

## CHAPTER ONE

THE CHINA COMMITTEE AND ITS MANAGEMENT  
OF THE CHINA TRADE*Introduction*

In order to achieve a more flexible and efficient management of the trade with China, after several years of reasoning, the Gentlemen Seventeen decided in 1755 to regain control of the China trade, taking it out of the hands of the High Government of Batavia.<sup>1</sup> One year later, they appointed an exclusive committee, which was known as the China Committee, authorizing it henceforth to make decisions on the China trade and to supervise all affairs connected to the setting up of a new shipping route linking the Dutch ports with Canton. The China Committee held its first meeting in November 1756, and dispatched the first China ship from the Dutch Republic at the end of the same year. After this ship arrived in Batavia in June 1757, the High Government effectively relinquished its management of the China trade. From then on, the direction of the VOC trade with China assumed a very different hue to that which it had had previously.

Right from the start, the China Committee began to issue various annual written instructions to the Company servants who were serving on the China ships or were working at the Company's establishment in Canton, plus a set specifically for the High Government in Batavia. The instructions destined for the officers on the China ships and the trade representatives in China were of a general nature. Those sent to the High Government and the Dutch chief,<sup>2</sup> the leader of the trade representatives in China, respectively were very specific.

The China Committee fixed the number of the China-bound ships and their crew members, the sorts and amounts of trade goods, and the amounts of funds to be sent from the Dutch Republic on these ships to China each year, and also briefly listed the goods from the East Indies which should be supplied by the High Government.

*Preparations for the improved management of the China trade*

In the Spring meeting of 1755, the Gentlemen Seventeen discussed the current state of the Company's China trade and its future. Because the

directors were clearly displeased with the management of this trade by the High Government, they decided to take the bull by the horns and regain direct control of it.

This decision was not made on the spur-of-the-moment but was the outcome of a discussion which had rumbled on over the past few years. As early as November 1752, in his "Reflection on the Intrinsic State of the VOC" the Governor-General of the Dutch East Indies, Jacob Mossel, confessed his anxiety about the critical state of the Company business in Asia to the Gentlemen Seventeen.<sup>3</sup> In this document he analysed the possible causes of the decline of the Company trade in Asia in detail. He reported he believed that one excellent remedy to revive its ailing commerce should be to stimulate the China trade. He had noted that many other European nations were sending ships directly to Canton where great profits could be made. None of these nations, however, enjoyed such an advantageous position as the Dutch Company, Mossel wrote, since the High Government was in a position to dispatch considerable quantities of tin, pepper, cotton, wax, spices and other goods to Canton from the East Indies. The ships of other nations which sailed directly from Europe to Canton had to rely on cargoes of bullion to pay for Chinese commodities. Weighing up the situation, he suggested that four ships per year should always be reserved for the Dutch-China trade, since the profits from this trade were so great. Appraising the aggregate profits on the sale of tropical goods sent to China from Batavia and the Chinese merchandise shipped to the Dutch Republic, he estimated the total at about 500,000 guilders (5 tons) per year.<sup>4</sup>

After due consideration, in March 1754 the Gentlemen Seventeen sent their comments on Mossel's proposals.<sup>5</sup> In reaching their conclusion, they had first scrutinized the causes of the precarious situation of the Company in the East Indies. They were convinced that one of the principal causes for the troubles of the Company in Asia was the heavy expenses incurred by the High Government. Although Batavia, as the Company headquarters in Asia, was absolutely essential to the survival of the Company and its business in the East Indies, the Gentlemen Seventeen condemned the expenses incurred in sustaining the general rendezvous, which they deemed outrageously high and therefore no longer to be tolerated. Many reasons were cited for the costly upkeep of Batavia. Among these were the defence of the Moluccas whenever trouble brewed there. At times of rebellions and uprisings, sea and land forces stationed in Batavia were to be dispatched to help quell the turmoil and restore peace in those remote islands. Because it obviously cost the High Government a fortune to offer military assistance over such a large distance, it was suggested that these forces should be stationed locally on Ambon and in Banda. With such assistance ready at hand, the neighbour-

ing establishments in Makassar and Ternate would then also be in a better position to defend the islands and the Company trade.

The Gentlemen Seventeen was also censorious about the Company trade with Sumatra. The High Government had delegated the running of this commerce to a commercial society in Padang because the expenses incurred by the annual dispatch of a Company ship to Sumatra from Batavia were too high.<sup>6</sup> They pointed out that to the west of Malacca other European competitors were involved in much bigger business than the VOC, without the burden of the upkeep of such expensive headquarters. Assessing this situation, the Gentlemen Seventeen wondered what the use of Batavia to the Company really was and whether it served the Company's Asian trade optimally.

Turning their attention to the management of the trade in Bengal, the Gentlemen Seventeen uttered the suspicion that the trade directors there had for many years not served the Company well but had dealt with the possessions and interests of the Company as if these were their own property. They contended that *Jan Compagnie* in Bengal arbitrarily forced up the purchase price of goods there and that its representatives broke the rules drawn up by the Gentlemen Seventeen concerning the purchase of linen and other articles at random.

Having criticized Bengal so scathingly, the Company directors (*bewindhebbers*) set their sights on the management of the China trade by the High Government. The Gentlemen Seventeen remarked that, in comparison with the profitable sales of the import goods enjoyed by other European companies in China, the Dutch Company could not even make a 40 or 50 per cent profit on the selling price. Caustically, the Gentlemen Seventeen doubted whether they should leave the management and the execution of the trading activities at the Company's subordinate establishments in the Asian trade in the hands of servants whose performance was so disappointing. In their opinion, the European rivals of the Company surpassed the VOC in its navigation and trade in all the "Western settlements of the East Indies".<sup>7</sup>

Having reached the understanding that the current trading practices of the VOC were lagging behind, the Gentlemen Seventeen wondered whether they should bring the management over all these subordinate settlements in the East Indies under their own direct control, so that these could be managed by more obedient, honest, and able servants. All other European companies had headquarters in the areas to the west of Malacca which were self-governing and they also engaged able servants, whose behaviour, administration, and responsibility could be closely monitored for the direct trade between Europe and India.<sup>8</sup>

After their scorching appraisal of those matters, the Gentlemen Seventeen finally focused on the China trade. They had entrusted the

conduct of the China trade to the High Government because of the frequent claims made by the authorities in Batavia that the VOC had achieved a widely acclaimed superiority over its competitors in this trade. They had attributed this felicitous circumstance to the fact that the Company's China ships could find plentiful cargoes in Batavia while the ships of other companies had nothing else to offer on the Canton market but payments in bullion. To ascertain the truth of this claim, the directors took a closer look at the China trade to discover whether there was indeed some evidence of this superiority in the China trade via Batavia. They questioned whether the High Government's management really was so effective and wished to be informed why, if this were the case, the Dutch Company still had to pay higher prices in China and reached only 40 or 50 per cent of the profits made by its competitors at the sales. The unreliable purchase price in China and the low returns in Europe could only be explained by the fact that the trade representatives in Canton had to sell goods which were not highly sought-after, such as cinnamon. They cut a sorry picture compared to their competitors who brought precious metals from Europe which, as could be easily seen, were well received in China. Having weighed up the pros and cons, the Gentlemen Seventeen urged the High Government to acquiesce in their decision to bring the direct China trade under their own administration.

