iran, the Moghuls, the Adil Shah of Bijapur, the King of Kandy, the King of Siam and the Japanese *Bakufu* paved the way to doing business. Promises of possible mili-

<sup>48</sup> E. van Veen, "Dutch Trade and Navigation...", pp. 130-133.

tary support and payment in silver or gold or in the form of spices, iron, copper, military hardware, munitions and luxury items for the local rulers gave access to the markets for cotton textiles, silk, deer hides, ray skins and rice and for a long time Japanese silver, gold and copper were important links in the Dutch intra-Asian trade.

Like every organisation, the VOC had its business minded strategists and its warlike empire builders. Of the people on the spot, Governors-General Jan Pietersz. Coen, António van Diemen and Rijckloff van Goens belonged to the latter category. Coen was the man who founded Batavia (Jakarta) as a Dutch controlled, independent *rendez-vous* and was the initiator of the Dutch trading network in Asia, realized 'either by force or through mildness'. Van Diemen took it upon himself to organize the conquest of Malacca and Van Goens was to a large extent the driving force behind the conquest of the Portuguese establishments along the Malabar coast. Their names will forever be connected with the Dutch expansion in Asia in the form of military presence or trade, although more by connivance than full agreement of their masters in The Netherlands.

From the beginning, the Portuguese, not only the *Estado da India* but in particular the private traders, strongly opposed the Dutch intrusion into 'their' empire. Therefore the answer to the question: 'could the VOC have been successful without its Empire Builders?' has to be: 'probably not'.

## EMPIRES: STRATEGIES AND TRADE. THE ORIGIN OF THE IDEAS OF JAN PIETERSZOOM COEN (1587-1629)

JURRIEN VAN GOOR \*

On New Year's Day 1614 Jan Pieterszn Coen, chief merchant and book-keeper general of the Dutch East India Company in Banten (Java), sent a long treatise to Gentlemen XVII, the Company's board in Amsterdam.<sup>1</sup> In a broad 'Discourse' he outlined his view of the future Dutch position in Asia and developed a grand strategy for the survival of what was still an uncertain enterprise. With its twenty-four printed pages, it was the longest and by far the most important treatise thus far written by a staff member of the VOC. With its imaginative wealth of ideas, the breadth of vision and suggestive and lively style, Coen's *Discourse* is still the most readable document from the early 17<sup>th</sup> century if one wishes to understand the evolution of the Dutch strategy in Asia. The importance of the document is not just its lucidity, however, it also derives its significance from the fact that it was Coen's prospectus for his twofold tenure of office (1619-1623 and 1627-1629). As a Governor-general he had the opportunity to work out his ideas and to lay the foundations of the Dutch overseas empire. Today, he is seen in the historical literature as the first to outline the concept of inter-Asian trade and to build up a Dutch trading network between Asian ports. The profits of this inter Asian trade were to pay for the building of the Dutch settlements in Asia, an idea which up to the very last days of the Company would remain the central principle behind its organisation.<sup>2</sup> But Coen was not the only

\* Utrecht University.

<sup>1</sup> Coens "Discoers van 1 Januari 1614" is published in Dr. H. T. Colenbrander, *Jan Pietersz. Coen Levensbeschrijving*, 's-Gravenhage, 1934, pp. 451-474.

<sup>2</sup> Especially in the 17<sup>th</sup> century this idea proved to be a success.