Chapter V

DUTCH TRADE AND COMMERCE

The Coromandel Coast had the potential of providing items such as pearl fishery, indigo, saltpetre and diamonds for the European market. Its principal attraction consisted in the availability of large quantities of textiles in South Coromandel Coast.

Pearl Fishing Trade

Pearl is one of the rarest and best commodities in the world market by which India gained an overseas commercial fame. The precious pearls and chanks were fished from the Gulf of Mannar in Southeast India. The small coastal strip that extends about 250 kilometres from Cape Comorin as far as the Adam’s Bridge near the island promontory of the traditional Raman Koil1, called Rameswaram, bordering the Modern Gulf of Mannar, is known as the Pearl Fishery Coast2. The ancient travellers referred to it by different names as, for instance, the author of Periplus refers to it as Parallia,3 Marco Polo as Malabor,4 Durate Barbose5 and Barros as Coromandel6. Because of its abundant supply of pearls, the Portuguese called the coastal strip Pescaria, or Pearl Fishery Coast. This coastal region derived its fame from the pearl fishing which was carried on by the littoral community of the paravas.

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alias *bharathavars*. They are Christians and are dispersed along the coast from Ramnad to Cape Comorin. They were formerly of the Vella caste but were converted by the Portuguese about 280 years ago. It is believed that this was the only coast in India which for centuries was engaged in pearl fishery, and hence its name Pearl Fishery Coast was almost unique and exclusive. The rich pearl and chank habitat, the struggle for control of the fishing banks among the indigenous rivals and later between competitors from Portugal, Dutch and England as well as the constructive and destructive role played by natural forces will be some of the issues dealt with in this chapter.

On 23rd July 1658, facing the prospect of bombardment by a Dutch fleet under Jan van der Laan, the Portuguese surrendered their fort and agreed to leave the town on condition of being allowed to carry their movable possessions and families with them. Thus, the independent trade of Portuguese in Coromandel came to an end. In the same year, the Dutch signed treaties with the Madurai Nayaka and the Marava Setupati, which set the stage for a new phase in the management of the Mannar fishery. The Dutch claimed that as successors of the Portuguese, they had the same fiscal rights over the pearl fishery, as well as the same right to patronise the

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7 In classic Tamil, *Paravan* means ‘man of the sea’ ‘paravar’ is its plural form. The *paravars* were called *bharathars* because of their alleged origin from the royal ancestor by name Bhartham, the grand father of the famous Kulasekarapatnam, founder of the Pandian dynasty in Tamil Nadu; Edgar Thurston and K. Rangachari, *Castes and tribes of Southern India*, Vol.1, New Delhi, Asian Educational Services, 2001, pp.140–143; S.Deckla, “Maritime History of The Pearl Fishery Coast with Special Reference to Thoothukudi”, Ph.D. Thesis, Manonmaniam Sundaranar University, 2004, p.21.

8 Tamil Nadu State Archives (hereafter TNA), South Arcot District Records Vol.142 (8), 1818, pp.64-5, 87-8, 97–101, 113–118.


Paravas as a community (despite the fact that the latter were Catholics\(^{11}\) and the Dutch usually Protestants). As the VOC conceived it in this period, the season was to begin with an inspection of the pearl-banks, to be carried out by a number of Dutch officials in collaboration with Parava and Maraikkayar notables. Samples were to be taken, and if found satisfactory, a fishery was to be held. The duration of the fishery would vary, however, depending on the richness of the sample. Once it had been decided to hold a fishery, a site had to be chosen which could be on the northern or the southern shore of the Gulf. If it is the latter, the camp would be in VOC territory and matters would be greatly simplified. If it is the former, the camp could fall either in Ramnad or Madurai, and the co-operation of the relevant ruler, the Setupati of Ramnad or the Nayaka of Madurai respectively, would have to be solicited.\(^{12}\)

To the Dutch, the pearl fishery was a massive harvest which had to be coordinated and in which various rights of differing antiquity needed to be reconciled. These rights were created by different means. Some pertained to state authority. Thus, the Dutch East India Company had rights by virtue of its control of coastal Sri Lanka, the Madurai Nayakas and the Marava Setupatis by virtue of their control of sections of the fishery coast. Others belonged to the communities which participated ‘traditionally’ in the fishery. Above all the Paravas and Maraikkayars had to be consulted in its management. Still others were vested in institutions, such as the Ramesvaram temple.

All these rights were defined in terms of a unit of operation peculiar to the pearl fishery, namely the diving stone. These stones were the objects that were taxed

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by the Dutch. They weighed between five and six kilograms and had a hole driven through their centre through which a knotted rope was passed. The diver, clad in a breech clout, was lowered from a boat while standing on the stone, with the rope being used to draw him up at the end of a dive. The boats themselves, vessels called *tonis*, were owned by men termed *campanottis*, belonging in this period largely to the *Parava* and *Maraikkayar* communities. The divers for their part seem largely to have been *Paravas* (Christian converts as well as non-Christians) and *Lebbais*. If they died in the course of the fishery, the tax was reduced, and this was termed a ‘half-stone’.\(^\text{13}\)

The first pearl fishery involving the Dutch, concerning which information at any level of detail was one held in 1666. It was probably the first one held after 1658 on the southern shores of the Gulf of Mannar, though pearl fishery had been held in 1663 on the Tuticorin side of the Gulf, concerning which little is known\(^\text{14}\). In comparison with the 1663 fishery, which yielded revenues of Dfl 8,000 to the VOC, the 1666 fishery was far more lucrative, producing revenues of Dfl. 68,473. It began on 22\(^{\text{nd}}\) March 1666, and the number of vessels involved was 270, far smaller than was to be the case later in the century. According to the correspondence of the period, the relatively low level of participation was on account of two factors: first, poor relations between the Dutch and the Madurai Nayakas, who claimed a right to one day’s proceeds in the fishery, which the VOC disputed and second, the fact that the *Paravas* were none too eager to co-operate with the Dutch in the operations either.

The poor quality of the relations between the Madurai Nayakas and the Dutch was reflected not only in diplomatic dealings but in the actual use of force. In this situation of moral abjectness, there arrived the Dutch Company, which having

\(^{13}\) *Ibid*. p.146.
defeated the Portuguese in 1658, succeeded to their rights over the coast, as well as to their authority over.\footnote{Molly A. Warsh, \textit{Adorning Empire: A History of The Early Modern Pearl Trade, 1492-1688}, Ph.D. Dissertartion, Johns Hopkins University, 2009, print, 2009, p.116.}

Dutch hostility and self-righteousness thus contributed their share to violent confrontations when a fishery was actually held in 1669, on the Tuticorin side of the Gulf. In all, 555\textit{ tonis} took part on this occasion, and the tax collections amounted to some Dfl. 132,000 (and after expenses were deducted were still in the region of Dfl. 120,000). They were able to observe on this occasion, with some closeness, the system of taxation that was followed. Diving stones were divided into three categories: Christian (which paid the least tax), Heathen or Hindu (which paid somewhat more), and Muslim or Moorish (which paid the most). These stones were designated on the basis of the diver’s identity, not that of the \textit{campanotti}. Thus, a single boat could contain stones of all three ‘religious denominations’. On this particular occasion, the number of stones was slightly over five thousand.

However, the fishery apparently had to be called off halfway, as violence escalated. Even if the Dutch consoled themselves with the proverb that ‘half an egg is better than an empty shell’, it seemed matters had to be settled once and for all. Pitched battles involving artillery were conducted between the Dutch stronghold of Tuticorin, and the neighbouring Nayaka outpost of Melur, and the Company claimed a military triumph by the end of that year. However, it appears to have been a Pyrrhic victory, for the Dutch eventually came around to conceding to the Madurai Nayaka and the Marava Setupati their ‘traditional’ rights (which were in fact less than a century old). Moreover, the fishery of 1669 was followed by a long hiatus, for no recorded pearl fisheries took place on either side of the Gulf until the late 1680s. In 1690, when a fishery was finally held, it was of an unusually long
duration (that is, forty-seven days instead of the normal twenty-four, and involved 349 vessels); one observer suggested that this was an ‘abuse’ on the part of local Dutch Company employees, who could have shortened the duration and increased the number of boats, thus swelling the VOC’s revenues. This fishery yielded Dfl. 63,000, which is markedly less than those of the late 1660s, as is recorded in a detailed report prepared on the occasion by Hendrik Adriaan van Rheede, the celebrated Dutch administrator and naturalist, who was present on the scene.

Van Rheede’s Report\(^{16}\), submitted to the Directors of the Company in January 1691, points to the existence of a total of forty-seven pearl-banks, distributed as follows: Kollam to Punnaikkayal, 9; Punnaikkayal to Patnamadduru, 22; Patnamadduru to Rameswaram, 6; Mannar to Kalpitiya, 9; and Kalpitiya to Negombo, 1. These banks, he stated, all lay within a distance of one to three miles from the shore and were located at a depth of from six to twelve fathoms of water. Van Rheede also went on to describe the actual process of diving, the economic relations between the *campanottis* and the divers, and other issues. His is also one of the earliest accounts to discuss the cyclicity of regeneration of pearl-banks, which he states, took three years to form, were at their best in the sixth and seventh year, and thereafter began to disintegrate. Pearl-fishing, in his description, involved two stages. First, around October, an assaying expedition was sent out under Dutch supervision (but including several expert ‘native informants’) to sample the oysters in each bank. The value of the pearls yielded by a sample of a thousand oysters from each bank was ascertained: if this fell below 48 *panams*, no fishery was held in that bank. Depending on the number of banks whose yield exceeded this cut-off value and the extent to which they exceeded it, the duration of the fishery would be determined. The location of the banks would in turn determine where the pearl-fishing camp was

\(^{16}\) *Towards a New Age of Partnership* (hereafter TANAP), *Database of VOC Documents*, NA 1.04.02, 1478, Malabar, 1691, pp.1348 – 1352.
set up, whether it would be on both sides only one side of the Gulf, and where precisely it needed to be from the viewpoint of access to the banks. The normal duration of a full fishery was reckoned at three *vally*, or twenty-four days, which formed a standard against which fisheries were measured.

Van Rheede’s description was fleshed out some years later, in 1694, when we have the first Dutch census of the pearl fishery. This census was conducted at the pearl-fishing camp, at the time of the registration of the *tonis*. This process took place four to five months after the assaying, and in the interim the Company usually sent out messengers to all the major ports along the south-west and southeast coasts of India and coastal Sri Lanka, with placards announcing the dates of the fishery and the location of the camp. If the fishery was held on the southern shore of the Gulf, the Dutch flag was flown; otherwise a flag was flown for the Nayaka of Madurai or the Setupati ruler of Ramnad, depending on the camp’s precise location. On the strand, an area was demarcated and cordoned off and toll-booths set up at the entrances to the camp. All commodities – foodstuffs and cloth being the major items – were taxed on entry. At the same time, the toll-keepers were to ensure that no pearls left the camp save with official sanction.

Of the Dutch records show details for two later years – 1698 and 1708, the first is somewhat atypical, but also interesting, for a violent quarrel between the Paravas and Maraikkayars led campanottis from the latter community, under the leadership of the Periya Tambi *Marakkayar* boycott. It is clear that no boats from such ports as Kilakkarai and Kayalapatnam played a role in the latter fishery. But it is equally of significance that even *Lebbai* divers employed by Parava campanottis

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chose to abstain from the fishery. Thus the number of Muslim divers from even Tuticorin fell sharply.

The third fishery from this period for which we have detailed information is that of 1708. This was by far the most successful of the three in terms of participation, even though it was attended by some trouble, with the Parava–Maraikkayar differences. Almost as sizeable in terms of initial participation as the 1669 fishery mentioned above, the 1708 fishery attracted tonis from a total of forty-one ports, and yielded somewhat over Dfl. 106,000 to the VOC.

After this fishery, there was a considerable gap before another successful one could be held. In 1711, the Dutch factors reported that ‘the pearl-fishery on the Aripo banks brought little up’, while in the following year too no success was reported. In fact the next fishery which, enjoyed any success, was one in 1724, followed by in 1725; both were held in Kondachi Bay, on the southern (Sri Lanka) fringes of the Gulf of Mannar. These two fisheries were once more followed by a rather extended hiatus, when the banks yielded little or nothing; and by the 1740s the Dutch began to lose interest in the enterprise, which seemed to have become an annual ritual exercise in futility. It was in these years that they began to resort to an expedient, namely the creation of a revenue-farm for the fishery, given out to the Jati talaivan of the Paravas of Tuticorin a certain Dom Gabriel Gomes. According to the memoir left by Jan Schreuder, Dutch Governor of Ceylon, for his successor in 1762, this innovation was to be credited to the Baron van Imhoff, who had ‘clearly demonstrated to what risk, indeed to what disadvantage, the Company was exposed’ if it conducted the fishery directly.18

18 E. Reimeris, trans, Selections from the Dutch Records of the Ceylon Government, No.5, Memoir of Jan Schreuder, Governor of Ceylon, delivered to his successor Lubbert Jan Baron van Eyck, on 17, 1762, Colombo, Government Press, 1946, p.81.print.
Table 2 summarises Dutch revenues from the pearl fishery from the early 1660s to the mid-eighteenth century, including the returns on the first few years of the Gomes farm. ‘The first years were hence successful indeed, and in the triennium 1747–49, fishing was conducted on both shores of the Gulf, with the Arippu fishery accounting for the lion’s share of returns. Subsequent to this, as we gather once more from Schreuder’s memoir, a fishery was also held in 1750, but for six days only, and yielding a mere 6,960 florins. Again a fishery is reported in 1753, and still another in 1754, the first a moderate success, but the latter an abysmal failure.

