

Setting the Stage: Dutch trade and the Chinese Diaspora

Close to one million Europeans sailed to Asia as employees of the Dutch East India Company. With the sole rights to all commerce east of the Cape of Good Hope, the *Verenigde Oost-Indische Compagnie* (VOC), the world's first incorporated trading company, possessed during its nearly two hundred years of existence (1602–1799) an unassailable position within Dutch society. The Company's significant economic presence was evidenced by its ownership of large warehouses and shipyards in six prominent port cities: Amsterdam, Hoorn, Enkhuizen, Delft, Rotterdam, and Middelburg. This substantial infrastructure, along with its role as the largest and most stable employer in the country, solidified the Company's position as a major economic entity. With more than twenty thousand employees on its payroll at home and in Asia, the VOC provided not only the Netherlands but all of Europe with Asian products.¹⁰

The contribution of the Asian commerce to the Dutch gross national product was much greater than the 7 percent that is generally assumed, for the simple reason that the East India Company faced a formidable competitor: its own personnel. On board each ship returning from Asia, in addition to the so-called permitted trade of the Company servants, a fortune in private merchandise was smuggled in upon arrival, notwithstanding all kinds of strict rules to prevent this 'illegal' trade.¹¹ Each crew member, from skipper to sailor, was entitled to carry a precisely determined volume of private goods. But for a small tip, the inspectors, known as *garbuleurs*, were usually willing to look the other way.

Self-enrichment among Company servants in the East Indies occurred at all levels. This is not surprising, since the salaries paid by the Company were meager—no one could make a decent living on that. In his *East Indian Mirror*, ship's surgeon, Nicolaus de Graaff, noted that the ways and means of private commerce were 'motley and coarse beyond words.' 'Illegal, private trade could not be eradicated or forbidden in spite of the severe corporal punishments put upon it.'¹² Anyone who repatriated, did so with a chest full of porcelain, lacquerware, precious stones, or other curiosities.¹³ Governor-General Van Imhoff, who we will meet below, saw no harm in this pilfering. Although a lot of the VOC's fortune ended up in the pockets of its employees, he thought

everyone involved and even the Company itself, fared well enough.¹⁴ Thus, not only the personnel in Asia but also the Company elite in Holland engaged in some kind of illegal trafficking. The Gentlemen XVII, the exceedingly wealthy directors living in their mansions along Amsterdam's canals, sold appointments underhand, all the way from merchant to skipper. It is no wonder that after the bankruptcy in 1799, it was said that the VOC had 'perished under corruption' (*Vergaan Onder Corruptie*). Of course, that was not the only reason why the Company came to an end.

In the first seventy years of its existence, the VOC managed to establish a comprehensive trade network in Asian waters, linking dozens of ports to its headquarters in Batavia on the island of Java. While its competitors had to export large quantities of precious metals to Asia because Europe had few attractive commodities to offer to Asia, the Dutch Company initially could purchase Asian products for export to Europe from the surplus profit gained from its spice monopolies within Asia itself.¹⁵

In the long run, however, the Company's supremacy did not last. Gradually, the VOC also became dependent on annual shipments of capital from Europe. In the second half of the eighteenth century, the British East India Company outstripped her Dutch sister by establishing a mighty power base in India. The renowned seventeenth-century jurist Hugo Grotius had already predicted this: 'The English seek their way as merchants, the Dutch as warriors, the English seek to profit, the Dutch seek to stabilize their affairs forever.'¹⁶

The VOC as a politically stable factor

It is not often that a Company can function in virtually unchanged institutional form for two hundred years. What explained the sustainability of the VOC in Asia? Apart from monopolies on spices and cinnamon, and enforced trade contracts on products for export such as tin, coffee, sugar, and pepper, the VOC possessed a secret weapon: its highly efficient logistical organizational structure in Asia. Under normal circumstances, all the trading posts of the Company were continuously supplied with trained personnel who were basically subject to the same legal principles and regulations. While promotions and succession issues were the Achilles' heel of any Asian kingdom or principality, the directorate in Holland, the Gentlemen XVII, determined who could fill the most important positions, while the High Government in Batavia decided on lower-level appointments. Thanks to this stable setup, the Company became entrenched within the changeable political world of the Indonesian archipelago, and thus the foundation for the Dutch colonial empire was gradually laid.