In July 1754, the "Hague Affairs" (*Haags Besogne*)<sup>9</sup> of the VOC directors took an equally dim view of the management of the China trade by the High Government. The authorized principal shareholders (*hoofdparticipanten*) who attended the "Hague Affairs" meeting, as this meeting reported to the Gentlemen Seventeen, "[...] recognized that several salutary corrections should be made in this particular branch of trade by the High Government, if the Company desires to continue the trade on the present basis."<sup>10</sup> They also believed that a thorough investigation should be launched into which goods and effects, other than precious metals, would prove beneficial to the China trade, so that the highest profits could be reaped on the sales in Canton, and many sorts of Chinese goods of the highest quality could be acquired at the lowest price. It was lamented that it often happened that the Company gained 10 per cent on the sale of an article but lost 20 per cent when purchasing the return cargoes.

In order to make this point clear, the principal shareholders referred to several cargoes on ships which had recently been sent to China by the High Government.<sup>11</sup> The cargoes consisted of articles from the homeland or elsewhere in Europe (hereafter the "Home goods") as well as from the East Indies (hereafter the "Batavia goods"). The "Home goods", such as miscellaneous English and other foreign draperies, lead, cochineal and precious metals, besides a number of Dutch woollen fabrics and *ras de Marocco*, were more expensive than those of the competitors because they

were sent first to Batavia and stored in its pernicious climate, and then traded and surcharged again with all the extra expenses accrued in Batavia. These operations had cost the Company 15,081.9.8 guilders. These "Home goods" sent to Canton via Batavia obviously were less profitable than those sent directly from Europe.

It was noted that the China-bound "Batavia goods" had consisted of 20,707 pounds of cloves, 9,060 pounds of nutmeg, 2,000 pounds of wild cinnamon, 2,350,000 pounds of pepper, 777,676 pounds of tin, 23,215 pounds of copper, 60,000 pounds of sapanwood, and 612½ pounds of camphor and rattan per year.

The fly in the ointment was that the spices sent to China had fetched the same price in Canton as in Batavia. When only 40 piculs of nutmeg and 40 piculs of cloves were sent to Canton annually, this supply had already exceeded Chinese demand, so that the trade representatives in Canton were forced to exchange the surplus with Chinese merchants for tea, porcelain or silk. Wild cinnamon from Ceylon, the highest quality cinnamon, turned out to be unsaleable in China because the Chinese could obtain fine cinnamon in their own country where it was valued at only three stivers per pound.

The principal shareholders agreed with the current import of 2,350,000 to 3,000,000 pounds of pepper to Canton. According to the "yields" (*rendementen*) over the past years presented by Batavia, pepper had assured the Company 120 to 160 per cent profits. Unconvinced, the principal shareholders questioned the veracity of these statements and asserted that the profits were not nearly as large as they had been claimed to be. Time and again in its calculations, the High Government had raised the value of the tael in China to 88 stivers whereas it was effectively valued only at 71 or 72 stivers. In order to solve the conundrum of whether it was more profitable to sell pepper in Canton than in the Dutch Republic, the principal shareholders launched an investigation into how it had been valued in Dutch currency in China since 1734. The results of this inquiry demonstrated to the Gentlemen Seventeen that the intrinsic value of the tael in China had never been more than 72 stivers. Their case was that pepper had been sent to China from Batavia in place of silver, because the High Government argued silver was then in weak demand. The inevitable conclusion would seem to be that the High Government had obviously preferred to sell pepper in China at a loss rather than nothing at all, so that the homeward-bound ships could at least return with Chinese tea (instead of with ballast), although this tea was of a poorer quality and more expensive than that of other companies.

The principal shareholders placed a big question mark after the so-called importance of copper to the China trade, for the simple reason that the Chinese received a much larger share of the Japanese copper trade

than did the VOC. Even though the Dutch Company succeeded in buying 10,000 chests of copper every year in Nagasaki, the Chinese secured at least 16,000 chests only part of which they could use in China so that they hawked the remainder elsewhere wherever they could find a buyer. The upshot was that China required no copper from the VOC. As a matter of fact, on various occasions in the past the Gentlemen Seventeen had even proposed that Japanese copper should be purchased from China rather than the present rigmarole of it being sent to China from Batavia. Even if copper were a popular and profitable item in China, a sale of only 20,000 or 30,000 pounds in a full year was not a justifiable reason to call at Batavia with four or five ships and to sojourn there for several months, since the incidental costs of each ship lying in the Batavia roads devoured double the value of such a small amount of copper.

Tin was deemed to be a proper commodity for the trade with China. The High Government had already been engaged in selling this article to Chinese junks which sailed to and from Batavia. In the opinion of the High Government, selling tin to the Chinese junks in Batavia reaped a safe profit and did no harm to other branches of the Company's Asian trade. The directors of the "Hague Affairs" begged to differ on this matter and thought it would certainly be better to transport and sell tin on the Company's account in China, since the sales price of tin in China was much higher than in Batavia. They were not sure how much tin could be sold in China, but it should be more than the 700,000-1,000,000 or 1,500,000 pounds which had changed hands there in the past. Cannily, the principal shareholders felt that although the export of tin was advantageous to the China trade, they might be deceiving themselves if they believed that the last sale of 1,447,549 pounds of tin in China had actually realized 703,161.8.8 guilders, considering that the sales price amounted to 48 guilders per 100 pounds. If the ducat was valued at 78 stivers instead of 88 stivers, the sales price would actually have amounted to barely 39 guilders. Their deliberations were also swayed by the fact that tin fetched a high price in the Dutch Republic, making it an attractive proposition to use it as ballast for the return ships, a move that would avoid the shipment of such useless cargoes as sugar and Persian red ochre to the Republic.

In the final analysis, the "Hague Affairs" therefore insisted that the China trade should be managed from Europe and that the ships should return directly to the Low Countries from Canton, as they had done earlier during a brief trial period between 1729 and 1734. Because the principal shareholders agreed that the trade with China should not be engaged in from Europe and Batavia at the same time, the "Hague Affairs" advised the termination of the management of the China trade by the High Government in 1756, citing the reorganization of this trade as its reason.