Table - 2

Dutch revenues from the pearl fishery, 1663–1749 (in Dutch florins)*

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
<th>Year</th>
<th>Amount</th>
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<tbody>
<tr>
<td>1666</td>
<td>64,000-68,000</td>
<td>1724</td>
<td>143,000</td>
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<tr>
<td>1669</td>
<td>132,000</td>
<td>1725</td>
<td>150,000</td>
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<tr>
<td>1690</td>
<td>73,000</td>
<td>1746</td>
<td>57,200</td>
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<tr>
<td>1694</td>
<td>81,000</td>
<td>1747</td>
<td>316,800</td>
</tr>
<tr>
<td>1698</td>
<td>28,000</td>
<td>1748</td>
<td>577,680</td>
</tr>
<tr>
<td>1699</td>
<td>92,000</td>
<td>1749</td>
<td>884,100</td>
</tr>
</tbody>
</table>


Thus, at the end of the first century of Dutch administration, two features stand out. First, the substantial fluctuations in the revenues collected and, second, the long gaps between fisheries. On the other hand, it is also worth remarking that when a fishery was held, it accounted for a substantial proportion of the revenues of the Dutch Ceylon Government, indeed second only to the income from cinnamon. These revenues were largely derived from the tax on diving stones, but this was not the only source of income. In 1725, for example, of a total income of 53,149 rix-dollars, some 7,940 rix-dollars came from sources other than the stone tax, of which
the most lucrative (6,300 rix-dollars) was the farm on ‘money-changing’ given out to a *Maraikkayar* notable. The stamp tax on cloth sold at the pearl fishery camp and the tax on the ‘bazaar’ were of lesser significance, but were nevertheless farmed out from as early as 1666 to Parava or *Maraikkayar* notables.

In 1784 an official of the English East India Company\(^{19}\) by name Irwin conducted a pearl and chank fishery that yielded a profit amounting to 67,860 pagodas. The following year negotiations prompted the restoration of Tuticorin to the Dutch and in 1786, a provisional treaty was drawn out and signed by J. Dott on the part of the Nawab and the Dutch were represented by Van der Graff. Through the treaty it was declared that the half the proceeds of the pearl fishery were to go to the treasury of the Nawab whereas the entire proceeds of the chank fishery were to be claimed by the Dutch as an exclusive right. Through a public auction the highest bidder was selected to run the fishery for that particular fishing season.

The year 1788 saw another treaty being signed between the Dutch and the Nawab where agreement was arrived at regarding equal sharing of profits of the pearl and chank fisheries between the two parties\(^{20}\). In 1794 the chank fishery enriched the Dutch further by 2000 pagodas. A year later the English East India Company took possession of Tuticorin from the Dutch by Lt. Jones on 16 September 1795\(^{21}\). Eyles Irwin, the British Commissioner, handed over the town and fort of Tuticorin to Mekern, the Dutch Commissioner in 1818\(^{22}\). On taking possession of Tuticorin, the Dutch factories at Punnakayal and Mannappad fell into the hands of the English.

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\(^{19}\) TNA, *South Arcot District Records Correspondence on Political Matters*, Vol.142 (8), 13.3.1818, pp.64-5, 87-8, 97–101, 113–118.

\(^{20}\) TNA, *South Arcot District Records Correspondence on Political Matters*, Vol.142 (11), 29.3.1791, pp.15–19.

\(^{21}\) TNA, *South Arcot District Records Correspondence on Political Matters*, Vol.147 (7), 29.3.1791, pp.72–93.

The Dutch were in charge of the pearl and chank fisheries off the coast of Tuticorin and paid half the proceeds to the Nawab. A scattered chain of Dutch armed boats from Cape Comorin to Pamban patrolled the fishery from possible interference from pirates and other hostile competitors. Since commerce suffered elaborate delays due to the extensive scrutinies conducted by these sentinels, the owners of the country crafts applied to the Dutch residents along the coast for passports which after a certain payment exempted their boats from the usual scrutiny.

When the Dutch power declined, they owned only that spot of land where their fort stood in Tuticorin. For every need the Dutch had to depend on the managers of the Nawab who controlled the surrounding area, including the supply of daily fresh water. Earlier on driving the Portuguese out from Tuticorin, the Dutch had befriended the paravas and granted to the latter all protection in return for their participation in the fishery, which was becoming a useful source of income for the Dutch. Certain concessions were given to the paravas and the head of their caste was conferred the titles of Sadi Thalaiyan. A greatest part of the Dutch mercantile activity was conducted with the collaboration of the paravar. From the suburbs, the Sadi Thalaiyan was persuaded to move his residence to Tuticorin. As soon as Tuticorin fell back into their hands, the Dutch occupied the fort and factory and made attempts to reclaim the entire revenues from him pearl and chank fisheries from the English who had usurped the sovereign rights of the Nawab of Carnatic. The English claimed that since the pearl and chank fisheries were along the coast, they could not be considered as falling within the clamies of the settlement. Moreover, in the previous centuries, the Portuguese and afterwards the Dutch usurped the command of the whole gulf and drained its resources to fill their coffers. The history of the Indian pearl fisheries in the seventeenth century is a history of shifting relationships among imperial, community and individual authority, and of
the ways in which the latter two forces proved to have a far more immediate effect on regional economic and political developments than a distant imperial power. The wealth of the sea along pearl fishery coast attracted a lot of attention from the indigenous people as well as from the foreigners who visited this part of the land over the centuries.

**Diamonds Trade**

India was one of the leading sources of diamonds known to Europeans in the early modern world, and as such the country occupied an important position in the networks of trade in the Indian Ocean. ‘India was perhaps the first and possibly the only source of diamonds known initially to Europeans.’ It is, however, not correct to assert that India was the only country in the seventeenth century where diamonds were mined. Considering the importance of diamonds as a commodity in the Indian Ocean trade, the historical literature available is not proportionate to this importance. Nevertheless, it was recognised as one of the commodities that figured in Indian commerce in the seventeenth century. Dutch East India Company involved another important trade in Coromandel Coast in diamonds. Diamonds were transported from the centres of production to the market centres to overseas. The volume of export from Coromandel determined the sale and profits in Europe which very much reflected the extent of monopoly held by the Dutch Company concerned.

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The lucrative diamond trade of Coromandel and the adjacent regions attracted the attention of the Company, and chief factor Williem den Dorst submitted a report about the prospects of this trade in Gingee. It was not from Gingee or Vellore, however, that the Company tried to procure diamonds in this period. The ship the *Witte Beer* that sailed on 17 August 1615 anchored at Pulicat with Leonard Wolff who was appointed by the Directors a junior merchant at Pulicat and in charge of diamond trade. His knowledge of diamonds was well appreciated by them. The council of Masulipatnam sent him with junior merchants Huijbert Cnooper and Cornelis Claesz Heda to Bijapur to undertake research in the prospects of diamond trade.25

But Wolff’s mission proved an expensive failure and Pieter Gillisz, who was sent to replace him, did not achieve much either. The Company decided to purchase in Coromandel 600/700 pagodas worth of diamonds in March 1616. Though the earlier prospecting missions in South Coromandel had been of little use, by 1621, following the discovery of some new mines in Golconda, the diamond trade was organized on a fairly stable basis. That year 1788 carats of Golconda diamonds were exported and secured high profits in Holland, and Coromandel was asked to procure as much as possible. But in 1622, the king temporarily closed the mines partly with the object of intensifying demand, and consequently prices rose by some 100%. Still the Dutch continued their purchases, even raising loans for the purpose. Though the mines were reopened in 1623, diamonds were declared a royal monopoly, no traders being allowed to purchase them. Still, in 1624, the Dutch managed to export 1561 carats. When, in 1627, the purchase of diamonds was again allowed, the prices were still prohibitive, and the merchants were afraid to bring supplies to Masulipatnam, because of the governor’s rapacity. Prices fell with the resumption of the old custom.

of farming out the mines, but they did not return to their earlier level. In 1629, only 63 carats were exported to Batavia and it was made clear that it was impossible to supply diamonds worth 100,000 florins as ordered by Amsterdam. 26

By the middle of the seventeenth century the Dutch had already spread their network of factories and posted their personnel in all strategic places from where they could make their purchase of diamonds, precious stones, gems, jewels and pearls. With a view to making profit, various methods were employed that ranged from clean deals to outright looting. The Dutch Council at Batavia wrote to the factors at Masulipatnam that the factors were not to allow any opportunity to the diamonds to go waste. Armed with orders for the purchase of luxury items, the Dutch personnel were regularly unloaded at the various Indian ports from where they proceeded to the centres of trade.

The Dutch or the other European dealers did not take their requirements at random but made careful selections. In the year 1633 the Dutch earnestly looked for twelve diamonds set in gold, all flat and big, of one, two to three carats. They were all to be pure six-sided flat diamonds. The fleet of General Bouwer contained great quantities of artistic and rare set of jewels onboard. A serious concern was expressed by all regarding safety and prompt delivery of the precious stones in the Netherlands.27

The Dutch did give the English a stiff fight in the first quarter of the seventeenth century but the English East India Company could still conduct open sales in London28. Dutch monopoly over the stones in Masulipatnam prevented the

English from making much headway although English agents were issued instructions to buy stones. In April 1632 the English agents reported to London that the Dutch had established themselves at the diamond mine, to know ‘how the trade of diamonds was mainly and principally followed by them’. The English were not aware of the price of diamonds at the mines but the Directors of the Company in London persisted in their demand for diamonds.\textsuperscript{29} The Council at Batavia, on orders from London, instructed the Masulipatnam agents not to miss any opportunity of purchasing diamonds. The agents were asked to invest 10,000 to 20,000 reals.\textsuperscript{30}

On 17\textsuperscript{th} March 1643, the king of Karnataka (Vijayanagara emperor) reached a contract with the Dutch which stipulated that (in the entire Gingee [Sensier] district) no English, Portuguese, Danish or any of their followers were permitted to trade directly or indirectly, but the trade was transferred to the (Dutch) Company, such that all the inhabitants were obliged to supply [diamonds] at reasonable prices to the Company, one-third to be paid in cash and the other two-third parts in kind; the price at Pulicat should be applied and without that they should not be able to carry on any goods to the English and others in the hinterland, regarding that we (the Dutch) also must accept that and pay at market rate.

This ‘caul’ (\textit{qaul}, agreement) was confirmed by the king of Karnataka on 29 April 1643. In return, the Dutch were obliged to be helpful to his ships and were to sell elephants, horses and other fine commodities to the king alone. Thus, the Dutch were given a near monopoly of dealing in diamonds from the Gingee district. Diamonds were not excavated in Ginjee but came from Banganapalle and Cot tecotte,

lying in the territory of Karnataka. Traders from Bijapur, Vellore, Goa and other places had their factors in Ginjee.\textsuperscript{31}

In 1650, Heussen brought diamonds (226 pieces) for 17,854.1.12 florins from Coromandel. Meanwhile, the price of diamonds rose due to Mir Jumla’s confrontations with powerful \textit{naike} in the south as well as because of the ‘hot purchase’ by the Banias. The Dutch could purchase only 197 pieces (417 carats) of diamonds in 1651–52. Prices had gone up by 20 per cent to 25 per cent. In 1652, the Company ordered its officers to invest 100,000 florins in purchasing diamonds in Coromandel. The Governor-General Maetsuycher reported (7 November 1654) that Jan Tavenir (Tavernier) had purchased diamonds in the kingdom of Golconda and returned to Europe via Surat and Persia. Then we hear of Armenians elbowing into the Coromandel diamond trade.\textsuperscript{32}

The entry of Armenians, along with English and other merchants, had raised the prices of diamonds in the Coromandel by 20 to 25 per cent between 1660 and 1662. It was held to be inadvisable by the end of 1662 to purchase diamonds from Surat because the diamonds from Coromandel were rendering profits of over 80 per cent. Still, 208 diamonds were purchased for 23,189.12.8 florins at Surat for the Netherlands. Despite the rise in prices, even at Coromandel, diamonds worth 39,684.10.5 florins were purchased in 1669. In December 1671, diamonds worth 2,401 florins were purchased at Pulicat for the Netherlands. The Dutch Company was taking interest in diamonds because of a rise in the demand for diamonds in Europe in the 1660s. They were yielding a gross profit of 166.5 per cent in 1661–62 on diamonds from Coromandel and 118 per cent on those from Surat.\textsuperscript{33}