This is not to say that the VOC *ruled* the archipelago. Already in the 1930s, the Dutch historian, Jacob van Leur, criticized the then reigning triumphalist colonial historiography and put early modern European presence in Asia in proper perspective. In his view, the VOC was just another merchant in the midst of a bustling Asian trading world. He hardly discerned any innovative effect of the Dutch presence.¹⁷ This view has also been expressed more recently by the German sociologist, André Gunder Frank. With his impressive study, *Reorient*, he sought to indicate how limited the Western influence on Asian traditional society actually was.¹⁸ With their relativist views, these two historians (and many after them) wished to pave the way to an autonomous Asian historiography. But in their enthusiasm, they also overlooked some unique features of the early modern European trading companies.¹⁹ As an extremely stable element, the Company was able to penetrate the trading world of the Indonesian Archipelago and entrench itself there permanently. Somewhat belatedly, the merchants of Coromandel compared the Dutch to snakes ‘that everywhere they insert their head, they manage to get the whole body in as well, and that it is their nature to keep everything they have once obtained, and not to separate from it again.’²⁰ Nevertheless, the Dutch also had to adapt to the Asian environment and the political developments that took place there, as the genesis of their Batavian headquarters shows.

The Malay port principalities

With the spread of Islam in Southeast Asia in the fifteenth and sixteenth centuries, Malay port principalities sprouted up all along the straits and estuaries of the Indonesian archipelago. Not unlike the mercantile city states of Medieval Italy, they were often not much bigger than the settlement itself and a small area of surrounding countryside. For the Malay rulers, the number of subjects was more important than territorial size. The rajas, *pangeran* (princes) or sultans prided themselves on their ornately designed *surat emas* (golden letters), with which they maintained diplomatic relations among themselves, but they by no means shied away from the use of force when it suited them. At the time, except for the fertile volcanic core of Central Java, the island world of Southeast Asia was still sparsely populated. Therefore, raiding to kidnap people for slave labor was a widespread phenomenon in the area.

At the beginning of the sixteenth century, Sunda Kalapa, the renowned trade entrepot of the Hindu kingdom of Pajajaran in West Java, was overrun by its neighbor, the upcoming Muslim principality of Bantam.²¹ Re-baptized Jayakarta (Great Victory), the port city was reduced to vassal status and lost

its function as a venue for international trade. Located even closer to the Sunda Strait, the passage between the South China Sea and the Indian Ocean, Bantam grew henceforth into the ideal rendezvous for merchants from India and China who traded their own products there for the tropical products of the archipelago. Javanese skippers brought in spices from the Moluccas and traded them for Indian cotton and all sorts of Chinese products such as silk, porcelain, paper, and ironware. Such was the state of affairs when the first Dutch expedition to the Indies anchored at the roadstead of Bantam in 1595. In the years that followed, the VOC stuck to strategically located Bantam in order to coordinate its logistics in the Indonesian archipelago. This changed when in 1611, Jan Pieterszoon Coen was appointed director general of the Company's trade in Asia. Facing fierce competition with English and Chinese merchants while purchasing pepper and other tropical products at the local market, he was fully aware that Bantam's ruler, as a monopolist in the pepper trade, played the Europeans off against each other. Consequently, Coen began to look for another port in West Java where the Company would have more room to develop its activities.

Cuckoo's nest Batavia

It so happened that the ruler of quiet Jayakarta in the shadow of its mighty neighbor, Bantam, wished to breathe new life into his port. He gladly rented out a small plot of land at the mouth of the Ciliwong River where the Dutch merchants were allowed to build a warehouse. That innocent-looking new structure became a Trojan horse when in 1618, Coen, by then already governor-general, suddenly decided to transfer his base from Bantam to Jayakarta. Needless to say, a second warehouse now had to be added to the first. The unexpected move baffled not only Jayakarta's ruler, but also the English, not to mention the Sultan of Bantam, who saw the Company slip out of his grasp. This resulted in a protracted siege of the Jayakarta factory by all of the three parties, until Coen, with reinforcements brought in from the Moluccas, made short work of his opponents. On May 19, 1619, he overran the principality, set fire to the royal residence, and in the name of the States General of the Netherlands, declared the 'Kingdom of Jacatra' a conquered territory. If it had been up to Coen, he would have christened the city New Hoorn in honor of his birthplace, but by orders from Holland in 1621, the conquered territory was named Batavia after the valiant tribe of the Batavi of Roman times.²²

Tropical Batavia may have gained a Dutch appearance with the canals, ramparts, and gates that were laid out, but in essence, it was more akin to the

feudally governed Asian port principalities that neighbored it.²³ Nestled in the majestic Batavia Castle at the mouth of the Great River, the governor-general, assisted by the six-member Council of the Indies, ruled like a Malay sovereign in his own *kraton* (palace). The surviving diplomatic correspondence with the Asian rajas, *pangerans* (princes), and kings attest to how Batavia, 'Queen of the East,' gained its own prominent place in the Indonesian archipelago over time.²⁴ Yet, behind all the sycophancy of the surrounding Malay princes and the trade contracts signed with them, the military might of the VOC gradually came to claim its prominent place in the pecking order of the archipelago.