At the same time, it proposed to appoint a separate committee to run this branch at the next meeting of the Gentlemen Seventeen, in view of the great importance of this matter: “[...] the aims of the Company should be promoted and executed in the best possible way”.<sup>12</sup>

#### *Establishment of the China Committee*

In the Spring meeting of 11 April 1755, the Gentlemen Seventeen decided that the China trade should again be managed at home. They agreed to hand the management of the direct trade over to a separate committee the members of which they would nominate at their next gathering; in the meantime, they resolved to inform the High Government of their decision and of its further implications for Batavia.<sup>13</sup> On 14 October, the so-called China Committee was established to comply with the resolution of the Gentlemen Seventeen. Three Amsterdam directors – Jan Calkoen, Reijnier Bouwens, and David de Wilhem, the Company’s advocate Cornelis van der Hoop, and two Zeeland directors – Samuel Radermacher and Johan Constantin Matthias were designated to form the China Committee in January 1756.<sup>14</sup> In consideration of the commercial interests of the Company, all these arrangements were kept secret.<sup>15</sup>

The China Committee had the power to request as many ships, crew members, and funds from the chambers as it judged necessary to pursue its task; furthermore, it was qualified to assign to the ships those persons whom it deemed suitable to conduct the trade in Canton. Finally, the Committee should provide the ships with all the goods which could be sold advantageously on the China market. Of course, all the goods, personnel, and funds were sent on board at the behest of the chambers themselves, which acted on the recommendation of the China Committee. The committee members were further authorized to give instructions concerning the forthcoming journey and the conduct of trade to the ship’s officers and the trade representatives in Canton. Rather heaping insult upon injury, the Gentlemen Seventeen informed the High Government that it should honour the instructions of the China Committee.

In order to avoid further delays in this important business, the delegates of the Presiding Chamber<sup>16</sup> in conjunction with the principal shareholders and the advocate of the Company asked the China Committee to draft as quickly as possible a practicable plan, by which the trade from the Dutch Republic to China could be undertaken and conducted. Once the plan was ready and approved, the China Committee would appoint a gentleman to effectuate it. Shortly afterwards, the eminent Amsterdam banker, Thomas Hope, who had attended the meeting of the “Hague

Affairs" in July 1754 as principal shareholder and had written the report of the "Hague Affairs", was also added to the members of the China Committee on account of his extensive commercial experience and because he was, after all, the person who had prompted the reorganization of the China trade.<sup>17</sup> All these decisions, which ran directly counter to the continual effort of Batavia to steer the Company's China trade via its roadstead, were recapitulated in a letter to the High Government.<sup>18</sup>

On the advice of the China Committee, in 1757 the Gentlemen Seventeen voted unanimously to restart the direct trade from the Dutch Republic to China. To avoid a situation in which ships would be sent to China from both Europe and Batavia at the same time, the Committee ordered the High Government to desist in dispatching ships to China after 1756. The Gentlemen Seventeen wrote to the High Government that: "[...] since you [the High Government] usually plan ahead in February and March and the Batavian ships are wont to leave for China in June and July, we have preferred to err on the safe side and also, secondly, to give you an opportunity to show and prove to us that you are truly disposed to co-operate with us in the reforms needful in the administration and management of the East Indies. You will have enough time left after the receipt of this to make such arrangements that we shall find in these, your last return shipments of the year 1756 that the short weights in the Company's returns, which are lamentable in contrast to those of the Company's competitors, and about which we have complained for many years to no avail, have been corrected and improved. If we find that no such correction has been made, after we have given you such serious warnings, we shall be forced to decide that we should not expect that you will contribute anything to save the Company. But should this not be the case, as we are willing to believe for the time being, you can give us proof of your good intentions at this last opportunity and with this, your last shipment to China."<sup>19</sup>

Presumably the warning was not heeded. In a letter sent to the High Government some one and a half years later, the tone was far from effusive: considering the complaints lodged by the trade director and supercargoes castigating the bad shape and inferior quality of goods which were sent to them from time to time from Batavia, and considering that the trade representatives had paid little heed to the choice and care of the goods which they had sent home, in spite of the Gentlemen Seventeen's earnest and frequent admonitions and notwithstanding the promises made by them to seek improvement, the Gentlemen Seventeen were once again displeased with the inferior quality tea brought home in 1754. The tea bore little resemblance to the samples sent from there; likewise, the porcelain had also been packed so haphazardly that much of it had been damaged. Having given these shortcomings due consideration, the



Gentlemen Seventeen felt strengthened in their resolve to take the sailings to and trade with China under their own supervision and administration, beginning in 1757.<sup>20</sup> Obviously, the Company management could hardly expect a “provisionally respectful answer” from Batavia to this bluntly worded letter. As was to have been expected, the High Government tried to defend itself against the accusation in a more “disrespectful” tone than it had adopted in the previous letters. When this “disrespectful” answer reached the Dutch Republic by the homeward-bound ships in the summer of 1756, the China Committee still had not settled all the arrangements for the direct China trade. Such steps could only be taken after it had received the requisite information about how much money the rival European companies planned to invest in their sailings to China for the coming year. Not until the end of 1756 had the picture become clear enough to commence concrete preparation.

At its first meeting in Amsterdam on 9 November 1756, the China Committee discussed how many ships and of what charter (size) should be fitted out for the direct trade to China from the Dutch Republic.<sup>21</sup> It concluded that the prospects for expanding the China trade did not seem very favourable. According to the latest intelligence the Swedish, Danish, and Emden<sup>22</sup> Companies were to send fewer ships and the French no ship at all to China in 1756 because of the Anglo-French War (1755-1763); and, even if the price of tea recently had declined considerably there was still a large amount in store. The latest news from Asia was that at least four Dutch ships were on their way to the Republic from Canton. Their cargo would certainly increase the stock of Chinese merchandise and keep prices down. Therefore, the China Committee suggested to the Gentlemen Seventeen that the Company should exercise all possible thrift, in view of its weak financial position, and use its financial resources principally for the trade with which it could gain the most profits.

Under these conditions the China Committee judged it proper to send only two ships of the 150 feet charter to China, namely the *Slooten* and the *Spaarzaamheid*, which were declared ready to sail by the Amsterdam Chamber. Both ships were manned by 100 able-bodied sailors and one drummer. The Committee gave orders that the trade in Canton should be negotiated by the trade director Michiel Graa and five supercargoes, Johannes Dionijs van der Burgh, Martin Wilhelm Hulle, Egbertus Genits, Jan Hendrik Knibbe, and Nanning Wijnberg, who would sail to China on board the ships. They would be duly recompensed. The trade director was offered 2 per cent of the yield of the return cargo of one ship and 1 per cent of that of the other ship, as well as a premium of 4,000 guilders; the supercargoes Johannes Dionijs van der Burgh, Martin Wilhelm Hulle, and Egbertus Genits each received a salary of 150 guilders per month; and Jan Hendrik Knibbe and Nanning Wijnberg

each 80 guilders per month. Over and above this, the five supercargoes were jointly offered 1 per cent of the yield of all the return cargo, of which the first three supercargoes would each receive one quarter and the last two one-eighth each. Over and above these provisions, the supercargoes, assistants as well as the other servants were permitted to transport some baggage or chests with Chinese goods such as tea or porcelain on board the return ship for the use of themselves or their friends in the home country. This privilege was however very restricted.