\textsuperscript{32} \textit{Ibid.} p.297.
\textsuperscript{33} \textit{Ibid.} p.309.
The Dutch purchase of diamonds had slumped in the 1670s. In 1672, 2,139 pieces of diamonds were purchased for 93,768.14.6 florins in Coromandel; and thereafter it was decided to stop this trade. This was as much because of a rise in prices to uneconomic levels as it was owing to a shortage of capital. The two Dutch experts on diamonds, Van Cloon and Bruynzeel, had also died. The presence of the English private traders with considerable capital was one further reason for the reduction of Dutch interest in the diamond trade. Rychlof van Goens, the Dutch Governor-General at Batavia, reported that in 1677 the English had brought 25 tons of gold to Madras above 18 tons of gold belonging to the jeweller Chrombly (Nathaniel Chomley) for the purchase of diamonds. In 1679, four English ships sailed from Madras with a cargo worth 30 tons in gold, of which 12 tons was in diamonds. Some Dutch private traders were obviously participating in the diamond trade, but the Dutch Company was opposed to it. In 1679, Jan Buter (Bitter) was sent back to the Netherlands on the orders of the directors of the Company.34

The Indian merchants occupied an important position in the diamond trade. From these merchants many of the foreigners got their supplies and even money for their activities. Coromandel merchants participated in coastal trade. Sunku muthu Rama was a *komati* and who emerged in the 1690s as one of the most influential merchants in Madras. He was a prominent supplier of diamonds and pearls to the Dutch East India Company in Sadarspatnam and Nagapattinam and either he or a close associate of the family dealt with the French in Pondicherry. He controlled a large section of the *Sunkum*, or transits duties of Golconda. This seems to have stayed in the family and earned in the titles of *Sunkuwar* and hence the prefix of *Sunku* to his name.35

Smugglers, frauds and deserters played their part in reducing the success of the trading activities of the Dutch East India Company. Since diamonds of impressive quantity were being sent over, the Dutch were using all possible methods to put an end to all kinds of frauds regarding diamonds coming from outside. It was decided to direct the arrival of the diamonds straight in the hands of the Company without a via media or the middlemen. The foreigners were seriously warned not to give diamonds to others except to the Company. The independent fiscal Arnold Van Alsen had to present himself before the Court of Justice in Batavia. He confessed that he had participated in a foul business namely that he had sold a diamond worth 700 DFL to an Armenian merchant by name Marcus Davidzs in an illegal manner. There was an allegation that senior merchant Bergaigne on return from the pearl fishery at Kilakarai after a chat with the chulia Periatambi Marraikayar had changed his mind and gone to the side of the Muslim interlopers, and private traders posed a series of problems. Every agent in every factory complained about private traders encroaching on Company trade and destroying the market for their goods by selling the same goods in advance. Private traders violated the entire policy of Company trading. But the same agents and factors who at the official level had to grapple with the problem of private trading were themselves not free from the sins of private trade.36

Unregistered diamonds were liable for further payment of five per cent. Despite this, the diamond trade was never seen away from smuggling. The ship captains through whom most of the smuggling was done, used to charge two per cent for their services, which was only a little more than they received for registered diamond consignments on their ships. In war time if anything happened to the ship, there was a much better chance of the diamonds being saved if they were entrusted

to the personal care of the captains. Growth of smuggling was also due to the large-
scale transfers of fortunes from India to Europe, which were partly effected through
diamond consignments.

**Spices Trade**

Numerically insignificant, but psychologically of great importance were the fine spices. Nutmeg, cloves, mace, cinnamon were necessary ingredients in cooking for the wealthier classes in India and were also used for medicinal purposes. Nutmeg, mace and cloves from the Spice Islands of Eastern Indonesia and cinnamon from Ceylon were imported in small quantities and mostly transported inland to urban centres of consumption in the central Deccan, Mysore and towns with substantial Muslim populations, such as Tiruchchirappalli and Madurai.37

Having acquired monopolistic rights by the late 1660s, the Dutch also consciously used fine spices (along with curiosities, Bengali goods and West Asian imports) in embassies and diplomatic missions to indigenous rulers and officials as marks of their respective status. In 1668, for instance, the Dutch ambassador Hendrik van Rheede gifted the ruler of Madurai, Chokkanatha Nayaka, with 30 pounds of nutmeg, and 15 pounds of cloves and mace each; the Pradhani Vadamalaiyappa Pillai and Chokkanatha’s brother Acyutappa Nayaka were each presented with 8 pounds of nutmeg, 4 pounds of cloves, and 4 pounds of mace; the Governor of Madurai Chokkalinga Nayaka, the Counsellor Chinnatambi Mudaliyar, and the Senior Chamberlain Rangappa Nayaka were each honoured with 4 pounds of nutmeg, 2 pounds of cloves and 2 pounds of mace; several lesser court

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servants were each given 2 pounds of nutmeg, 1 pound of cloves, and 1 pound of mace.

Except for Surat, the prime market in India for spices, sales of cloves, nutmeg, mace, and cinnamon in the subcontinent was limited. Dutch imports of cloves on the Madurai coast peaked at 510 pounds or 21.25 man of 24 pounds each (sold for 6,970 fanams) in 1687–88. Between 1680–81 and 1689–90, an average of 368.7 pounds or 15.36 man (sold for 5,011 fanams) was sold annually at the Madurai coast. Dutch imports of nutmeg (either whole kernels, “noten”, or broken ones, “rompen”) peaked at 855 pounds, or 35.62 man (sold for 8,336 fanams), in 1686–87. Between 1680–81 and 1689–90, an average of 371.9 pounds, or 15.5 man (sold for 2,847 fanams), was sold annually at the Madurai coast. Dutch imports of mace, a derivative of nutmeg, peaked at 375 pounds, or 15.62 man (sold for 5,125 fanams), in 1685–86. Between 1680–81 and 1689–90, an average of 194.5 pounds, or 8.1 man (sold for 2,229 fanams), was sold annually at the Madurai coast.

These limited sales were also partly the result of a deliberate market strategy to maximize revenues in view of the inelastic demand. The company directors prescribed minimum sale prices to discourage rival European traders from buying up spices in India and import them into Europe. Prices for cloves and mace averaged between 324 and 360 and between 324 and 378 fanams per man, respectively. The price of nutmeg rose steeply in the 1680s from 120 fanams between 1679–80 and 1681–82 to 216 fanams in 1689–90.38

The prices of spices were fixed very rigorously so that it may not be profitable for competitors to buy spices and sell them in other places where the Dutch had factories. But if prices were fixed too high then it did affect sales. It was

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found that the prices fixed in 1697 were too high and reductions were made in cinnamon and cloves. Occasionally the English brought spices through their Sumatran factories to Madras and when this happened, the sale of Dutch spices was adversely affected. But the English sales were sporadic and generally the Dutch could dictate prices and sell a constant quantity of these spices. Cinnamon was not sold in Ceylon by the Dutch to private traders but was only sold in the Coromandel factories. The English were sometimes able to bring Malabar and Indonesian cinnamon but the quality of this cinnamon was so inferior to the Ceylon cinnamon of the Dutch that it left no impact on Dutch sales.

**Pepper**

Whereas the Dutch had acquired monopolies in the marketing of fine spices, in the 1650s and 1660s they also established strong positions in the pepper and areca trades via exclusive agreements with indigenous rulers and/or the control of the coast. For various reasons, however, the subsequent effort to corner the market in these products and the attempt to compete with indigenous traders ended in utter and costly failures.

In the early seventeenth century the Portuguese put the pepper production in southwest India from Honavar (Onor) to Travancore at a minimum of 158,000 quintals, or ca. 13 million pounds, per annum. About 20,000 to 30,000 quintals were brought by the Portuguese to Lisbon, the remainder being either consumed locally or exported overland to Tamil Nadu, and north by sea to Gujarat. An 1860 estimate put the annual pepper production of southern Malabar between Cranganur and Kanniyanakumari at 8,000–10,000 kandis, or 4-5 million pounds. In 1681, a Dutch observer estimated that only one-third of the pepper production of Malabar, which he set at 15,000 kandis, or 7.5 million pounds, per year, was exported by sea, the remainder being consumed locally or transported overland. Another, 1689 estimate
set the average annual output of the “black gold from Malabar” at 13,000 kandis, or 6.5 million pounds, for the region as a whole: 5,000 kandis (2.5 million pounds) from southern Malabar, 4,000 kandis (2 million pounds) from the lands of the Kolathiri Raja of Cannanur, 2,000 kandis (1 million pounds) from the lands of the Samudri of Calicut, and another 2,000 kandis (1 million pounds) from Kanara.\footnote{M.N. Pearson, \textit{The New Cambridge history of India The Portuguese in India}, Cambridge, Cambridge University Press, 1988, pp.44-46.}

Harvested and dried between late December and late January, the fruits were subsequently transported to the Kerala coast in order to be shipped overseas or carried overland across the Ghats. In addition to the Europeans, pepper was also traded overseas by Muppila and Maraikkayar, Konkani Brahman, and other indigenous merchant groups to Madurai and further northward. In 1660, no fewer than 50 pepper vessels from Kayamkalum, Kollam, and Travancore destined for the southernmost Madurai coast were said to be bottled up in their respective ports due to the presence of a large Dutch fleet in the region. In June 1662, it was reported that during the previous six months 576,000 pounds (1,200 bahar of pepper) had been imported overseas from Malabar at Kulasekharapatnam and Manappad alone.\footnote{Markus Paulus Maria Vink, ‘Cross-cultural contacts, \textit{Op. cit.} p.116.}

The bulk of the pepper, however, seems to have been transported overland, especially after the Dutch, led by the Company’s imperialist faction, concluded a series of exclusive agreements with the rajas of Malabar and Madurai Nayaks\footnote{Records of Fort St.George (hereafter RFSG) \textit{Letters from Fort St. George for 1694}, vol.XXII, 1694, pp.95-96.} in the 1660s and attempted to prohibit the overseas export of pepper and other “contraband goods” to South East coast and elsewhere.\footnote{Sinnappah Arasaratnam, ‘The Dutch East India Company and its Coromandel trade 1700–1740’, \textit{Op.cit.} PP. 325-346.}
The overland trade between Malabar and Madurai was a large-scale enterprise involving large numbers of animals and people. A March 1664 report noted that daily 100 bullocks (bois), or ca. 22,000 pounds of pepper, travelled from the interior of Travancore to Madurai. The annual pepper toll revenues of the Raja of Travancore reportedly amounted to 150,000 fanams or 6,283 rix-dollars or (at a toll of 6 rix-dollars per kandi) the equivalent of 1,047 kandis or 209 last of 2,400 pounds (501,600 pounds total). In 1665, the inland pepper tolls near Devanampattinam were allegedly fanned out annually for 12,000 fanams. In 1669, a Dutch traveller en route from the Madurai coast to Malabar encountered in the vicinity of the village of “Ramagoerij” near Kottar “an enormous number of pack-animals, coming from and going to Malabar and grazing outside the village.” He added: “It may seem unbelievable, but I guessed there must have been 10,000 covering a half an hour distance. In each village one has numerous animals, but they pale into comparison with this particular village.” Apart from bullocks or pack-oxen, certain mountain passes could only be crossed by human porters, three to five being required to carry one boi or 220 pounds. “In this manner,” one Dutch observer commented in 1677, “all things that are imported into and exported from Malabar are carried by these Pattars on their heads and shoulders, and sometimes whole armies of them can be found on the up-country roads.”

In addition to incidental references, in 1677 a comprehensive report of the size of the overland trade between Malabar and Madurai estimated that annually 15,000 bahar, or 7.2 million pounds, of pepper were transported across the Ghats to the east coast, including 2,720 bois (1,200 bois and 4,560 human loads) via Panangudi, 800 bois (2,400 human loads) via Kallidaikurichchi, 600 bois via Alvar Kurichchi, 4,800 bois via Tenkasi, 3,600 bois via Rajapalaiyam, 12,000 bois via Madurai, and 6,000 bois via Tirumangalampettai. An addendum to the report, however,

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considered it to be “an unbelievable quantity” and instead considered an annual amount of 3.6 million pounds of pepper more likely. Based on a monthly consumption of 1–1.5 pounds of pepper per household, a little over half (3,750 bahar, or 1.8 million pounds) was allegedly consumed in the lands of Ramnad south of Pamban, the Madurai lowlands or province of Tiruvallur, and somewhat to the north.44

Another report of the same year estimated that annually 18,000 bois (4 million pounds) were carried overland from Malabar to the Madurai uplands, plus another 6,000 bois (133 million pounds) to the lowlands. The annual turnover of the three pettais near Tiruchirappalli alone was estimated to be 6,000 bois (1.33 million pounds) of Malabar pepper and 100 bois (22,000 pounds) of long pepper45. Part of the pepper was transported to Ariyalur, Valikondapuram, Manachchenallur, Thanjavur, Tirupati and other places to the north. Finally, in 1689 the Malabar pepper annually transported via Dindigul northwards was put at 7,350–10,800 bois (1.62-2.38 million pounds), while the annual pepper consumption of southern Coromandel and the Coromandel Coast as a whole was estimated to be 2,500 kandis (1.25 million pounds) and 5,000 kandis (2.5 million pounds), respectively.

