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Isaac Le Maire
and the Early Trading in
Dutch East India Company Shares:
A Contribution to the History of Financial Economics

by

J. G. van Dillen, Geoffrey Poitras and Asha Majithia*

* Geoffrey Poitras is Professor of Finance and Asha Majithia is a research assistant at Simon Fraser University, Burnaby, BC, CANADA. J.G. van Dillen was a Professor of Economic History at the University of Utrecht, Utrecht, NETHERLANDS.

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The origin of trading in common stocks can be traced to the transactions in shares of the Dutch East India Company (VOC) on the Amsterdam Exchange, e.g., Poitras (2000, ch.8). This trade began with the founding of the company in 1602. There are two important secondary sources for this early trading: van Dillen (1930), which is written in Dutch and also includes numerous primary documents, such as the text of legal presentations concerning the valuation of VOC shares; and van Dillen (1935), in French, which summarizes much of the material in van Dillen (1930). Building on the more general overview of Amsterdam exchange trading given, in Dutch, in van Dillen (1927), these two sources focus on Isaac Le Maire, the key figure in the storm of controversy that characterized the early trade in VOC shares. Being produced over seventy years ago, a published reference that translates the sources into English is unavailable. This is an unfortunate omission because, in addition to providing a wealth of information about share trading practices in early 17th century Amsterdam, the events of interest include the first organized attempt to manipulate the share market. As evidenced in De Marchi and Harrison (1994), Barbour (1963) and Wilson (1941), much of what is known about the early trade in shares originates with the work of van Dillen. By providing an accessible English translation of van Dillen (1935), this paper aims to increase awareness on a range of issues that are of modern interest.

The role of Isaac Le Maire in the early trade in VOC shares is of modern interest for a number of reasons. Perhaps the most significant concerns the actual mechanics of a share price manipulation scheme involving Le Maire. Unlike most manipulations, where forward contracts are used to create a short squeeze resulting in rising prices, the manipulation led by Le Maire involved a series of actions designed to force the price of shares down. Under pressure from the directors of the VOC, the Dutch

government acted to eliminate selling of shares for forward delivery that were not owned by the seller at the time of the forward sale. In modern sources, e.g., De Marchi and Harrison (1994), this has been portrayed as a ban on short selling. However, van Dillen (1935) reveals there is considerably more involved. Those involved in the manipulation were speculators making markets in shares. Because there were insufficient shares available for purchase, share traders created contracts that represented claims on shares -- often settled with the payment of differences. These were typically forward or “term” contracts. As a consequence, the market makers were net short the market. The incentive to engage in a ‘bear run’ follows appropriately.

Another aspect of the manipulation revealed by van Dillen (1935) is the extent of fraud among the participants. Despite being a significant shareholder, Le Maire was removed as a VOC director in 1605 having been found to have embezzled funds from a Company-related venture. This was prior to the share price manipulation scheme. In addition, before forming the secret society to trade VOC shares in Feb. 1609, during the period of the manipulation, and after the collapse of the scheme, Le Maire was engaged in attempts to launch a French company to rival the VOC. While being the biggest of the nine players in the secret group, Le Maire was not the only member of the group with unscrupulous motives. In particular, the solvency of the Brouwer brothers was in question. The brothers had sold considerable share positions for longer term with the expectation of purchasing, at a later date, the positions for delivery at lower prices in the shorter term market. A fall in prices was necessary for the Brouwers to avoid financial ruin. The adverse upward movement in share prices also brought ruin to a number of the members of the secret society. It seems that the restrictions on short selling (*in blanco* trading) were as much about controlling fraud as about Christian ethics and a negative social attitude toward the ‘negative’ aspects of speculative short selling.

A final aspect of van Dillen (1935) of modern interest concerns the micro-foundations of early share trading. Van Dillen accurately recognizes that VOC shares had a number of significant differences compared to modern common stocks, describing the VOC as a “limited company *in training*”. Following Hecksher (1931), the VOC does satisfy the ‘capital association of a corporate character’ requirement for a joint stock company. Claims against the permanent capital stock of the company provided a forward trading vehicle with more attractive features than wheat and herring, where trading for future delivery was a common practice by the time the VOC was launched. The somewhat demanding requirements associated with actual transfer of VOC shares -- involving attendance at the company transfer office and written approval by two directors -- gave encouragement to the speculative practice of settlement by payment of differences. In turn, this provided an early foundation for the *rescontre* system for settlement of term sales that became common practice on the Amsterdam exchange by the mid-17th century. The *rescontre* settlement process is described by de la Vega in *Confusion de Confusiones* (1688) and was eventually transplanted to England where it became standard market practice by the mid-18th century.