The Committee fixed the capital for the ships at 1,200,000 guilders of silver plus a certain amount of lead which was also used as ballast. Besides this, 400,000 pounds of tin, 5,000 pounds of nutmeg, 5,000 pounds of cloves, and 100,000 pounds of sapanwood were required to be supplemented by the High Government. The Committee ordered that the return cargoes from China should consist of tea, raw silk, silk textiles, porcelain, China root and galingale, rhubarb, turmeric, sago, star anise, camphor, aloe, gamboges, and spelter.<sup>23</sup>

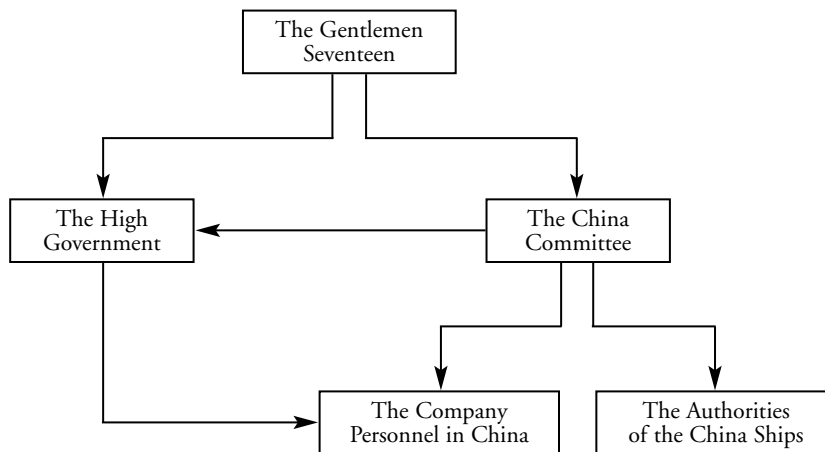
As the *Spaarzaamheid* was not ready for departure because of the unexpected descent of a dense fog,<sup>24</sup> the *Slooten* finally sailed alone. On 8 December 1756, she left the roadstead of Texel with a cargo of silver and goods, as well as the missives, instructions, and orders of the China Committee to the High Government. The *Slooten* arrived in Batavia on 6 June 1757. The personnel and goods destined for that port disembarked and at the same time the ship was supplied with the specified amounts of tin, spices, and sapanwood. The voyage to Canton was continued on 22 June, and one month later, on 31 July, the *Slooten* anchored in the roadstead of Whampoa. There she remained at anchor for six months until 21 January 1758, when she set out on her return voyage to the Dutch Republic. The *Slooten* returned home on 6 September 1758 with a cargo of 713,459 pounds of tea, 4936 pieces of silk textiles, 2,000 pieces of Nanking linen, 6,366 pounds of raw silk, 10,163 pounds of China root, 5,079 pounds of galingale, 3,137 pounds of rhubarb, 10,072 pounds of turmeric, 1,451 pounds of sago, 2,553 pounds of gamboge, 61,751 pounds of spelter, and a considerable quantity of porcelain. This first voyage set the pattern for all the subsequent sailings of China ships.<sup>25</sup>

#### *Instructions of the China Committee*

From 1756 onwards, the China Committee maintained total control of the Canton trade until the dissolution of the directorate of the VOC in 1794. During those years, the members of the Committee held a meeting every year in which all the general and particular instructions were drawn up for the officers on the China ships pertaining to their China-bound

and homeward-bound sailings; for the Company personnel in Canton regarding the sale and purchase of goods; and for the High Government setting out the supply of provisions. The Committee gave the Company servants who participated in this special business more or less the same kind of instructions from one year to the next during the last four decades of the eighteenth century.

*Figure 1 Organizational structure of the VOC China Trade, 1757-1794*



To comply with the instructions of the China Committee, several councils were established on the China ships and in the trade factory in Canton. These councils acted in several ways: as the Company's administrative deputies on board seeing to it that the daily rules were enforced and that all matters about the ship and crew were settled; as the Company's commercial deputy dealing with all the Company business of selling and purchasing merchandise in Canton; and acting as the Company's general administrative deputy for all matters concerning the Company servants both on the China ships and in China. If necessary, these councils could also call upon the High Government to offer all kinds of assistance. All persons involved in this trade had to behave themselves strictly according to the instructions laid down by the China Committee, which generally referred to earlier regulations for VOC servants confirmed by the States-General in 1742.<sup>26</sup>

1. *To the Company servants on the China ships and in China*

Before 1759, the China Committee instructed the Council of Naval Officers (*Scheepsraad*), the Full Council of Naval Officers (*Volle scheepsraad*), and the Broad Council (*Brede raad*) to be established for both the ships' officers and the trade representatives, and it retained the Batavia Committee (*Bataviase commissie*)<sup>27</sup> manned by the trade representatives of the Company business in China previously in accordance with the instructions of the High Government.

On the voyage, the regulations applied to the trade director, the captain, the supercargoes, the first and second mates, the other officers and the sailors on board of each ship. The supervision of the daily rules on board was commonly the duty of the captain and his deputy. Whenever a disagreement about these daily rules flared up, it was submitted to the Council of Naval Officers, which was normally composed of the captain, the most junior supercargo,<sup>28</sup> the first mate, the second mate, and the boatswain. The most junior supercargo serving as the clerk drew up a true and proper written version of the resolution of the Council of Naval Officers. As a rule, the captain acted as the president of the Council, but all the judgements had to be passed by a majority of votes.<sup>29</sup>

During the voyage at sea or during the sojourn in China, except for matters concerning the ordinary rules on board, extraordinary matters might crop up with regard to the equipage, the passengers, the distribution of the daily rations, an unforeseen call at some port in the case of distress or an emergency, and problems with the supply of victuals during the sojourn in China. If under these conditions the Broad Council, which will be discussed later, could not be summoned, the trade director, or the captain of the fleet, was charged with the duty of convening the Full Council of Naval Officers.