Dutch pepper sales on the Madurai coast pale in comparison with these consistent and impressive numbers. One (unrealistic) Dutch estimate of 1678 put the maximum quantity of pepper to be sold annually on the Madurai coast at 500 bahar (240,000 pounds) at 30 rix-dollars per bahar. In a response to these numbers, another report of 1680 asserted that no more than 10 bahar (4,800 pounds) could be sold at Tuticorin, Mannapad and Alvar Tirunagari for 23 rix-dollars per bahar. This

44 Ibid.117.
corrective was based on actual pepper sales, which between 1669–70 and 1689–90 occurred merely in four years and then only in very modest amounts: 19,080 pounds of round pepper (10394 fanams) in 1676–77; 34320 pounds of round pepper (18,697 fanams) and 1,740 pounds of long pepper (2,644 fanams) in 1677–78; 12,960 pounds of round pepper (7,830 fanams) and 620.25 pounds of long pepper (1,042 fanams) in 1678–79; and 40,740 pounds (24,614 fanams) in 1681–82.46

The reasons behind the marginal Dutch share in the pepper market are various. Indigenous merchants bought the pepper firsthand from producers without the additional costs of middlemen. Moreover, the overhead costs of these traders were much smaller than those of the Company with its numerous establishments, large number of personnel, and extensive naval presence. Indeed, the internalization of protection costs, celebrated by some historians as an important institutional innovation, placed the Europeans at a clear disadvantage when competing with Asian traders. These merchants, moreover, had a better knowledge of local market conditions than their European counterparts. Apart from the privileges enjoyed by some commercial groups, special geographic circumstances, such as the relatively short distance of cross-peninsular routes, the absence of navigable rivers, and the monsoon various preventing direct overseas trade between the west and east coast, further contributed to favouring the “traditional” overland network.

All these factors combined more than offset the avoidance of high inland tolls (which were lowered by the rulers due to the growing size of the overland trade) and the economies of scale involved in maritime trade. Thus, an ambitious attempt in the late 1680s to compete with the overland trade by importing large quantities of pepper at Nagappattinam ended in a costly failure, partly because prices could not be set too low in order to prevent English, French, and Danish competitors from

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shipping pepper to Europe. In September 1692, almost 1 million pounds of pepper lay unsold in the Company warehouses at Nagapattinam, Sadraspatnam, Devenampatnam, and Porto Novo.\(^7\)

**Rice Trade**

The export of food-grains from India increased in the seventeenth century through the participation of the Europeans, especially the Dutch. The Dutch was generating demand of particular significance in eastern India, where it provided an outlet for the surplus produce of the long eastern Indian coastline, areas of surplus rice production.\(^8\)

In the centre of the Coromandel Coast, there was a delicate balance in the supply and demand for rice. While there were good centres of production in the Chengleput, Kanchipuram, Madurantakam divisions, the demand was also great. There were large populations of manufacturing villages and towns, administrative and pilgrimage centres in the interior which generated a vast demand. Whenever the harvest was good, there would be enough rice for export by sea but climatic crises could lead to shortages and turn these into importing areas. In the far south of the eastern coast, the Thanjavur delta and the upper reaches of the Cauvery River and its tributaries was a region of substantial surplus production available for export. Efficient irrigated paddy cultivation combined with relatively low population density made possible this surplus for export. Hinterland was not deep and transport costs to the ports were not high. Here also rice prices were generally lower than in other parts of the east coast.

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The bulk of the export was carried out through small boat traffic between the ports of south Coromandel and the inner Madura Bay and the ports of northern, western and southern Ceylon. In the earlier decades, there were no data on the number of ships arriving except that the arrival of those boats kept the supply lines in rice open to the community in the towns and villages.

In the first half of the seventeenth century, these purchases were primarily for Batavia\textsuperscript{49} and (after 1641) for Malacca\textsuperscript{50} but in the second half they were aimed at supplying the growing Dutch establishment in Ceylon and the urban communities dependent on the Dutch\textsuperscript{51}.

The Dutch also bought rice in the port of Sadraspatnam to supplement their needs in Ceylon. In 1663, about 147 tons were bought in this port but, for reasons noted above, after the 1670s it was difficult to procure supplies in bulk in this port. A third area of importance for the bulk purchase of rice was the Thanjavur delta where Dutch factors were instructed to procure annual supplies for Ceylon. Dutch officers based in Nagapattinam bought rice coming to that port and to neighbouring ports of Karaikal and Tranquebar. Sadraspatnam and Devanampatnam had been rice-exporting ports through a great part of the seventeenth century but had ceased to be so by the end of the century\textsuperscript{52}.

Through the collection of the government’s share (\textit{melevaram}) in rice production, officials became some of the region’s principal grain dealers. In 1675, for instance, the Dutch contracted with the Tiruvallur Governor Tiruvenkatanatha

Ayya for the supply of 200 last of rice at 25 rix-dollars per last. In 1677, another contract was entered into with Sidambrenaden Pillai, the regent of Kallidaikurichchi, near Ambasamudram in the upper Tambraparai valley, to deliver 280 last rice at 18–19 rix-dollars and 280 last nelli at 8 rix-dollars and 7 fanams per last.

The main activities of the Dutch on the South Indian grain market were in Thanjavur, in particular the Thanjavur delta and the upper reaches of the Cauvery River and its tributaries. Thanjavur was a great rice-exporting kingdom and together with Canara on the west coast was the principal market for Dutch purchase of rice. Rice was important to the Dutch in two ways. On the one hand the price of cloth was closely tied to the price and availability of rice. Wages of all labour connected with the textile industry was dependent on this. On the other hand the Dutch themselves made large annual purchases for their consumption in Ceylon. The provision of rice for Ceylon was very important. Here there was a large Dutch establishment of civilian and military personnel whose needs in rice could not be secured from Ceylon. Besides, with the declining rice cultivation in Ceylon, even large segments of the indigenous community, especially in the coastal towns, depended on rice imports. The Thanjavur area was sufficiently fertile to support two substantial rice crops, the first harvest of the shorter duration kar paddy which depended on the earlier south-west monsoon, being sown in June and harvested in September, and the second of the superior pisanam variety, which was cut only in February after seven months’ growth.

Between 1675 and 1711 rice production in Thanjavur had reportedly been 32 million kalams (911,278 tons) of paddy. An estimate of 1744 put the amount of rice exported from Thanjavur at 96,600 tons or 16.99 percent of Thanjavur’s total

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production of 20 million kalams (568,660 tons of paddy). Although we do not have comparable comprehensive data for all of Madurai, we have some information regarding certain interior districts along the Western Ghats. In 1677, for instance, one Dutch observer estimated the amount of nelli sown around Panangudi at 24,000–30,000 parras (1.8–2.25 million pounds), near Tirukkurungudi at 1,600 kottais or 8,000 parras (0.6 million pounds), around Kalakkudu at 7,000 kottais or 35,000 parras (2.625 million pounds) twice a year, near Viravanallur at 100,000 parras (7.5 million pounds), and around Alvar Kurichchi at 20,000 kottais or 100,000 parras (7.5 million pounds).

Indeed, Thanjavur had a much better claim to the title of “rice granary” of Ceylon than did Madurai. In 1677–78, 1,308 last (3.92 million pounds) of rice and 1,041 last (3.12 million pounds) of nelli were exported by the Dutch from Thanjavur via Nagapattinam. In 1682–83 Colombo, Negombo, Trincomalee, Jaffna and Mannar accounted for forty-nine of the ninety vessels leaving Nagapattinam. The exports in this period were as one might have expected: large amounts of paddy (243,095 kgs in 1681–82 and 170,412 kgs in 1682–83 and still larger quantities of rice (704,412 kgs in 1681–82 and 284,544 kgs in 1682–83). Between October 1689 and February 1691, during a drought in Madurai, no less than 2,788 last (836 million pounds) of rice and 11,029 last (33.1 million pounds) of nelli were collected at and shipped from Nagapattinam, Karaikkal, Tirumalaivasal, Point Calimere, and Adirampatnam to Ceylon and Tuticorin in anticipation of a potential Kandyan attack.

The food grains, especially in rice, were a major ingredient of what may be called traditional Asian trade, inter-regional and intra-regional. Constraints on

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shipping space was one of the main factors that impeded the growth of this trade in the period before 1650. In the 17th century, Dutch had generally very good relations with the Nayaks of Thanjavur and had secured many privileges in Nagapattinam. In the early 18th century, the position changed. The then Nayak Serfoji took offence over many issues. He was dissatisfied over presents given to him at his accession and at the quality of elephants given to him as annual tax of recognition. In 1712 he repudiated the tariff concessions given to the Dutch and imposed full tolls on goods brought into Nagapattinam. The Dutch also had difficulties with some Thanjavur native governors and paddy merchants. Some of them had defaulted over the delivery of rice and could not be apprehended. They were persons of influence in the Kingdom and no action could be taken against them. The final blow came when the Nayak offered the French the ownership of Karaikal, thus ending the virtual monopoly of Thanjavur markets enjoyed so far by the Dutch.57

Dutch entry into the Indian Ocean offered new opportunities for the trade in food grains, as it did to other elements of Asian trade. Yet, basically, it continued as an essential part of Asian trade responding to the factors of demand, supply and productivity from within Asian economies. The two identifiable elements introduced by the Dutch were an increase in shipping capacity and an enlargement of demand in the new growth centres of maritime Asia.

**Slave Trade**

The evidence of the slave trade in the Indian Ocean is scanty and periodic, and could reflect the nature of the trade. The entry of the Dutch had the major impact on slave traffic, introducing a new demand for slave labour in the settlements

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that they developed in maritime Asia. The rise of the European port city in areas where wage labour was expensive and difficult to recruit and organise brought into existence mechanisms for the purchase and sale of slaves either through existing channels or through new transactions. In the early decades of the seventeenth century, the Dutch had decided to annex and found colonies in small spice-producing Islands of the Moluccas, Banda as well as to establish and develop a port settlement in Java as the capital of their eastern enterprise and Sri Lanka. Later in the course of the century, the number of these settlements increased through their own logic, and the Dutch found themselves in possession of innumerable forts and little townships surrounding them through extensive parts of maritime Asia. The manpower necessary to construct and maintain these was expensive if recruited by payment of wages. Hence the search was on for outright purchase and ownership of slave labour.

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Another factor in the trafficking in slaves in the seventeenth century was the periodic increase in supply in the Indian subcontinent caused by food shortage and famine. The fine balance between population and food resources that existed in many parts of the Coromandel Coast would be severely disturbed by a succession of failed harvests caused by two or more years of successive drought. In districts bordering on the coast, which in the seventeenth century had become increasingly monetised, large groups of the population depended on food grains bought for cash in the market. When their access to cash was interrupted and scarcity led to steep rises in the price of food grains, this section was reduced to starvation, left their villages as entire families, drifted towards the ports and sold themselves into slavery.

Also, the insatiable demand by Europeans, especially the Dutch, for slaves thus procured on the southeast Coromandel Coast, appears to have become well known in the interior and offered enslavement as an alternative to starvation during times of scarcity and famine. The trade was run mainly by the Dutch at Pulicat who employed brokers at Madras for slave catching. The shipping was done at Madras port itself. The Kannappa merchant in Madras acted as a slave-baiting broker for the Dutch.

The Coromandel remained the hub of a spasmodic slave trade throughout the seventeenth century. In various short-lived booms accompanying natural and human-induced calamities, the Dutch exported thousands of slaves from the east.

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coast of India. A prolonged period of drought followed by famine conditions in 1618–20 saw the first large-scale export of slaves from the Coromandel Coast in the seventeenth century. Between 1622 and 1623, 1,900 slaves were shipped from central Coromandel ports, such as Pulicat and Sadras, Devanampattinam. Company officials on the coast declared that 2,000 more could have been bought if only they had the money. The second short-lived boom in the export of Coromandel slaves occurred during a famine in the wake of the revolt of the Nayaka Hindu rulers of South India (Thanjavur, Ginjee and Madurai) against Vijayanagara overlordship (1645) and the subsequent devastation of the Thanjavur countryside by the Bijapur army. According to indigenous informants, more than 150,000 people were taken by the invading Deccani Muslim armies to Bijapur and Golconda. In 1646, 2,118 slaves were exported to Batavia, the overwhelming majority from southern Coromandel. Some slaves were also acquired further south at Tondi, Adirampattinam, and Kayalpatnam.

A third short-lived boom in slaving took place between 1659 and 1661 due to the devastation of Thanjavur resulting from another series of successive Bijapuri raids, creating the usual “famine–slave cycle”. At Nagapattinam, Pulicat, the company purchased 8,000–10,000 slaves, the bulk of whom were sent to Ceylon while a small portion were shipped to Batavia and Malacca.

A fourth boom (1673–77) was initiated by a long drought in Madurai and southern Coromandel starting in 1673, exacerbated by the prolonged Madurai–Maratha struggle over Thanjavur and resulting oppressive fiscal practices. Between

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1673 and 1677, the VOC exported 1,839 slaves from the Madurai coast alone. A fifth boom occurred in 1688, caused by a combination of poor harvests and the Mughal advance into the Karnatak. Reportedly thousands of people from Thanjavur, mostly girls and little boys, were sold into slavery and exported by Asian traders from Nagapattinam to Aceh, Johor and other slave markets. In September 1687, 665 slaves were exported by the English from Fort St. George, Madras. The Dutch decision to participate was belated for the boom ended as abruptly as it had started as a result of the abundant rice harvest in early 1689. Finally, in 1694–96, when warfare once more ravaged South India, a total of 3,859 slaves were imported from Coromandel by private individuals into Ceylon.70 (See table 3)

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<th>Exported from</th>
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<tr>
<td>Coromandel Coast</td>
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<td>Coromandel Coast</td>
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<tr>
<td>Coromandel Coast</td>
<td>Ceylon</td>
<td>1694–1696</td>
<td>3,859</td>
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For the Dutch, the Coromandel slave trade was the most useful means of augmenting the supply of labour in their colonies. The Coromandel slaves were reputedly malleable and subject to disciplined control. They were agricultural workers and there was a fair proportion of skilled labourers among them.