Batavia thus remained essentially a native port principality, albeit in Dutch disguise. The city's multicultural society was governed by the High Government comprising the governor-general and the Council of the Indies, assisted by Asian headmen ruling their own nations, the *shahbandars* (harbormasters), and bureaucratic institutions modeled on the Dutch example such as the *schepen-bank* (aldermen's court), the Council of Justice, the bailiff, and the *landdrost* (rural magistrate) for police duties, a hospital, an orphanage, a *rasphuis* (jail), a school, a weigh house, notaries, estate managers (*boedelmeesters*), and the like.

Yet, there was an essential morphological difference between the walled city of Batavia and the indigenous port principalities. Whereas in the traditional Indonesian setup, various foreign merchant communities lived side by side, each in their own kampongs around the *kraton* of the ruler, within Batavia's city walls, ethnic groups lived all heaped together. Not until several decades after the town's foundation were the various allied ethnic communities settled in their own villages in the surrounding hinterland, the so-called *Ommelanden*. These Balinese, Ambonese, Bandanese, and Makassarese 'martial races' were given their own plots of land, where they remained available as auxiliaries to be deployed on call in case of military actions.²⁵ In the long term, extensive intermixing occurred, and the *Orang Betawi*, the so-called original indigenous population of the *Ommelanden*, gradually took shape.²⁶

In search of a colonial middle class

Multi-ethnic Batavia counted few Dutch free burghers among its population, who, moreover, were given little room to develop their own enterprises, because the Company protected its privileges like a jealous deity. In such circumstances, the question posed was who were to become the middle class that the colonial town needed?

When he was appointed governor-general in 1617, Jan Pietersz. Coen received a memorable instruction from the company directors in the Netherlands: he

was to recruit Chinese for the Company and make good use of *'these industrious, diligent, and unarmed people because, as far as we know, there is no fear that they will ever revolt or desire to make themselves masters of the country if good care is taken that only the most notable and ablest of our own nation serve in all administrative positions.'*²⁷ Lacking a sufficient supply of able Dutch free burghers, Coen therefore sought to entice Chinese residents from Bantam to come over and serve as the drivers of Batavia's local economy. Consequently, overseas Chinese settlers were given every opportunity to develop their own playing field in the new city, and they seized it with both hands. They came to fulfill essential middle-class tasks as shopkeepers, merchants, and contractors and practiced all kinds of crafts. In addition, they pioneered agriculture and horticulture as soon as this became possible in the immediate vicinity of the city. Meanwhile Coen and his successors successfully enticed Chinese shipping to Batavia in order to ensure a steady supply of labor from the Middle Kingdom. Thanks to their close bonds with the mother country, the Chinese community grew to become the largest and most important ethnic group in Batavia. Thus, a hybrid colonial city emerged in which Euro-Asian and Chinese characteristics intertwined.²⁸

Early on, the Batavian High Government toyed with the idea of clearing the jungle around the city and planting market crops such as rice, sugar, and pepper. However, it took quite some time before the necessary, proverbial colonial 'law and order' was established in the city's hinterland. First, young Batavia had to gain its own position between the two powerful neighbors, Bantam in the west and the kingdom of Mataram to the east. As a matter of fact, just when the VOC was trying to gain a foothold in West Java, Sultan Agong, the ruler of populous Mataram in central Java, was expanding his power over the entire north coast of the island, subduing one port city after another. In 1628 and 1629, he twice tried to subdue Batavia but was successfully beaten off each time. 'Bands of poachers' from neighboring Bantam, however, continued to infest the hinterland for many years, making it impossible to reclaim the surrounding jungle for large-scale agricultural development.

In the seventeenth century, tropical Batavia was a pleasant place to be, not in the least because of the Great River that flowed straight through the city to the sea: 'The convenient water supply renders the city pure and clean and enables its people to bathe continually, for the Indians splash in the water without ceasing like ducks,' wrote a seventeenth-century visitor.²⁹ Reverend François Valentijn, author of an enormous study of the Dutch empire in Asia, wrote a hundred years later that the air was 'generally very fresh and healthy.' Even if during the dry season the heat was considerable, 'it was not so oppressive, as in summertime in Holland,' he asserted.³⁰ As we shall see, that pleasant situation would change dramatically in the 1730s.