The Full Council of Naval Officers consisted of the trade director, the captain, the supercargoes, the first and second mates, and the boatswain. The trade director presided over the Full Council of Naval Officers on the ship on which he sailed, and on other ships it fell to the captain to preside. The Full Council of Naval Officers settled all civil and criminal matters by a majority of votes, taking account of the ship's articles and of the common law, and in the future it would ask the Broad Council whether it had done so properly or not. Also in this case the most junior supercargo served as clerk, and should some capital crime or other criminal act be committed, the junior supercargo ranked directly above the clerk assumed the function of public prosecutor, so that all the resolutions by the Full Council of Naval Officers could be enacted and executed immediately in order to assure good order on board.<sup>30</sup>

When at least two ships were together during the voyage at sea or dur-

ing the sojourn in China, the place of the Full Council of Naval Officers was taken by the Broad Council, and the latter would settle all the reported matters mentioned before. The Broad Council consisted of higher-ranking persons such as the trade director, the captains, the supercargoes, the first mates, the second mates and the boatswains of all ships. The trade director presided over the Broad Council, or a captain would replace him in the event of illness or death. If one or several members died, a person of the same rank was to be admitted to the Broad Council and replace the one who was indisposed or had passed away. Should some of the members not attend the Broad Council because of illness or other legitimate reasons and the remainder could not make up the required quorum of nine persons, as many of the ships' officers of rank as necessary on all the ships were summoned to take part in the Broad Council. To defuse a situation in which disputes about the precedence of ships' officers might be raised, the China Committee ordered that the officers of the flag ship always ranked above those of equal rank on the other ships. The majority vote and the supercargoes' services as clerk and public prosecutor in the Full Council of Naval Officers were repeated in the Broad Council.<sup>31</sup>

The Broad Council, or the Full Council of Naval Officers in the absence of the former, was in charge of seeing that the articles and special regulations of the Gentlemen Seventeen as well as the general and particular instructions of the China Committee were strictly adhered to. All the placards, orders, and regulations were shown to the respective servants. Before the arrival of the China ships in the roadstead of Batavia, on each ship particular care was taken to post up the placards forbidding the carrying out of private business and the regulations on the baggage of the China-bound and homebound people. Before the ships weighed anchor at Canton, the Broad Council was convoked by the trade director and he would read out all the instructions, placards, and regulations laid down by the China Committee to remind the crews once again of their duties; the placards and regulations were published once again by being posted up on the mainsails, and left there until the ships were on the high seas.<sup>32</sup> Disagreements might arise about the scheduled departure of the ships from China if, during the commercial dealings in Canton, some Company servants were plunged into debt, sold or purchased some goods privately, or engaged in selling and buying with the local dealers, shopkeepers, and smugglers who turned out to be impecunious on the receipt or the delivery of the goods, which meant that dues were not paid on time. It was the task of the Broad Council to keep its personnel out of such troubles. Notices were posted both on the ships and in the factory, warning Chinese and other European merchants that the Dutch Company would not be responsible for the credits or the debts of its servants. Simultaneously, the trade representatives were informed that they should

pay all the tolls and other duties exacted on exports and imports punctiliously to take heed of the interests of the Company.<sup>33</sup>

In accordance with the instructions of the China Committee, on the China-bound voyage the China ships did not call at ports other than the Cape of Good Hope and Batavia; on the homeward voyage, they did not anchor at ports other than the Cape of Good Hope, unless the High Government especially ordered them to call in to deliver gold purchased in China on the account of the High Government. The instructions even recommended the China-bound ships sail straight to Batavia without stopping at the Cape of Good Hope so that they could shorten the length of the journey and arrive in Canton sooner.<sup>34</sup> The homeward-bound ships were allowed to call at other places should trouble or a disaster at sea strike,<sup>35</sup> and were also allowed to skip a visit to the Cape of Good Hope if they were not carrying goods for that colony.<sup>36</sup>

On each ship, the captain or an officer of equal rank was responsible for the cargo and capital until delivered into the hands of the trade representatives in China. After business was concluded in Canton, the readily prepared Chinese products that had already been marked with branding irons in the factory were brought on board after the weight had been ascertained and entrusted to the care of the ship's officers. Some more goods might be unmarked if so allowed by the regulations. Two identical receipts for every delivery were made for the goods bought, clearly stating the date, the year, the quantity, and quality of such commodities with the designation of the same trademarks, names and so on. The captains who received the goods and the person who delivered them on behalf of the trade representatives should sign the receipts and take charge of them respectively. The captains were expected to deliver the receipts, plus the bills of lading upon their arrival home.<sup>37</sup>

In 1759, a revolution was effected in the above-mentioned organizational structures. The Council of Naval Officers and the Full Council of Naval Officers were replaced by the Ordinary Council of Naval Officers (*Ordinaire scheepsraad*) and the Extraordinary Council of Naval Officers (*Extraordinaire scheepsraad*) respectively, and the Broad Council was frequently called the Full Council (*Volle raad*).

All the ordinary matters on board each ship were settled by the Ordinary Council of Naval Officers, and the main functions of the previous Broad Council, or the Full Council of Naval Officers in the absence of the former, during the ocean voyage were assumed by the Ordinary Council of Naval Officers over which the captain presided. The trade representatives, namely the supercargoes, assistants, or bookkeepers who sailed on the China ships, were no longer included in the Ordinary Council of Naval Officers, by the instruction of the China Committee. Should the trade representatives decide to take up some extraordinary

matters, the captain of the fleet who presided over the Ordinary Council of Naval Officers had a duty to summon the Extraordinary Council of Naval Officers to deal with all such matters. This Extraordinary Council of Naval Officers consisted of the members of the Council of Naval Officers plus the trade representatives. The captain presided over the Extraordinary Council of Naval Officers, and the trade representative serving as the clerk drew up a proper written record of the resolutions of the Council. After the arrival of the China ship(s) in China, the place of the Ordinary Council of Naval Officers was taken over by the Full Council, and all civil and criminal matters as well as the other affairs outside the jurisdiction of the ordinary administration of the ship or the conducting of the trade would be settled by the Full Council presided over by the Dutch chief.<sup>38</sup>

In the same year the China Committee ordered the trade representatives to set up a new council, known as the Trade Council (*Commercie Raad*), in place of the former Batavia Committee, in Canton as the deliberative organ to make the resolutions germane to the Company business there.<sup>39</sup>

The Trade Council consisted of several supercargoes and their assistants. Each supercargo had one conclusive vote, while the assistants had an advisory vote. Should one or more supercargoes be absent from the meeting of the Council for whatever reason, the assistant next in rank might be selected to cast a conclusive vote.<sup>40</sup>

All the business concerning the sale and purchase of goods in Canton fell under the control of this council. Contracts were made or approved in the presence of all its voting members, unless some of them were not able to attend because of sickness or some other unavoidable reason. The Trade Council was ordered to resolve all sale and purchase contracts and the acceptance of the goods properly, and whenever the Council members took a particular decision the reason should also be clearly stated. Not all the trade representatives in Canton could attend the Trade Council, but according to the instructions of the China Committee they were given definite assignments by the Council.<sup>41</sup>

The Trade Council took decisions about the disbursement of funds and deliveries of goods after the process of the sale and purchase, taking due care each time to explain why such a decision had been taken. If not all the members present agreed, a decision could be taken by a majority of votes. In that case, the reasons for taking this decision had to be noted down, including the particular reasons brought forward by the dissenting members in support of their own sentiments. In the event of the votes of the two opposing sides being equally divided, the Dutch chief, who presided over the Council, always had a double vote to ensure a definitive conclusion. The Dutch chief therefore had a special position in the Trade

Council: in the deliberations and in the management of all other business, he was authorized to take the lead and nothing could be undertaken without his foreknowledge.