Indigo Trade

Indigo was cultivated and manufactured in India from ancient times. The Sangam texts are also replete with reference to Indian dyes. Indigo was a commonly used dye and cloth dyed with indigo is referred to as nilikachchai in purananuru. Indigo (Tamil: Averiver) was a desired commodity of trade and was exported from the regions that produced it in surplus.

The export of indigo dye from India expanded during the end of the sixteenth and early seventeenth century when Indian indigo attracted European traders. The contraction of Indian indigo export during the late seventeenth century has been attributed to the competition from West Indian indigo; the latter is presumed to have been produced by a superior technology. Its superiority as a dye to the indigenous products of Europe began to be recognised about this time, and a keen rivalry sprang up between the Portuguese, Dutch and English merchants for a monopoly of the trade.

The production of cotton was of particular importance for the Coromandel plain, another non-food crop of importance, though its cultivation was far less widespread as indigo. There is evidence of cultivation of indigo in three separate areas: First, the Arcot region, in the neighbourhood of Devanampattinam and

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72 Vijaya Ramasamy, Textiles and Weavers in South India, New Delhi, Oxford University Press, 2006, p.2.
extending as far north as Pulicat. The Pulicat indigo quality was generally thought to be poor, and sufficient only to meet local demand from the textile industry, not worth the trouble of selling at distant markets. A second region was the Godavari delta. A particularly interesting feature of indigo production in this period (the second decade of the seventeenth century) was that buyers vied to advance money to the cultivators, thus to secure their supplies after the major harvest of August, failing which they had to rest content with the October and December harvests, which were of progressively inferior grade.

The Dutch East India Company exported indigo to Europe in considerable quantities. The Dutch soon became pre-eminent in the art of indigo dyeing. In the first part of the seventeenth century there was great demand for indigo in the European markets. As a dye-stuff, it had many advantages over woad (the substance with which the people of Europe used to paint their bodies and faces in Ancient times) and logwood, the traditional dye-tuffs of Europe, used for making blue colour. The Council of the Indies instructed the factors (the chief of the Dutch Factories) at Surat time and again to first meet the textile orders from the Malaya archipelago before putting out contracts for indigo for Holland. The rational

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provided was as follows. If funds were invested in indigo for Holland, the company could expect to earn a gross profit of approximately 200 percent.\footnote{Om Prakash, ‘The Dutch East India Company in the Trade of the Indian Ocean’, Ashin Das Gupta and M.N. Pearson, eds., \textit{India and the Indian Ocean 1500-1800}, Calcutta, Oxford University Press, 1987, p. 197.}

When indigo replaced woad as dye-stuff in the woollen industry in Europe,\footnote{Kenneth Mc Pherson, \textit{The Indian Ocean: A History of People and the Sea}, New Delhi, Oxford University Press, 1993, p.202.} it attained great importance and was chiefly sought after by the Dutch East India Company in Coromandel Coast.\footnote{S. Babu, \textit{Merchants of Politics East India Company and Dawn of the Raj}, New Delhi, Dominant Publishers and Distributors, 2006, p.87.} The opening of the Tirupapaliur “factory” (The Dutch East India Company (VOC) participated in the India trade started with the establishment of a trading post called as factory), the Company was no longer entirely dependent on Masulipatnam for its supply of indigo, but the quality of the stuff procured at Tirupapaliur was rather poor and the Dutch exported this variety.\footnote{Tapan Raychaudhuri, \textit{Jan Company in Coromandel}, \textit{Op.cit.}, pp.162 -164.}

Indigo was available at Tirupapaliur against cash at 102 rials per bahar and by October, Symon Joosten who was the under-merchant\footnote{*Junior Merchant. Om Prakash, \textit{The Dutch Factories in India 1617-1623 A collection of Dutch East India Company Documents Pertaining to India}, New Delhi, Munshiram Manoharlal Publishers Pvt Ltd, 1984, p.33.} in the Dutch East India Company in the Tirupapaliur hoped to be able to procure 10 to 12 bahars. When the possibility of procuring indigo had been explored in every year April, it had been discovered that if the contracts were given out in January, about 50 bahars of indigo could be collected by the middle of June.\footnote{Tapan Raychaudhuri, \textit{Jan Company in Coromandel}, \textit{Op.cit.} p.162.} The bulk of the Pulicat indigo was used by the local weavers for dyeing cloth. Still a certain quantity was available for the Company and 200 bahars were procured in 1615–16.\footnote{Tapan Raychaudhuri, \textit{Jan Company in Coromandel}, \textit{Op.cit.} p.162.}

The fresh orders from the directors for the export of Coromandel indigo increased as the result of a growing demand in Holland. In 1616, Amsterdam asked
for an annual supply of 900 to 1000 fardel [1 fardel = 170 Dutch lb] good quality Coromandel indigo, or even poor quality stuff, if nothing better was available. After a brief interlude during which Surat indigo was preferred, the home authorities finally decided that the Coromandel indigo, especially the Tirupapaliur variety, was the best. The directors had sold out their stock of indigo and had placed fresh orders for 1,000 bales of the best quality. Indigo was doing well in Holland and the best quality afforded the highest profit. The factors (the chief of the Dutch factories) were advised to meet the orders as much as possible in terms of this quality and buy the medium and poor quality lots only if it was necessary to do so.

The Dutch ship *Gouden Leeuw* had arrived from the coast of Coromandel with 751 packets including 235 packets of indigo. In the year 1618 De Haze was pleased to learn the Dutch Director Jan Pieterzoon Coen had liked the indigo sent in the *Gouden Leeuw*. Sixty bales of good quality indigo were sent with the shipment. Masulipatnam expected to be able to procure nearly 1,000 bales of good quality indigo during 1618. The indigo makers had now realised that the Dutch would not accept bad quality indigo and that unsold stocks would only involve losses. Raphael Olyva was a soldier in Ternate. He served at Masulipatnam as upper-merchant between 1615 and 1618. He had been procuring indigo for the Dutch for three years (1615–1618) and was again sent on land in good time to procure this item.

The annual orders from the Gentlemen XVII (the Gentleman XVII was the term used to denote the Central Board of Directors of the Company) were for 1,000 packers of the best quality indigo besides 300 to 400 bales of Guinea-cloth (Guinea-
cloth was the generic term for a wide range of cheap, brightly coloured Coromandel calicoes) from Tirupapaliur. The quality of the last lot of Coromandel indigo received via Bantam was substantially superior to that of the earlier lots. The price fetched was 61½ stuivers per pound as against the earlier price of 39 stuivers per pound. A large amount of good quality indigo was to be sent to Holland annually.

At the instance of the Seventeen (Central Board of Directors of the Company), and to meet the problems regarding adequate supply which arose out of troubles in Golconda and wars in the south, the Dutch encouraged large-scale indigo cultivation in South Coromandel, made specific contracts with the middlemen and cultivators regarding the quality to be supplied, and tried to ensure that seeds were sown accordingly. Experts were engaged to guarantee good purchases and at least one expert was brought from Holland in 1621.

In the mid-1630s on, the Coromandel stations acquired textiles almost entirely for the eastern markets beyond Malacca; but the only commodity they collected for the European market was indigo.

The export of indigo from Coromandel, which had been rather limited in quantity in the earlier years, assumed considerable proportions after 1632, again mainly as a result of the steadily increasing demand in Holland. The rising price of indigo in Surat and North India, the rival sources of supply, was also a factor. In

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97 Ibid. p.74.
98 Ibid. p.81.
101 George E. Winius and Marcus P.M. Vink, The Merchant –Warrior Pacified the VOC (The Dutch East India Company) and its Changing Political Economy in India, New Delhi, Oxford University Press, 1991, p.16.
1633, 100,000 lbs of indigo were ordered from Coromandel while in 1637 the orders were for 150,000 to 160,000 lbs. The average annual supply, however, was only around 23,000 lbs. Procurement was rendered difficult by the fact that the indigo cultivators, as producers of cash crops, had been among the first casualties of the famine and in many areas production had ceased for years in consequence. While the return to normal economic life helped the resumption of indigo cultivation, the Dutch played an active and vital role in this particular sector of Coromandel’s agriculture. Very high prices were offered for some time to induce the peasants to resume cultivation, and by 1636, production had returned to normal in the Masulipatnam area largely as a result of the Company’s higher (increased) demand. In the south, too, production reacted quickly to increased demand and the Dutch concentrated on procuring southern indigo in order to circumvent the competition of the English and Bijapur merchants who pushed up the prices of Masulipatnam indigo. But the orders from Batavia could not be supplied in full and the attempts to procure indigo from Bengal and Arakan proved useless, because the samples sent to Holland were found unacceptable. The prices of different types of indigo varied considerably in Holland: a pound of Devanampattinam indigo, which cost 10–11 stuivers, sold at 80 stuivers in Europe, while the Pulicat variety fetched no more than 41½ stuivers per pound.

The annual demand for Coromandel indigo in Holland eventually suffered a decline and was somewhere around 30,000 lbs in 1650. After some initial difficulties owing to the Company’s shortage of capital, which induced the merchant-middlemen to export their unsold stock overland to Persia, over 44,000 lbs were procured in 1644. Subsequent shortage resulted mainly from the competition of Indian merchants who purchased large quantities for the Bijapur and Burhanpur

In the 1650s as Dutch demand for Indian indigo ceased and the carrying trade to Persia lapsed. A revival of demand in the Netherlands took place in the 1660s and the Tegenapatanam variety yielded a gross profit of 234% in 1667–68. Their indigo factory site of Port Novo is called Ollandhar Thottam (garden). Indigo was the one product which brought the European companies’ servants into direct contact with the Indian peasant. In nearly all other cases, before the companies set up their own weaving villages, dye-works, and silk reeleries, the company servant was separated from the peasant and artisan by a screen of brokers and middlemen. Until the 1640s, both English and Dutch companies found the sale of indigo very profitable, despite the competition from overland trade through the Levant.

The production of indigo had suffered severely in Southern Coromandel as a result of the wars, and only small amounts could be exported to Europe after meeting the requirements of the Company’s dyeing establishments in Coromandel and Ceylon. The high prices in Europe were partly caused by the shortfall in supplies, rather than an expansion in the actual volume of demand. When there was famine (1729–33, 1781–82 and 1790–92), its output declined because of food grains fetched higher prices and also because the producers of non-food-grain crops had been among the first casualties. Producers of such crops quickly shifted to subsistence agriculture.

Indigo was produced in varying degrees of refinement and the price differed accordingly. While indigo had a good market in Asian trade, the demand for the European market that appeared at this time made it a difficult commodity to

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104 Ibid.
procure. This happened when the demand for painted and dyed cloth was increasing and the indigo produced locally was just enough for the domestic industry. So the export of indigo from Coromandel was considerably reduced towards the end of the seventeenth century and there is no evidence of production being increased to take advantage of this shortage.

**Gun Powder Trade**

Indian saltpetre was first shipped to Europe by the VOC in 1618, but Dutch traders were hardly pioneering a new industry in either South Asia or Europe. Like all other aspects of the “East India trade”, saltpetre production already was a feature of India’s internal commerce. Indian knowledge of saltpetre can probably be traced back to antiquity, when magicians, physicians, priests and artisans used the substance to make naptha. Textile-makers and metallurgists also used saltpetre in their trades. It is likely that Mongols introduced the making of fireworks to India in the mid-thirteenth century. We know almost nothing about saltpetre production during this early period, but technical expertise apparently diffused with the adoption of rocketry and eventually artillery by Indian rulers in the fourteenth century. The break-up of the Delhi Sultanate, the rise of regional states, and the growing presence of Turkish mercenaries in India may be linked to the establishment of regular saltpetre production and the adoption and use of gunpowder weapons.

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Portuguese involvement in the saltpetre trade in the sixteenth century is not easy to examine, because nitrates were not a regular or major part of the Estado da India’s Europe-bound commerce. For instance, a commercial treaty of 1547 between the Portuguese and the rulers of Vijayanagar mentions the export of saltpetre from the latter’s territory to Goa, but no other details are available. Nevertheless, we can infer a growing Portuguese interest in Indian saltpetre. Portuguese technicians and mercenaries promoted firearms in India, although gunpowder technology was already well known there. However, the procurement of gunpowder by both Indian states and the Portuguese was ad hoc, with soldiers buying their own supplies from local, small-scale manufacturers. It is significant, though, that gunpowder was not shipped to India from Europe in any significant quantities.