All visitors to Batavia marveled at all the different Asian peoples living intra- and extramuros: Chinese, Bandanese, Balinese, Ambonese, and Malays, and the Christian *Mardijkers* (*orang merdeka*, free people), descendants of Portuguese settlers or manumitted slaves who formed a large segment of the free population.³¹ For security's sake, Javanese were not allowed to live inside the walls of the city. At first sight, it was a truly pluralistic society, and in the context of the unequal relationships so characteristic of colonial society, Batavia remained, however, a melting pot where its citizens really only met in the marketplace.³²

The Chinese Diaspora

The stereotypical image that the Dutch formed of the overseas Chinese in the early seventeenth century was clear: they were peaceful, hard workers, and there was little to worry about as long as they were kept under the thumb of a decent colonial administration. Thinking of the Chinese in this way, the almost rhetorical question arises: what would have become of the entire Dutch colonial project in the Indonesian Archipelago without the Chinese? The straightforward answer to this is: very little. Right from the outset until the end of colonial rule, Chinese played an indispensable role as intermediaries between the colonial and local economies. One might as well ask: what would have become of the Chinese without the Dutch colonial presence? Under a different political regime, the Chinese would undoubtedly have been able to adapt to the local situation as well.

Wherever Dutch merchants showed up in the Indonesian Archipelago, they found Chinese already settled there. After all, China boasted centuries-old trade relations with the Nanyang, the 'Southern Seas.' This does not necessarily mean that over the centuries, there had been a steady coming and going of Chinese trading junks between southern China and the tropics. The interventions of successive imperial dynasties in overseas trade resulted in fluctuating movements of shipping. Under the Yuan dynasty of the Mongols (1279–1367), there was intensive overseas commerce with Southeast and South Asia. But the emperors of the Ming dynasty (1368–1644)—with the exception of the first emperors, who sent large fleets overseas under the eunuch Zheng He (1403–1433)—were averse to adventurous subjects going overseas on their own account and thereby escaping supervision. The court in Beijing preferred that the 'overseas barbarians' from abroad come and deliver their own products—in the form of tribute gifts—to the port city of Canton (Guangzhou), which was designated for the reception of foreign tributaries. In 1435, the Ming emperor

even banned Chinese shipping to foreign lands altogether under the motto: 'Not even a plank may leave the coastal waters.'³³

During the Song and Yuan dynasties—that is, from the tenth through the fourteenth centuries—the southeastern province of Fujian, with its seafaring mercantile population, was among the most prosperous provinces in China, with the wealth of the port city of Zaitun (Quanzhou), according to Marco Polo, even overshadowing his native Venice. Owing to the maritime prohibition policy of the Ming emperors, however, China's coastal economy collapsed in the sixteenth century and faced a rise in piracy and plunder in which Fujianese and Japanese freebooters colluded. To put an end to this, all Chinese commerce with Japan was banned in 1549, but in order to accommodate the merchants of the coastal provinces, the imperial court opened the doors to tropical Southeast Asia in 1567. Fujianese trading junks were henceforth allowed to sail again to a variety of overseas destinations.

The *Dong-Xiyang kao* (A Treatise of the Eastern and Western Oceans) written in 1617 describes in detail how this expanding Chinese shipping network was organized, what its ports of destination were, what kind of goods were exported and imported, and how a sophisticated tax system ensured that the emperor could share liberally in the proceeds. The Eastern Ocean referred to the sea route that led from Amoy via Spanish-occupied Manila (1571) in the Philippines to the spice-producing Moluccas (Maluku) in today's Indonesia. That connection became extremely profitable when Spanish galleons started to cross the Pacific Ocean carrying from Mexico treasure chests full of rials, coined at the silver mines of Peru. With that silver money, the Spanish at Manila paid for Chinese goods for export such as silk, porcelain, and sugar for their American colonies. It is no wonder that tens of thousands of Chinese migrated to the Philippines to share in this extremely lucrative commerce.³⁴

By the western ocean, the Chinese meant the coastal route along Vietnam, Cambodia, Siam (Thailand), the Malay Peninsula, and Sumatra, all the way to Bantam in West Java. Via this route, China was supplied with pepper, cloves, cinnamon, rare tropical woods, edible bird's nests, and all kinds of seafood that even brought about a change in flavor in southern Chinese cuisine.³⁵

Dutch versus Chinese

When the first Dutch ships appeared on the roadstead of Bantam in 1595, they were welcomed by the Chinese merchants residing there. That first encounter would lead to a long history of both competition and cooperation. Both sides complemented each other well, as they displayed remarkable contrasts and

similarities. First of all, there was the question of support, or the lack of it, by the home government. In the Chinese case, the great leap overseas into Southeast Asia was at most only tolerated by a distrustful imperial court in Beijing. How different the situation was on the Dutch side, where the VOC was provided with a monopoly on all navigation to Asia. Such government support was understandable given the enormous distances that the ships had to cover between Europe and Asia. On the other hand, the Chinese diaspora remained economically and socially connected with the mother country by kinship relations and received no protection or political backing from home.