In consideration of the Company's commercial interests, all the members of the Trade Council present swore a solemn oath that they would discuss the Company business with nobody except those who had indisputable acquaintance with it. The Council members should fully disclose the state of affairs and report directly or indirectly, before deliberating on or resolving the sale and purchase of goods, the disbursements, the making of contracts with Chinese merchants and so on.

When the supercargoes engaged in negotiations with the Chinese suppliers or other persons in Canton, they were often urged by the Chinese to accept some presents. The Trade Council decreed that, according to the instructions of the China Committee, none of its members might accept these presents from the Chinese merchants. They should refuse such prohibited articles, although they were allowed to give presents to the Chinese. Should it really prove impossible to refuse such gifts without prejudicing the Company business, the members might accept them and would then be obliged to explain the reasons for their action. Such gifts should be delivered with the Company goods, to be placed at the disposal of the China Committee upon their arrival home. Come hell and high water, every Company servant should be assiduous in their care of the interests of the Company.<sup>42</sup>

In the factory, the members of the Trade Council paid close attention to the storage of the Company stocks during their sojourn in Canton. Normally, when the ships were in China, the supercargoes asked the ship's officers to dispatch one efficient petty officer with one drummer and as many crew as possible ashore and that these be provided with any arms which the Council deemed necessary for the safe-guarding of the factory and the stocks inside it. The Council could require that more personnel be placed at its disposal according to the conditions prevailing in the current business climate. Another very specific point was the ready money in the factory. The China Committee made a special arrangement that each chest containing ready money should be furnished with four different locks and keys and the Dutch chief and three other subordinate supercargoes in descending rank kept a different key under his own charge, so that any money had to be taken out in the presence of the said supercargoes.

During the sojourn in Canton, the supercargoes and the assistants were ordered by the Trade Council to keep a note of the commerce as well as of the housekeeping by means of a daily record. In particular and with great accuracy, the daily record noted the arrival of any foreign ships, their names, who the supercargoes and captains were, from where they had



sailed, in what business they were engaging, and what merchandise they took on for the return voyage. All this information could be useful to the instructions the China Committee would issue with relation to the sale of European, Indian, and Chinese goods which had been brought to Canton.<sup>43</sup>

The general trade books, which include the ledgers, journals, and cash-books were also kept in Canton by one person who was ordered to append his signature after balancing these books. All the information contained in these books would be of help to trade representatives fulfilling the same function in later years. It would aid them to understand how their predecessors had fared, what the conditions at the lodge were, and if some debt had to be paid back on the Company's account, where and in whose hands the contracts had been signed and so on.

The bookkeeping was likewise strictly controlled. It was decreed that the books should be kept not only in the Chinese species of tael, mace, candareen, catty and the like but also in the Chinese weight units of picul, catty, tael and so forth, in which the supercargoes negotiated and settled with their Chinese trade partners. To comply with the orders of the China Committee without too much ado, the Trade Council was instructed to take the piece of eight<sup>44</sup> in the trade books as follows: 100 marks *Mexicanen* were equal to 913 pieces of eight and 74 Chinese candareens to one piece of eight, as these were generally taken in the trade. Besides this, the Trade Council was ordered to convert the Chinese weights to the Dutch pound when dealing with Chinese merchants on the sale and purchase of goods, at the ratio of one picul to 122½ Dutch pounds in an ordinary season.<sup>45</sup>

Every year, the Trade Council also ordered that, upon finishing their business in Canton, the supercargoes draw up an ample memorandum replete with the necessary instructions to enlighten those who would leave for China the following year. In this memorandum, the state of the factory with an inventory of the furniture and so on could be found. Above all, they had to note meticulously the principal things that had happened to them, with which merchants they had transacted business, what goods and at what price they had sold and purchased these, and what they thought about the business in Canton and other such commercial matters. The memorandum was also useful to later successors in continuing their business successfully.<sup>46</sup>

In the instructions to the trade representatives in China, the China Committee likewise added several particular orders to the supercargoes, assistants, bookkeepers and other individuals. The first rule was that none of the supercargoes and assistants, who were repatriating to Europe and who, of course, received their monthly pay as well as the premium from the return goods which would be sold in the home country, might bring

along more chests or baggage than was stipulated for the storage on board. These persons should behave themselves decorously and with the strictest propriety, as offenders would inexorably be punished according to the general articles issued against the transportation of forbidden items. The second rule covered correspondence. Should some private letters be sent home by the Company servants in China on board the ships of other nations, in these letters the Company servants should not mention anything in relation to the state of the Company business in China, which might prove detrimental to the VOC; as an additional guarantee of the delivery of the letters, the sender was to inform the Gentlemen Seventeen under cover with which ship the letters had been sent and to request them to dispatch the enclosed letters to the China Committee.

Finally, upon their arrival home with the return ships, the repatriated trade representatives from China were ordered to remain on board until one member of the Gentlemen Seventeen had come on board and given them permission to go ashore; upon their disembarkation, they should not take along anything other than the clothes they stood up in, and their other belongings and baggage were to be taken to the East Indies House for examination, whereupon they would be either returned or confiscated.<sup>47</sup>

## 2. *To the High Government in Batavia*

After the Gentlemen Seventeen resumed control of the China trade, the High Government became subsidiary to the China Committee in this trade. In antithesis to the instructions to the authorities on the China ships and the trade representatives in China, those issued to the High Government grew simpler each season, since this government was no longer a direct operator in the trade.

In its annual instruction, the China Committee usually commenced by informing the High Government about the ships it proposed to send to China. According to the instructions of the China Committee, it was the duty of the High Government to ensure that an equal number of ships would be ready to continue the voyage to China as a stand-by, should any of the China ships run into trouble when they arrived in Batavia or were delayed *en route*, by replacing those disabled with ships of the High Government. In the initial years, the China Committee also ordered that, if the business in China could not be concluded in time, the ships might sail back to Batavia where all the ship's officers and sailors, together with the ships and their cargoes, should be put under the orders and at the disposition of the High Government.<sup>48</sup> This was a more precautionary measure and such an occasion never arose, since the trade representatives

began to make it a custom to remain in Macao during the off-season from the beginning of the 1760s.