The Dutch established the Gun Powder trade centre in the Coromandel Coast of Pulicat. The absence of information on a matter so pivotal as the manufacture and supply of gunpowder is all the more stupefying, considering the fact that it was indispensable during the highly turbulent seventeenth century, a period when large sailing vessels roamed the seas armed to the teeth, a period, moreover, when the Dutch, occasionally with brute force of arms, sought to establish their hegemony throughout the East. This attempts to shed some light on the VOC’s flourishing gunpowder factory in Pulicat and its importance within the VOC’s vast network of trade and conquest in the first half of the seventeenth century.

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VOC’s Gunpowder Mill in Pulicat

The VOC’s numerous establishments on the Coromandel Coast, the VOC’s gunpowder mill in the Pulicat is never mentioned. But this is precisely where Hall’s assertion that the governor in Pulicat asked Batavia for a consignment of sulphur to be sent as a permit the Dutch manufacture gunpowder in Burma leads us for seeing that the Company ran a flourishing powder till in Pulicat from the 1620s if not earlier, there was never any question of manufacturing gunpowder in Burma.

Pulicat was strategically located for the distribution of gunpowder, as its excellent shipping facilities enabled the Dutch to keep most of the VOC’s major establishments in the East (such as Batavia, Malacca, and Ceylon) well stocked.

The Dutch began manufacturing gunpowder there at least as early as the 1620s, if not earlier. Almost from the presumed start, they predicted that they would be able to meet the Company’s needs throughout the East Indies. In fact, so many of the VOC establishments came to depend on Pulicat’s gunpowder that Batavia (the Company’s headquarters in the East) once complained to its governor in Coromandel that, even though they were far from wasteful, they would nonetheless have been hard pressed to supply the homeward-bound ships as well as the Moluccas, Amboina, Banda, and Taiwan with gunpowder had it not been for the fleet that had arrived from the Netherlands. Thus, Batavia was implying that they had been obliged to distribute Dutch gunpowder because Pulicat had failed to provide them with a quantity sufficient to their needs. The Dutch continued to build their gun

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114 Wil O. Dijk, Seventeenth-century Burma and the Dutch East India Company, 1634-1680, Singapore, National University of Singapore, 2006, p.44.
powder trade in Pulicat region and sending supplies of saltpetre to Europe from Pulicat 40 tons in one vessel sailing in mid-1623.116

In time, Pulicat became the main VOC centre in the East for the manufacture and distribution of gunpowder, so that the Dutch there could boast: However, we shall first need to be supplied with Dutch or Taiwanese refined sulphur, without which the manufacture of gunpowder will come to a standstill. What is left of the Achiinese sulphur here in Pulicat is little better than dirt from which nothing can be refined.117

The Pulicat factory produced gunpowder costing at most three to four stivers a pound. It was of excellent quality and more durable than that sent from the Netherlands. At Pulicat, the powder was stored in Burmese Martaban jars118 in which it could be kept for years on end without needing to be turned or stirred. First, the jars were tightly sealed with plaster, then a piece of lead sheeting was spread across the top, and finally the pots were covered with gunny sacking and plastered over. Thus sealed, the gunpowder were kept perfectly for at least ten years. In fact, so impressed was Batavia with Pulicat’s way of storing gunpowder that they pried open the ceiling of one of their storage cellars and installed eighteen large Martaban jars in order to store gunpowder in the Pulicat way.

Transporting gunpowder by sea required meticulous care. When no powder kegs were available, the gunpowder would sometimes have to be shipped in Martaban jars. But Pulicat was extremely wary of this, for if the glazed pots were jolted or indeed shattered, the powder could ignite, for even though the jars were

first lined with jute sacking, the powder always seeped through. Gunpowder in Martabans on sailing vessels was a dangerously combustible cargo under any circumstances, so that the Dutch in Pulicat preferred wooden casks (of about 105 lbs each). These were secured with wooden pegs and bound with rattan. To economize, Batavia would return the casks and pegs to Pulicat after having transferred the gunpowder to the Martaban jars in their cellars. For long-term storage on land, however, the huge Martaban jars were considered by far the most suitable. 119

The Dutch in Pulicat could only continue producing gunpowder for as long as they were kept well-supplied with sufficient quantities of good sulphur and saltpetre. There was an abundance of good sulphur in places such as Macassar and Tanshui on Formosa – more than the Dutch needed, but the sulphur available on the Coromandel Coast, Burma, Tonking, India’s west coast, and Surat was not of the same high quality as the Dutch product and considerably more expensive. A further consideration was that, if the Dutch had to buy sulphur in the East, it would eat into their capital, whereas if they were supplied with high-grade Dutch sulphur, this would only enhance their financial position seeing that it was a very profitable article of trade as well. High-grade saltpetre, on the other hand, was readily available in India. 120 By the 1630s, the VOC exported 81.5 to 108.7 tons of saltpetre from the Coromandel Coast annually to Europe 121. And Dutch at their Coromandel factories, increasing exports to 335.2 tons a year, enough to ballast their entire Europe-bound fleet. 122

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120 Ibid. p. 5.
The Saltpetre production was located in the Madurai region.\textsuperscript{123} The Saltpetre of Madurai, much in demand in the first half the seventeenth century, either made its way over land to the ports of Thanjavur to be shipped from there or had to be carried over land from Tuticorin, Kayalpatnam and neighbouring havens to the Malabar coast and Goa. It was trans-shipped to enter more general circuits of commodity exchange.\textsuperscript{124}

The Dutch in Pulicat maintained close relations with some prominent Indian traders. One of these was Malaya, who was among the town’s most renowned and influential merchants. Malaya’s family had enormous influence, not least because of its close links to various courts. Until his death on 8 March 1634, Malaya was the VOC’s principal agent or intermediary and the Dutch keenly felt the loss of their trusted associate. With obvious regret, Pulicat reported Malaya’s passing to Batavia: “His death will cause a tremendous decline in the acquisition of textiles, which will surely be felt hence forth. For 25 or 26 years he conducted excellent trade on our behalf.” Not only had Malaya assisted the Dutch in procuring textiles, but also – and perhaps more importantly – he had exercised his considerable authority to arrange for regular supplies of saltpetre for the VOC’s gunpowder factory. By September of the year of his death, the Dutch were brooding on their change of fortune. While Malaya was alive, they were assured of a steady supply of saltpetre, allowing the manufacture of gunpowder to proceed apace. Now, however, matters were not quite so certain and the entire enterprise could be on very shaky ground indeed if from one year to the next they could not be guaranteed a sufficient quantity. A further worry was that saltpetre had to be brought from “The Land of Madurai and that the transportation together with the tolls along the way cost considerably more than the saltpetre itself, seeing that its bulk and weight made it a prohibitively expensive commodity to transport overland. What is more, refining took a great deal of time.

\textsuperscript{124} \textit{ibid.}\textsuperscript{.} p.55.
and could not be done properly during the wet season.” The worried Dutch contacted Malaya’s brother, Chinanna, who promised to supply them with 150,000–200,000 lbs of saltpetre in the course of the next ten months and, if they wished, he would see to it that they received a yearly supply of 400,000 lbs. At last, the uninterrupted production of gunpowder at the VOC’s factory in Pulicat seemed, once again, assured.\textsuperscript{125}

The growing requirements of the Asian factories also led to an increase in the export of gunpowder which rose from about 12,000 lbs in 1631 to 50,000 lbs in 1635 and eventually to 70,000 lbs in 1642.\textsuperscript{126}

With the growth of the Company’s trade in Bengal, the problem of saltpetre supply was solved satisfactorily, despite the efforts of some Bengal nobles to monopolise the sale of this commodity to the Dutch. As Gingi, one of the chief sources of supply, was badly affected by the war, attempts were made on the coast to procure it from places further south like Thirumullaivasal. The demand for gunpowder also remained consistently high, as Coromandel was called upon to provide not only for Batavia, but also other factories in Asia, particularly those in Malacca, Persia and Ceylon. Part of the supplies from the coast was also shipped to Holland during this period. The bulk of the gunpowder required for Asia apparently continued to be supplied from Coromandel. In 1644, and again in 1652, fires in the godowns at Pulicat and Masulipatnam resulted in temporary dislocation of production.\textsuperscript{127}

The VOC’s gunpowder factory in Pulicat was undoubtedly of major importance to the Company from the early 1620s to at least the late 1650s. It kept some of the key Dutch establishments in the East as well as the homeward-bound

\textsuperscript{127} \textit{Ibid.} p. 170.
fleets well-supplied with excellent gunpowder on the Coromandel Coast. Still, while it lasted, the VOC’s gunpowder factory in Pulicat served the Company very well indeed.128

During the sixteenth and the eighteenth centuries, India’s textile industry became one of the key centres of the then-emerging world economy. With the rise of an early modern world economy and the arrival of Dutch in the Indian Ocean from the sixteenth century onwards, there was a significant increase in the textile trade in the Coromandel Coast. The Coromandel Coast in southern India became an important textile trade centre of the Dutch East India Company.

**Dutch Textile Trade in Coromandel Coast**

It is when the Dutch arrived in the Coromandel Coast at the beginning of the seventeenth century that the Indian Ocean trade in textiles by the European traders really picked up129. The VOC was the only major European corporate enterprise to engage in a large-scale intra-Asian trade as an integral part of its overall trading strategy and Indian textiles played a crystallizing role in this endeavour. The Dutch were involved in the Asian trade and the officials were instructed to give priority to the Asian market over the European market.130 By the early 1620s, the VOC had managed to acquire effective monopoly rights in cloves, nutmeg and mace in the Spice Islands131. But they soon discovered that traditionally Indian textiles had been used in the region as the principal medium of exchange and no large-scale procurement of spices was feasible unless the Company could lay its hands on a large amount of relatively cheap Indian cotton textiles. The Company could have

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128 Ibid.
obtained these textiles at Acheh and other places in the Indonesian archipelago, but its acute business instinct drove it to their source, the Coromandel Coast,\textsuperscript{132} where four factories were established between 1606 and 1610 covering both the northern and the southern stretches of the coast. This was the starting point of the Company’s intra-Asian trade, which eventually assumed proportions as large as its Euro-Asian trade. The special privileges obtained from the petty rulers in the archipelago enabled the Company to earn considerably more than the usual rate of profit on Coromandel Coast textiles.

Pulicat’s location was more central and Pulicat cloth, called by its Portuguese name, *Pintadoses*, was much in favour among the Moluccan peoples. The cotton textiles available in India were of two varieties, the muslins and the *calicoes*; of the two, the muslins were more loosely woven and ordinarily were made of a finer yarn\textsuperscript{133}. Of the calicoes, the staple varieties in Coromandel were the *lungi*, or *long-cloth*, whose standard measurements were 37 yards in length and a yard in breadth; the *salampuri*, which varied from 16 to 22 yards in length; and the *mori*, or *chintz*,\textsuperscript{134} (from the vernacular ‘chitta’ or spotted cloth),\textsuperscript{135} which was often painted upon – these were normally 10 yards by 1 yard in breadth. Of the same variety as the long-cloth was the so-called Guinea cloth (which the Dutch termed *Guinese Lijnwaden*) which were dyed with bright colours and usually made especially for the African slave trade.\textsuperscript{136}

In fact, in a number of treaties the Company concluded in the archipelago, one of the clauses specified the rate of exchange between the particular commodity in which it had been granted monopolistic privileges and important varieties of Coromandel Coast that it proposed to import. Another index of the crucial role of Coromandel Coast textiles is the unquestioned domination of these textiles in the mix of goods the Indonesian and Malay traders carried out of Batavia, where they had obtained them from the Company in exchange for a variety of goods.

The specialization of the Coromandel Coast consisted in the manufacturing of relatively inexpensive cotton textiles which were either plain or patterned on the loom. They were often dyed in bright colours with plant dyes. The printing or painting was done in floral and a variety of other motifs. While in the northern Coromandel area between the rivers Krishna and Godavari specialized in the production of plain textiles, the specialization of the South Coromandel Coastal stretch between Pulicat and Nagapattinam consisted in the production of the famous painted textiles the pintados.\textsuperscript{138}

The Coromandel Coast, “the left arm”\textsuperscript{7} of Dutch commerce in Asia, was initially important to the Company as a supplier of the chief media of exchange, textiles, for procuring the return cargo of spices from the archipelago. This single-dimensional interest in the coast trade had new strands added to it with the passage of time, as markets for other coast products, though quantitatively less significant than the cloth market\textsuperscript{139}.

The broad outlines of the spread of VOC involvement on the Coromandel Coast in the period 1600–1650 are too well known to require detailed elaboration. In the early years of the decade 1610–20, their chain of factories extended from Southern Coromandel, through Pulicat\textsuperscript{140} in the centre of the coast, to Tirupapuliyur in the Gingee region. By the mid-1620s, direct involvement in trade in Southern Coromandel through factories had been replaced by the extensive use of prosperous local merchants as intermediaries. It was only in the 1640s that the VOC attempted once again to set up factories in the stretch from Cuddalore to Point Calimere. Pulicat, the former unfortified factory and the seat of the Fortress Geldria, where a garrison was maintained was the place from where the administration of Dutch trade on the entire coast was carried on\textsuperscript{141}. The total value of exports by the VOC from Coromandel in the period is shown in Table 4.

\begin{table}[h]
\centering
\begin{tabular}{|c|c|}
\hline
Period & Value (in florins) \\
\hline
1608 & 110,143 \\
1614 & 279,975 \\
1620–25 & 567,366 \\
1626–30 & 657,207 \\
1631–35 & 419,839 \\
1636–40 & 652,270 \\
1641–45 & 1,017,599 \\
1646–50 & 1,693,677 \\
\hline
\end{tabular}
\caption{VOC Exports from Coromandel 1608–1650 (annual averages)\textsuperscript{*}}
\end{table}

\textsuperscript{*}Source: The experts figures for the period after 1630 are, by and large are taken from Raychaudhuri, \textit{Jan Company in coromandel}, pp.140-1.