And what about shipping? Dutch East Indiamen never made it back within two years, while Chinese junks used to return home within six months. The risky trading voyages via the Atlantic and Indian Oceans from Europe to the tropics and back called for a totally different type of investment and management than those from China. The Chinese junks or *wangkang* set sail every year in January, and, propelled by the northeast monsoon, they would arrive in the tropical regions within a couple of weeks. In early summer, they returned home again as the favorable southwest monsoon set in. Measuring 150 to 300 tons, the junks were typically half the size of the Dutch East Indiamen. In addition to a crew of usually eighty men, the junks carried on deck hundreds of hawkers and adventurers looking for work. A *nakhoda* (chief merchant) represented the business interests of the ship owners and the crew in foreign ports. All on board, the crew members and the passengers alike, engaged in peddling their master's or their own merchandise.³⁶ Every year, the inhabitants of Batavia eagerly awaited the arrival of Chinese goods such as ironwork (pans, needles, scissors), pottery for daily use, paper (umbrellas), and, last but not least, *picis*, the copper pennies with a hole in the middle that came in handy as change at the *pasar* (market).³⁷ On the way home, the junks carried all kinds of tropical products such as pepper, spices, sandalwood, edible bird's nests, and as much silver money as the Chinese merchants could collect.

In contrast to the Dutch, who were hardly inclined to emigrate and settle abroad, the Chinese roamed all over Southeast Asia in search of profit, sojourning and settling here and there for shorter or longer periods of time. While all Dutch sailors sailed to Asia in the service of the VOC, this was not the case for Chinese shipping. Chinese maritime trade and overseas migration were based on free enterprise, mutual cooperation, and, above all, the kinship ties that connected the Chinese family system. For the Chinese overseas, the junk trade was the artery through which new blood was brought in every spring.

While the Dutch company established its own trade factories from Nagasaki in the East to Yemen in the West, Chinatowns spontaneously sprang up all over Southeast Asia. Chinese men were allowed by their own authorities to stay

away for one or two monsoons to transact their business, but women were forbidden to go abroad under any circumstances. This meant that the Chinese sojourner often had more than one partner: a wife at home who took care of the parents and kin, and, wherever he settled in the archipelago, a native *nyai* (concubine). Since the daily transactions on the local *pasar* in Southeast Asia (then as now) was generally in the hands of women, the Chinese newcomer had easy access to local markets thanks to his native wife.

Traditionally, overseas Chinese conformed to the conditions of the country where they settled for short or longer periods of time. In the local economies, they served as middlemen and moneychangers and were often entrusted with all sorts of administrative financial tasks such as levying tolls or taxes. This allowed them to build informal economic networks that extended to the farthest corners of Southeast Asia. Indigenous elites gladly incorporated Chinese helpers because, with their support, they could strengthen or expand their own power. As we shall see, the Dutch colonial administration in Batavia did the same.

Strikingly, both the Spaniards and the Dutch founded colonial headquarters based on significant Chinese populations: Manila in the Philippines in 1571 and Batavia in Java in 1619. Both cities were located at the crossroads of European and Chinese commercial networks; indeed, they owed their location to it. The similarities between Manila and Batavia were not accidental, because Coen unabashedly confessed that he considered Manila to be a model for Batavia.³⁸ Yet there was one striking difference between the two cities: outside the walled Spanish city of Manila, the Chinese lived in their own *parian*, a large China town, while at Batavia the Chinese were housed *within* the city walls. This made sense because, due to the town's precarious position between two hostile Javanese principalities, Bantam on one side and Mataram on the other, Batavia had to ensure the safety of its own Dutch and Chinese citizens.

Co-colonization

The close relationship between the formal colonization project of the Dutch East India Company and the informal Chinese diaspora constitutes a fascinating subject. In Java and Taiwan this type of co-operation has been characterized as 'co-colonization,' a type of collaboration in colonial plural societies, where unequal partners benefit from pursuing mutual interests, often at the expense of the indigenous people.³⁹ Not only in Batavia did the VOC call in the Chinese to help create a colony. They did likewise during the short-lived occupation of the island of Formosa (1624–1662). The establishment on Formosa (Taiwan) was originally intended to serve as a transit point for the