The most important part in the instruction to the High Government was the demand for the goods of East Indies origin. First of all, the China Committee set down how much capital in precious metals (see Appendix 1) and what "Home goods" would be sent from the Dutch Republic on the China ships, and then gave a brief list of the "Batavia goods" which should be supplied by the High Government. The assortment and amount of the goods required might usually be given, but were not as precise as the "Assessments of the merchandise" (*Bevinding der goederen* or *koopmanschappen*) on the China ships drawn up by the trade representatives in China upon delivery (see Appendix 2). During the two-week sojourn of the China-bound ships in Batavia, the High Government was expected to load the ships as quickly as possible.<sup>49</sup> Should there not be enough tin available, the High Government would be obliged to make up the deficiency with silver coins to ensure that there would be enough "general funds" for the purchase of return cargoes in Canton.<sup>50</sup> In the period under study, such an occasion never arose and it is interesting that the High Government, in fact, quite often made use of tin or pepper to supplement the general funds allotted to the direct China trade.<sup>51</sup>

The China Committee also instructed the High Government to load the China-bound ships with the provisions and other necessities which were required to supply the factory in Canton. Usually the Committee was uncertain about what the factory needed exactly, so it asked the High Government to inquire of the officers on the China ships about the requirements upon their arrival in Batavia. The High Government itself was supposed to have received this information from the correspondence sent to Batavia from Canton on the homeward-bound China ships, Chinese junks, or other European private vessels.

As early as 1759, the China Committee issued a special instruction concerning the private China trade conducted from Batavia.<sup>52</sup> The Committee declared that all private trade should be forbidden absolutely, since the Company had a sufficient amount of export and import goods to send on the ships it proposed to dispatch to China. Any private trade would be disadvantageous to the Company's China trade if it were allowed to be pursued simultaneously. If the goods concerned were not those in which the Company dealt itself, it would not hurt the Company's China trade were a trade by a few Dutch private individuals in Batavia to be permitted. Yet it was remarked that as long as the trade in these kinds of private goods could be pursued to some advantage, the Chinese junks plying between Batavia and China would definitely already be trading in them. Since the founding of Batavia, the sailing of Chinese junks to and from the city had been very advantageous to this colony, therefore the

Chinese junk traffic should be promoted by all proper means and no Dutch private trade by Batavia should be permitted over and above this. If the High Government judged that the Dutch private trade could be carried out without hurting the direct China trade of the Company and at a profit for this colony, the High Government should offer an explanation of what kind of private trade this might be, what profits the Company or this colony might enjoy, under which constraints it would be permitted and which precautions could be taken to ensure those constraints were observed.

On 3 September 1762, at the request of the High Government the China Committee informed this government about its decision to lift the prohibition on the private trade under certain conditions. In June 1763, the High Government thereupon resolved to allow trade between Batavia and Canton by the private residents in Batavia on two vessels annually. Intending to keep a firm grip on such trade, the High Government issued very strict regulations, complying with the instructions of the China Committee. Hence, such vessels should not call elsewhere; spices, tin, and pepper<sup>53</sup> might not be exported on these vessels; no foreign nations might have any portion in the loading of the ships, to which the crews of the vessels should make a declaration under oath before their departure, under penalty that the ships and their cargoes could be confiscated *ipso jure*. The trade representatives in Canton were ordered to keep an eye out for possible infringements committed by the private traders. If there was any evidence of illicit commerce, the offending vessels should be sent back to Batavia under convoy with a Company ship.<sup>54</sup> According to the source materials studied, no vessels were even sent directly to Canton from Batavia by Dutch private merchants, but a number of Chinese junks, and in some years even Portuguese ships, were employed for this purpose by Dutch residents in Batavia.<sup>55</sup>

#### *Trade goods and funds sent from the Dutch Republic*

As mentioned earlier, the China Committee requested the chambers to furnish the China-bound ships with sufficient trade goods and funds for them to undertake the voyage. All these goods and funds were sent on board by the chambers themselves in compliance with the instructions of the Committee.

At Texel, the “Home goods”, which ordinarily consisted of lead (sometimes referred to as “Dutch lead”), *laken*, printed *laken*, *polemieten*, printed carpets and so on were loaded onto the China-bound ships together with the bullion. Lead, *laken*, and *polemieten* were the most frequently recurring export items. The quantities of the “Home goods” were laid

down by the China Committee not only in its instructions to the High Government, but also in those issued to the trade representatives, and in the particular instruction to the Dutch chief in Canton.<sup>56</sup> It should be pointed out that the amounts of the "Home goods" supplied may also be found in the records of the "Assessments of the merchandise" on the China ships (see Appendix 2) in which their end-result in Canton was also mentioned in the usual meticulous detail.<sup>57</sup>

On the China-bound ships lead served more as ballast than as merchandise, and in Canton a big portion of it was exchanged with the Chinese merchants for a cheaper return ballast of spelter.<sup>58</sup> On the Chinese side, lead could be used not only to alloy spelter, but also to alloy tin to make the "tea lead". This was used to line the tea chests to preserve the aroma and taste of tea more effectively and keep the wooden tea chests dry during the transportation of tea.<sup>59</sup>

Dutch *laken* was not highly sought after in Canton, and only the best grades and finest types of smooth, napless, and closely-woven textiles were marketable there for a few years in the 1760s and 1770s, but this picked up a little in the 1780s and 1790s. *Laken* with a printed pattern could be sold only in small quantities in the 1760s and in 1789, 1790, 1791, and 1793. The *polemieten*, which had a Turkish cotton warp and were therefore stronger than the English product with a woollen warp, were quite saleable so that they were brought by the China ships nearly every year in the periods 1763-1780 and 1783-1793, with the exceptions of the years 1766, 1771, and 1772.