\textsuperscript{140} Sinnappah Arasaratnam, \textit{Maritime India in the Seventeenth Century}, New Delhi, Oxford University Press, p.132.

For the period up to 1626, when the VOC sent ships with goods directly from the Coromandel factories to the Netherlands, it is possible to form an idea of the importance of the European market in the VOC’s total export from Coromandel, since the direct exports on these ships give us a floor, which total exports of Coromandel goods by the Dutch to Europe must have exceeded, taking into account goods trans-shipped at Batavia.\textsuperscript{142} The direct trade from Coromandel to Holland was carried on. Table 5 indicates the cargo values in absolute terms, and as a fraction of total Dutch exports from Coromandel.

<table>
<thead>
<tr>
<th>Year</th>
<th>Value (in florins)</th>
<th>% of total exports</th>
</tr>
</thead>
<tbody>
<tr>
<td>1616</td>
<td>88,907</td>
<td></td>
</tr>
<tr>
<td>1619</td>
<td>123,667</td>
<td>42.3</td>
</tr>
<tr>
<td>1621</td>
<td>130,191</td>
<td>25.5</td>
</tr>
<tr>
<td>1622</td>
<td>211,770</td>
<td>37.3</td>
</tr>
<tr>
<td>1623</td>
<td>135,859</td>
<td>22.3</td>
</tr>
<tr>
<td>1624</td>
<td>71,022</td>
<td>15.5</td>
</tr>
<tr>
<td>1625</td>
<td>159,502</td>
<td>23</td>
</tr>
<tr>
<td>1626</td>
<td>128,150</td>
<td>22.7</td>
</tr>
</tbody>
</table>

\textsuperscript{*Source:} These figures are taken from J.R. Bruijn, F.S. Gaastra and I. Schoffer, eds., \textit{Dutch-Asiatic Shipping in the 17th and 18th Centuries}, Volume III (Homeward bound voyages), The Hague, Martinus Nijhoff, 1979.

In 1630 the demand for coast cloth underwent a spectacular increase. The increasing volume of cloth export to Japan, the brisk trade of the Chinese, Malays and other Asian traders with the ports of Java and the prolonged blockade of Malacca which closed an important source for the supply of coast cloth to Southeast Asia, all contributed to this development. The eventual fall of Malacca and the

\textsuperscript{142} \textit{Ibid.} p.170.
arrival of the East Javanese to sell rice and make purchases at Batavia further intensified the demand. In Holland, too, by the early 1640 the demand for Coromandel cloth had reached a high level (See Table 6).\footnote{Tapan Raychaudhuri, \textit{Jan Company}, \textit{Op.cit}.p.158.}

### Table - 6

VOC textile orders, Coromandel to Southeast Asia, 1617–1650\*  

<table>
<thead>
<tr>
<th>Year</th>
<th>Value (in florins)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1617</td>
<td>300,00</td>
</tr>
<tr>
<td>1623</td>
<td>468,500</td>
</tr>
<tr>
<td>1626</td>
<td>455,000</td>
</tr>
<tr>
<td>1640</td>
<td>824,000</td>
</tr>
<tr>
<td>1644</td>
<td>1,300,000</td>
</tr>
<tr>
<td>1650</td>
<td>1,551,00</td>
</tr>
</tbody>
</table>


The rate of increase in demand during these years may be gauged from the fact that 1189 packs of coarse white cloth were ordered in 1633 as compared to 752 packs the previous year. New items were added to the list of orders from time to time. Shirts for the Company’s soldiers used to be manufactured at home by the wives of the Batavia burghers. But as the quality of these products had become very poor, Coromandel was called upon to supply 8,000 to 10,000 shirts annually. By 1639, the total orders for Coromandel cloth were raised by a third in order to maintain the Company’s hold on the Asian market. In view of the increasing demand in Holland for fine \textit{bethillas, parcalles, salam-puris} etc., the coast factories were also asked to procure for Europe as much as was possible without curtailing the
supplies for Asia. The rate of profits on coast cloth, though not uniform throughout the period, remained consistently high.

The Company’s trade in Asia became increasingly dependent on the supply of cloth from Coromandel, and any failure to provide the coast factories with adequate capital had immediate effects on all sectors of that trade. In 1639, for instance, the small supply of coast cloth, as a result of shortage of capital, resulted in a dangerous situation. Purchase of spices in Banda and Amboina and of pepper in Jambi and Palimbang had to be reduced to a minimum.

The pivotal position of the Coromandel textiles in the Company’s South East Asian trade may be gauged from the fact that a delay in the arrival of supplies from the coast in 1647 reduced the profits at Batavia by 14,000 florins owing to a comparatively large export. The periodical slumps in the demand for cloth in the Indies which had worried the Company in the preceding period were, however, not altogether a thing of the past and became a serious threat in 1654–56.

After the transfer of capital from Pulicat to Nagapattinam in 1690, there was a shift of activity away from central Coromandel to the south and to the north. Nagapattinam developed as a collecting base for the weaving centres of Thanjavur and South Arcot, with Sadraspatnam continuing to play a major role in both the import and the export trade.

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An important development characterizing the period from about 1690 onwards was the growing shift in the area of procurement from northern to southern Coromandel, where textiles were available both more cheaply and in distinctly greater abundance. Districts such as Cuddalore, Salem and Thanjavur now provided a large proportion of the total amount procured. In the far South, the significant concentrations of weaving villages were in Tirunelveli and Madurai whose goods were exported through the Southern ports along the Madura Bay. This area largely fed the inter-Asian trade. Dutch tapped it effectively by making use of their exclusive presence in the inner Madura Bay.

Despite these frequent interruptions and hardships to trade, the VOC shows a remarkable record of trading activity in our period. Textiles continued to be the staple of the Coromandel trade. The amount exported showed considerable fluctuation from year to year and is indicative of the generally uncertain conditions for trade. The figures for the total export of the cloth from Coromandel for the period under review are as follows (See Table 7).

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Table - 7
Quantity and Value of Cloth Exported from Coromandel 1700–1740*

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of Bales</th>
<th>Value (guilders)</th>
<th>Year</th>
<th>No. of bales</th>
<th>Value (guilders)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1700</td>
<td>4216</td>
<td>1,395,979:19:8</td>
<td>1721</td>
<td>5429</td>
<td>2,134,336::4</td>
</tr>
<tr>
<td>1701</td>
<td>4866</td>
<td>1,699,771:12:8</td>
<td>1722</td>
<td>5402</td>
<td>2,133,227:15:10</td>
</tr>
<tr>
<td>1702</td>
<td>3166</td>
<td>1,647,238:6:12</td>
<td>1723</td>
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The southern part of the Coromandel Coast continued to be the principal supplier of textiles to the Company. The factory at Pulicat in central Coromandel provided expensive varieties such as extra fine rumals, bethilles, gingams, taftas, chelas and fine muris. The chintz procured at Sadrspatnam were said to be the best available anywhere on the coast in terms both of the quality of the material and of the workmanship in the ‘painting’ on it. The most important centre of procurement
in southern Coromandel continued to be Nagapattinam where *Guinea-cloth* and *muris* were woven in the Company’s own villages. But as everywhere else, the problem of rising cost and deteriorating quality was getting increasingly more acute at Nagapattinam also.

In 1754–55, for example, it was noted that a piece of an ordinary guinea, a *salampuri* and a *parcal*, which cost f. 5.90, f. 2.60 and f. 1.40, respectively, in 1690–91, now cost respectively as much as f. 9.15, f. 4.00 and f. 2.10 (both reckoned in heavy money) representing an increase of between 50 and 55 per cent. But the fact that the profit on these and other varieties in Holland and in Asia continued to be satisfactory is borne out by Batavia’s exhortations to the factors in 1756 to ensure that the orders for varieties such as fine bleached guineas were met in full even if the price paid had to be pushed up somewhat. Half of these guineas had to be sent on to Holland while the other half was intended for the markets of the East Indies. The other item for Southeast Asia to whose procurement priority was to be attached was *salampuris*. The blue textiles for Malacca were to be procured at Porto Novo.

The Dutch reopened a factory at Porto Novo because of its continuing importance as a centre of trade and activity in this region. But during the French wars, the port and its hinterland seem to have suffered irreparable damage, and its trade seems to have shifted partly to Nagore to the south and partly to Cuddalore to its north. In the 1750s and 1760s, it was still important for the procurement of certain export varieties of textiles and the Dutch maintained their factory with officials who contracted with merchants. Sadraspatnam had a small fort which was

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maintained for the security of goods and cash that constantly passed through to the hinterland. There was a basic establishment in Pulicat where the sizeable fort had to be manned. Besides, it was convenient to contract with merchants based in Madras and the hinterland contained weaving villages which produced both coarse and fine weaves for the export market. The Nagapattinam, Sadarspatnam and Porto Novo where merchants had been organized into joint stock-supplying companies. The turnover of trade in these years is comparable to any in what are held to be the prosperous decades of the seventies and eighties of the seventeenth century. The trade figures of this time and the tremendous Dutch efforts to achieve them are an antidote to any attempt to pre-date the decline of Dutch trade in India.

The year 1740 saw the beginning of the Carnatic wars between the English and the French. It also saw these two powers drawing ahead of their European rivals in political power and influence on the Carnatic. It is difficult to escape the conclusion that this expansion of their political power had a great deal to do with the decline of Dutch textile trade in the second half of the 18th century.

In 1770, the situation in the South Coromandel worsened for the Dutch, with the Nawab’s attacks on Thanjavur and Madurai and the expanding English authority over the coastal and hinterland areas of South Coromandel. Villages in the Seven Mahanams of Thanjavur, where Dutch merchants used to have a virtually exclusive procurement of goods from weavers, had now come under the control of a different set of revenue authorities under the Nawab’s jurisdiction and English influence. Desperate attempts by the Raja of Thanjavur to shore up his finance by leasing out large tracts of territory to the Dutch and even by outright cession, came to nothing.

In 1773, Thulsi Raja negotiated a loan with the Dutch and the lease territory. In return for 30,000 pagodas, the Raja renounced his claims for an annual recognition fee from the VOC for its possession of Nagapattinam. In July of the same year, the Raja sold the ports of Nagore and Topiturai to the Dutch for a payment of 75,000 pagodas and the Seven Mahanams in the hinterland of Nagapattinam for a payment of 3,60,000 pagodas a year. In addition, the Mahanam of Tirupundy was sold to them for 24,000 pagodas. Before these transactions could take effect, the Nawab, assisted by the English, attacked and annexed the kingdom to his dominions. The lands were leased out by the Nawab and English influence in the area increased. The port of Nagore was ceded to the English who began to extend their textile investment to these parts through their merchants. Thus, even to lose of Nagapattinam in 1781, the Dutch began to lose the influential position they had in the Thanjavur rural areas. 157

The Dutch were constrained in their efforts to increase their investment in textiles by the impoverishment of their merchants who had accumulated large debts were a number of merchants with large arrears in their accounts with the VOC. In this context, Dutch officials would not think of making further advances to these merchants for fear of being themselves held responsible for the bad debts incurred in their factories. Without advances it was impossible to procure more cloth in a situation where there were several parties interested in textiles for export. 158

Another factor in the unfulfilled orders was a large amount that continued to be rejected as of bad quality. For the European market, the companies were very scrupulous about quality and measurement than they were for the Indies market. VOC officials were kept on their toes in this respect by the adherence to the policy of changing those responsible for the procurement of particular batches of cloth that

158 Ibid.pp.79-80.
had feared poorly in the market due to poor quality. In 1770 it was estimated that out of every 10 bales of cloth submitted they were all rejected. There was a sorting out at the factory of delivery and a re-sorting at Nagapattinam where the storekeeper had ultimate responsibility. There was a final re-sorting at Batavia. For example, in 1778, out of 138 bales, 48 were rejected. The rule of charging in the amount on sale of cloth lower than a base profit level on the amount on sale of cloth lower than a base profit level on the official responsible for procuring and passing it was followed scrupulously. In 1773 the reduced profit on the sale of 1,500 pieces of cloth in the Netherlands was debited to the account of the Pulicat chief factory. Likewise, a loss of 3,358 guilders incurred on the sale of fine Cambays of Pulicat was charged to the Chief and his Assistant. It appears that the two Companies, English and Dutch, were keen on the maintenance of quality but that other buyers, including the French, had no such scruples. In such a context, it was a hard battle to stick to strict standards without putting up prices, which both Companies were most reluctant to do. The English had the advantages of monopoly over the labour weavers in villages under their control which was denied to the Dutch, who had only mercantile means to attain their ends.159

The increasing proportion of textiles for Europe as against the Indies was a reflection of the changing demand factors at this time. The strong demand in Europe for coarse varieties continued and the Dutch, like other Companies, were directing large quantities of guinea cloth (longcloth), salempores, gingham and mores to that market. At the same time, it appears that the decline demand in the Indies continued into the 1770’s. It was seen earlier that profits on Indian textiles in Batavia were dwindling and the trade was no longer viable, expect in certain varieties. There had been a shortage of coarse cloth of Batavia in the late sixties, but after increased supplies this was remedied and the previous situation had been restored. Some

159 Ibid., pp. 80-81.
factories, such as Malacca, where the trade was totally unprofitable, were omitted from the orders sent out annually to Coromandel and in others the quantities were cut down. Indeed, the price increases given in the 1760s appear to have made Coromandel textiles far less profitable in Asian markets. This is why urgent request were made from Batavia to Nagapattinam to bring down prices to previous levels. This is was successful in some varieties, but though there was a general revival in the weaving industry, the entry of new customers into the market made it difficult to bring down prices.