In the contemporary textile industry in the Dutch Republic, Leiden was a very important place. In 1742, the Amsterdam Chamber resolved to purchase half of all the cloth it needed from Leiden drapers, and later in 1776 the Company directors signed a contract with them agreeing to order all the cloth the Company needed for Asia in Leiden.<sup>60</sup> In 1787, the manufacture of *polemieten* for China became the most important source of income for some Leiden factories.<sup>61</sup>

According to the "Assessments of the merchandise" on the China ships, however, the total amount of *laken*, printed *laken*, and *polemieten* imported into Canton by the VOC was by no means large in the period 1758-1793. The reason for this should probably be sought in the fact that Canton was the only place where the VOC, as well as other European companies, could sell European-made textiles in China during the second half of the eighteenth century. The upshot was that the market there for the European cloth was quite limited. Given that Canton is a sub-tropical city it was not exactly the right place to market European coarse cloth, in particular woollen fabrics. Potential Chinese customers also had the choice of buying various types of coarse fabrics made in other areas of China such as Nanking linen, which was even regularly exported to

Europe in the eighteenth century. The VOC imports of cloth to Canton also had to compete strenuously with other European companies, especially the EIC which offered the Canton market any amount it might demand at lower prices.<sup>62</sup>

From the late 1750s to the early 1790s, precious metals, the so-called “general funds” for China, formed the most important import commodity and was brought regularly as clockwork each season on the Company ships from the Dutch Republic (see Appendix 1). Among the precious metals silver bullion usually preponderated. Over the thirty-seven years from 1758 to 1795, the silver bullion brought to Canton was definitely in the form of *Mexicanen* in twenty-two years, as piaster in four years, as Spanish rial in three years, and partly as piaster and partly gold ducat in two years. It is curious that in the years of 1764-1781 and again in 1783, a fair amount of silver bullion from the previous trading season remained unsold (see Appendix 1). This is very interesting because during almost the same period, the trade representatives spent enormous sums of money on the return shipments every year.<sup>63</sup> Therefore, other than might have been expected at first glance the annual excess of silver bullion did not signify the failure of the Company business in Canton; on the contrary, it meant instead that the trade representatives had profited greatly from the goods imported into Canton by the VOC.

#### *The China Committee's demands for the “VOC teas”*

In its annual instructions to the Company personnel in Canton, the China Committee devoted several pages to a detailed explanation of the various return goods it desired from Canton, such as tea, porcelain, unbleached Nanking linen and silk, rhubarb, star anis, China root, lacquer ware, and spelter, but among these the explanation about the “VOC teas” of course took pride of place. For each kind of tea in demand, except Bohea, the desired amount was noted down, with further specifications about the various grades of tea.

The quantities of various “VOC teas” required by the China Committee are listed in Appendix 4. These data show that, with the exception of Bohea, the total amounts of the “VOC teas” bought in Canton basically matched the demand from the Dutch Republic, allowing for some discrepancies between the demand and supply of each sort. Such irregular discrepancies appear nearly all the time in the period concerned.

The China Committee clearly stated that each kind of tea, Bohea excepted, should be divided into good (*puik goede*) or ordinary grade, better (*fijner & beter*) or second grade, and best (*super fijne*) or first grade. In accordance with differentiation in quality, the quantity of each sort

decreased from ordinary to best. Occasionally, the Committee just ordered one grade or perhaps two of a particular sort of tea. This occurred mostly in the demands for the low-quality black tea.

Only with the very best Bohea did the China Committee never give the exact amount required, for it always let the trade representatives in China decide how much should be purchased, depending on the situation on the Canton market in the coming trading season. To lighten the burden of the personnel in Canton, the Committee always sent some information about the market situation of tea in the Dutch Republic, stating the sales price, the tea-buyers' demands for the various grades and even their complaints about the low quality they had received. It was hoped that this manoeuvre would improve the trade representatives' purchases in Canton.

There were years in which the trade representatives in Canton did not buy some of the sorts of tea which the China Committee required;<sup>64</sup> in others the situation was reversed. It also occasionally happened that the trade representatives bought more quantities of tea than the China Committee had required (see Appendix 4). It is believed that this was a fairly common occurrence because it was virtually impossible to predict the fluctuation of the price and the supply of tea on the Canton market with any accuracy.

#### *Conclusion*

From the end of the seventeenth century, when trade and shipping increased tremendously between Europe and Asia, the VOC had gradually lost its unique position in the Asian trade,<sup>65</sup> and the profits the Company earned from it had been insufficient.<sup>66</sup> This became more obvious towards the 1750s. One of the reasons of the weakening share of the VOC in this trade was that other companies which were better managed entered the field, another was the enormous expenditure the High Government was put to in internal Asian affairs, and a further reason was that control was too centralized in Batavia. The High Government often acted in internal Asian affairs as if it were all powerful. It sometimes behaved as if it was beyond the authority of the VOC directors in the home country, and concentrated more on its own interest in Asia. As a result, the scale of opportunities for intra-Asian trade managed by Batavia and private corrupt dealings from the management and administration in the various settlements increased. All this encroached on the interest of the Company, diminished the Company's core concentration on the European-Asian trade, and hindered some branches of the European-Asian trade to magnify their value to the fullest extent, for example, the essentially lucrative trade with China, Surat, and Bengal. In order

to recover the Company, these trades were proposed to be expanded.

Dissatisfaction with the manner in which the High Government conducted the China trade paved the way for the Gentlemen Seventeen's decision to regain control of and revamp this important trade, by henceforth sending ships directly from the Dutch Republic to China. The Gentlemen Seventeen suspected that the High Government delayed the ships unnecessarily at Batavia, and saddled them with some unmarketable "Batavia goods" for Canton. The upshot of its procrastination was that the VOC paid higher prices in China and received lower returns in Europe than did its competitors.

As something had to be done, the China Committee was established to reorganize the trade with China to tailor it more closely to the wishes of the Gentlemen Seventeen. Although disappointed by this decision, the High Government had no option but to obey it. After the direct trade between the Dutch Republic and China was inaugurated, the trade with China no longer benefited Batavia as it had done in the past but primarily served the interests of the Company at home. As a conciliatory gesture, the China Committee did not completely ignore the profits Batavia made from the China trade but allowed some involvement on condition that the fundamental interests of the Company be guaranteed.

Almost thirty years earlier, in 1727, the Gentlemen Seventeen had also tried to inaugurate a direct shipping link between the Low Countries and China. Within a few years, corruption and mismanagement had brought that experiment to an ignominious end and Batavia retrieved its controlling position. With this disaster still rankling, when it began to organize the direct China trade, the China Committee issued various stern and highly detailed instructions to the ship's officers, the trade representatives in China, and the High Government. The boundaries of every participant's functions and powers were clearly circumscribed, ensuring all the participants would be able to co-operate with each other under the leadership of the China Committee. Once everything had been arranged, the regulations remained basically the same from its beginning to the end of the trade. This implies how well controlled and stable the direct China trade became under the management of the China Committee. With regard to the selection and purchase of the return cargoes, especially the "VOC teas", the instructions left the trade representatives in Canton enough room to manoeuvre to decide themselves upon the quantities, value, and prices of the goods bought for the home market.

The China Committee made sure that marketable trade goods were sent to Canton on the China-bound ships. More attractive commodities did indeed give a fillip for the trade representatives' negotiations in Canton, but the most tradable item for the Canton market remained the precious metals sent from the Dutch Republic.



All things considered, the China Committee was a unique type of institution within the structure of the VOC for it focused exclusively on the trade in one single commodity with one single region for nearly half a century.<sup>67</sup> Close study of the China Committee's management of the VOC China trade shows that in an age of the decline of the Company as a whole, the reorganization of the VOC China trade was a smashing success for the stockholders.