The Southern Coromandel factories continued to be slack, particularly Pulicat and Porto Novo, whose hinterlands were either under strict English control or were in administrative instability. Sadaraspatnam held on with difficulty and Nagapattinam had lost its hinterland and become isolated. The ability to deal with merchants spread out over a wide area proved to be the saviour in these difficult times. The VOC was increasingly directing its investment westwards in the Carnatic, to Tirunelveli and Madurai. But even this was being threatened with the assertion of the Nawab’s authority, supported by the English, over the Polygars of Tirunelveli and Ramand.160

A second and more radical method was adopted in the seventies on the urgent recommendations of the VOC officials of Coromandel. This was to permit the Coromandel merchants to ship textiles for sale in Batavia on their own account in VOC vessels, on payment of a freight and recognition fee which came around 25 per cent. The merchants of Porto Novo, Sadarspatnam to have taken advantages of this concession at various times.

160 Ibid., pp. 81-82.
The merchants appear to have consigned their goods to agents in Batavia who seem to have been persons of Coromandel origin settled in that part. The cloth that was thus sent comprised goods that were rejected as unsuitable for acceptance by the VOC or varieties that were specially made for that market. 161

As a result of both these measures, merchant indebtedness to the VOC was considerably reduced in the Seventies from the high levels it had reached. It was seen earlier that total merchant debts in Coromandel had reached one million guilders. Some of the longstanding debts especially form Sadarspatnam and Porto Novo had to be written off.

VOC and South Coromandel Merchants

The weavers usually worked on a system of advance made by the merchants. This was quite different from the ‘putting out system’ 162 since the advance was usually in cash and not in the form of yarn or other materials. Merchant guilds dealing in yarn and cotton continued to figure in the textile market. The powerful merchant guilds of the earlier centuries continued into the seventeenth century. The evidence for their operation is, however, extremely limited, partly because there are very few inscriptions pertaining to this period and partly because the company records make but the vaguest of reference to them. 163

One feature of the seventeenth century in the context of merchant organization is that generally merchants are mentioned in their individual capacity rather than as part of a mercantile corporation. Secondly, the dividing line between independent merchants and merchants acting on behalf of the Company is very thin.

161 Ibid. p. 83.
In several cases a merchant functioned in both capacities, such as Malaya and his brothers Chinnana, Kasi Viranna, and various others.¹⁶⁴

In a letter written by Piter Gilles, the Dutch agent at Masulipatnam, to his company, all the prominent Hindu and Muslim merchants in that region are listed. Raghava Chetti is a merchant in Pulicat region in 1627 as having been put into prison by them because he refused to discharge his debts, either to the company or to the company’s merchants. He retaliated by escaping to Armagaon and placing himself under English protection. The Hindu merchants operating in the Porto Novo, Cuddalore region are named as Tendatie Chetti, Ariealtsie Chetti and Komaty Chetti. Kesara Chetti was another leading merchant in south Coromandel who eventually became a middleman for the Dutch East India Company. Another merchant Mirza Mohammed operating in Pulicat, as the Dutch records state, was very influential and close to Haqueekat Khan, the governor.¹⁶⁵

When they first encountered the Dutch, Malaya and his brother Chinnana¹⁶⁶ were members of the Balija caste, a community of Telugu-speaking merchants claiming close connections with the ruling Nayakas. After Malaya had left Tegenepatnam, or Devenampattinam, to join the Dutch at their headquarters in Pulicat, Chinnana held a position in Devenampattinam of some authority, perhaps as the port’s revenue farmer. Still later, Chinnana and other relations of Malaya possessed considerable influence in the Gingee court. All of this suggests that Malaya’s family moved easily between court and market by the end of the first decade of the century. After arriving in Pulicat, Malaya quickly established himself as the Dutch Company’s most important broker. Yet as important as Malaya was to Dutch trade, by the 1630s he chose to make even greater investments in revenue

¹⁶⁴ Ibid. p.146.
¹⁶⁵ Ibid. pp.146–147.
farming. The first figures revealing the extent of Malaya’s participation in Pulicat’s textile trade, available for the year 1632, show that Malaya received a Dutch contract to supply 23,000 pagodas in textiles while seven other merchants were to supply a total of 9,000 pagodas. The burden which this contract placed on Malaya’s capital resources depended on whether the Dutch supplied any of their capital. Assuming that they did not and the entire capital required for this year came from Malaya’s resources, Malaya would have had to supply local weavers with between one-third and one-half of the total value of the cloth in advance. At a maximum, therefore, he would have had to supply no more than 12,000 pagodas from his own capital resources. This level of investment in cloth brokerage may be compared with Malaya’s subsequent investment in revenue farming. In 1633 Malaya succeeded in persuading the ruler of Chandragiri, whose area of authority encompassed Pulicat, to grant him Pulicat’s revenue farm on payment of 33,000 pagodas, considerably more than twice the investment he had made in Dutch trade a year before. 167

The Dutch did not have a chief merchant to succeed Chinnanna. Over a period of time, and especially as their textile exports to Asia and Europe grew, they also discovered the problems of dealing with smaller merchants. The total resources of these merchants could not match the resources of the merchant capitalist, and therefore they ended up quite hopelessly behind on their contracts and in debt to the Dutch. The Dutch wrote off the desperate debts, and tried to recover 15 to 20 per cent of the money against new contracts each year. 168

Faced with the problem of erratic supplies on the one hand, and the rising demand for fine textiles from Holland on the other hand, Governor Laurens Pit decided in the 1650s to form in Pulicat a “head company” of suppliers who were

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jointly to provide just the fine cotton fabric which the Dutch called “ternatanes”. This improved deliveries to such an extent that such companies were formed for other fabrics as well. The merchants “shared” the capital, and by thus pooling their resources, they were able to trade on credit up to 70,000 to 80,000 guilders for a few months at a time, whereas individually their credit worth was negligible. Pit’s successor Cornells Speelman extended this arrangement to several other varieties of textiles like painted cloth and cloth with gold thread. These contracts were also extended to other towns. In 1665 such companies were formed among the textile producers the dyers of Nagapattinam and Nagore, the weavers of Porvacheri, the weavers of Tirumalairayanpattinam and the merchants of Nagapattinam and Devanampattinam. The latter companies had a capital stock of 3,600 pagodas and 7,600 pagodas respectively.26

Under these circumstances, it was at this time, the Dutch began to evince interest to collect cloth from a place called Kottar, in the environs of Nagarcoil, the famous weaving and marketing centre. Vinayaka Perumal, the leading textile private merchant of this place was approached by the Dutch. He supplied some possible quantity of textiles during 1734. He continued to supply textiles to the Dutch but he stopped his business with the Dutch in 1737. He wrote a letter to Stein van Gollensse, the Dutch official in September 1737 mentioning all his problems in trade.

As a result, the Dutch looked for able merchants in the area and they entered into textile contract with Dhanavan Chetty of Devanampattinam on 12 November 1748. This chetty merchant agreed to supply 5600 pieces and he took 1000 pagodas in advance from the Dutch. He supplied only some quantity of textiles during that year owing to delayed payment. The Dutch had promised that he would receive his payment as soon as the textile supply was made during the year 1749–50 but he
disliked the Dutch reply. Thus the Dutch had lost their hold over the textile suppliers and spoiled their image owing to lack of funds due to be paid to the merchants. The Dutch official stationed at Devanmapttinam was asked to persuade Dhanavan Chetty. However, the native merchant refused to do any business with the Dutch. The reason was that the cloth he obtained from the suppliers drew payment in advance. The suppliers also had to advance money to the weavers because of the practice followed in the region.\textsuperscript{169}

In compliance with the orders from Batavia in a letter dated 2 October 1751, the Dutch factor at Tuticorin had been instructed to bring back the contract at Madurai town to the former rate. It could not be done since the Dutch official at Tuticorin had closed the contract at only 3 10/11 per cent less than the year before. However, the Dutch managed to export 945 bales of cloth during the year 1751. The trade in cotton textiles from Tuticorin was in a fairly flourishing condition as it was proved by the fact that 1510 bales of various descriptions of cotton cloth from Madurai were exported in 1752 to the Netherlands.\textsuperscript{170} This showed a remarkable difference of export of cloth compared to the previous year. A quantity of 475 bales of cloth had also been exported for Batavia in the same year from Madurai via Tuticorin.\textsuperscript{171}

Having left with no other choice at this juncture, the Dutch began to make a survey of other leading textile merchants in the whole region whom they could approach for the procurement of textiles. According to a report prepared by them in 1752 it is said that Padaram Chetty, Mariyadai Chinnanam Chetty, Vendasalitan Chetty in Kottar had invested a large capital to the tune of 6,00,000 \textit{panams} in textile

\textsuperscript{171} \textit{Ibid.} p.57.
business. Although these merchants of Kottar were approached by the Dutch to supply textiles, they did not come forward to help the Dutch Company. Nellaiyappan Chetty, a merchant in the next rank of business at the same place, had been approached by the Dutch in 1752 and he supplied textiles. Later he also declined in the following year to conduct business with the Dutch since Madurai panams had risen in value which resulted in the increase of the price of cotton at that time.\textsuperscript{172}

The Dutch factor in Tuticorin received florins to the tune of 325286.08 from the Netherlands in 1753 for the purchase of textiles. In the absence of funds, gold was used by the Dutch for buying textiles. An amount of 8246 13/66 reals of gold had been lying with the Dutch chief in Tuticorin in 1754 for the purchase of textiles. An amount of 150510 pagodas were also sent to Tuticorin for the purchase of textiles in the same year. Further, copper from Japan was also received in Tuticorin towards the investment of funds for textiles. Fall in the value of pagodas by 14 ½ panams had affected the textile business of the Dutch Company at Tuticorin in 1754 and the VOC lost three panams on every pagoda. This resulted in the short fall of textile supply. Thus the Dutch factor in Tuticorin could not always meet the full order requirements sent either from Batavia or from the Netherlands owing to problems of varied nature.\textsuperscript{173}

Dutch textile exports from Madurai in the twenty years between 1670–71 and 1689–90 amounted to 995,602 pieces or 49,780 pieces per annum. Assuming Parthasarathi’s estimate of the share of Dutch exports in total South Indian cloth production (9.99 percent) to be applicable to late seventeenth-century Madurai, the total textile production of Madurai in the late seventeenth century amounted to

\textsuperscript{173} Memoir of Joan Gideon Loten, 1757, pp.33-34.
498,298 pieces. If we further distinguish Dutch exports by decade (285,142 pieces between 1670–71 and 1679–80, and 710,460 pieces between 1680–81 and 1689–90), Madurai annually produced 498,298 and 711,171 woven piece-goods in the 1670s and 1680s, respectively.\textsuperscript{174}

The textiles dominated the southern Coromandel Coast trade through the ages well into the eighteenth century. The nature of the foreign demand for South Indian textiles was varied because a large volume of textiles was in demand in markets with tastes and requirements very different from each other. The Dutch played a key role in the southern part of the Coromandel Coast. During the last decade of the seventeenth century, the Dutch were facing European competition and that of the native merchants and famine in the southern parts. So in each of the factories, there were a number of merchants with large arrears in their accounts so this is financially weakening VOC. This situation persuaded many Asian societies to depend on southern Coromandel textiles as an important source both for their mass and for luxury consumption. In the Indonesian archipelago, in particular, southern Coromandel textiles also came to play an important role in ceremonial rituals and as gift exchange. They also led to important innovations and imitations in the domestic production of corresponding varieties of textiles.

The year 1740 saw the beginning of the Carnatic wars between the English and the French. It also saw these two powers drawing ahead of their European rivals in political power and influence on the Carnatic. It is difficult to escape the conclusion that this expansion of their political power had a great deal to do with the decline of Dutch textile trade in the second half of the 18th century.

On the one hand, the import of precious metals stimulated production (especially cotton piece-goods), facilitated the monetization of the Madurai economy and land revenue demand, and promoted the recourse to the system of revenue farming. On the other hand, the attempt to corner the pepper and areca markets in the 1670s and 1680s had a negative impact albeit only temporarily. The failure of both schemes point to the persistence and continued viability of “traditional” Asian commercial networks in the seventeenth century in the face of “innovative” European merchant empires. Purchase firsthand, smaller overhead costs, better knowledge of local market conditions, commercial privileges, and specific geographic circumstances more than offset the high inland tolls and economies of scale of overseas trade.