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Appendix

This section contains an English translation ("Isaac Le Maire and the Share Trading of the Dutch East India Company") of the text of J.G. van Dillen (1935), 'Isaac le Maire et le commerce des actions de la Compaigne de Indes Orientales', *Revue d'Histoire Moderne*: 5-21, 121-37.

Isaac Le Maire and the Share Trading of the Dutch East India Company

by J.G. van Dillen

Among the many business people from Antwerp who, after the capture of their city by the Duke of Parma, established themselves in Amsterdam around 1585, Isaac Le Maire was one of the best known. He was born in Tournay in 1559.¹ It appears that he lived in Antwerp for quite some time and, just prior to his departure, he married Maria Walraven. Twenty-two children were the result of this union, a detail that serves as more than simply bibliographic, as we will see later.

In Amsterdam, Le Maire practised, with much success, the business knowledge he acquired in Antwerp. Little is known about his first few years in Amsterdam.² It wasn't until 1601 that he decided to become a citizen.³ But legal documents from around 1595 indicate that he was involved

in significant business dealings at the time. The fact that many of his brothers had established themselves in foreign business centres no doubt helped facilitate these matters.

Nevertheless, Le Maire's major role begins with the foundation of the Brabantine Company (in 1599). The first Amsterdam company geared towards shipping from the Indian sub-continent was founded in 1594 by Reiner Pauw, Jean Corel, Dirk van Os and others. Circa 1597, around the time of the return of its first fleet, there was the creation of a rival company. Soon enough the first company would come to an agreement with this new company (founded by Vincent van Bronkhorst, Cornelis van Campen and others). The firm, born from the merger of these two companies, which was later named the Expert Company, probably was due to the return of Jack van Neck's fleet of richly loaded ships in 1599, after a quick and fortunate journey. This also formed the motive for Le Maire to create the Brabantine Company. Although only two of the four well-known directors of this company came from the southern Netherlands, namely Le Maire and Jacques de Velaer; it is possible that other Brabantines, such as Louis de la Beeque, were involved in the business.⁴ This New Company obtained authorization for shipping towards China only, a restriction that they hardly worried about. Again, a merger appeared to be the answer, but this time the project wouldn't be done so easily. The Brabantine Company was founded in August 1599; the merger wasn't attained until December 1600, and only because of the intervention of the burgomasters. The new United Amsterdam Company, which equipped a total of eight ships within the next year, with Jacques van Heemskerck as commander, was destined to a brief existence. In 1602, this company entered into a larger company, formed out of the merger of almost all the Dutch and Zealander companies that existed: the United East India Company (or the byname the Dutch East India Company).

All of the directors of the former United Amsterdam Company obtained administrative functions within the new company. However, a fleet of fourteen ships took to the open seas in 1602 under the command of Admiral Wybrant Waryck, for the accounts of a combination of directors from different Houses and not for the Company. Isaac Le Maire was a part of this combination. Although Le Maire had plenty of zeal and enthusiasm towards shipping to India, he spent very little time as a director of the company. At the beginning of the year 1605, he retired, even though he was among the principal shareholders (subscribed for the sum of 60,000 florins). His retirement has often been considered voluntary, when in reality things happened in a totally different way.

In his studies of Isaac Le Maire, Bakhuizen van den Brink has already lifted the veil on this issue.⁵ He discovered that rumours existed accusing Le Maire of fraudulent activities. Included among these rumours, the bailiff of Amsterdam had summoned Le Maire and obtained the right to sentence him by default. But no decisive proof was made available, in vain the bailiff addressed the directors for precise information. In the absence of this information, by way of the law of the times that was very favourable to arbitrators and advantageous to the justice civil servants, the bailiff sentenced him to a fine of 1,200 Flemish pounds, to profit himself and the burgomasters.

Unfortunately, the source where Bakhuizen drew his information is unknown. I had the chance to find confirmation from a source that Bakhuizen certainly did not use, the minutes of the Consistory of the Reformed Church of Amsterdam.⁶ On December 23, 1604 the Consistory made the following decision: since unfortunate rumours are spreading around the entire city about Isaac Le Maire, director of the Dutch East India Company, but it is unknown whether these rumours are true, it was decided to communicate with Le Maire, the role of the Consistory will be deprived of the Saint Gene until this matter is resolved. A few weeks later, the Pastor Plancius and his predecessor Philips

Cornelissoon were put in charge of proceeding with an investigation, an investigation that, it seems, never took place, perhaps because they were waiting for the result of the judicial investigation. But a year and a half later, this issue became the order of the day again because of some unfortunate news Le Maire gave his church.⁷. At a meeting on July 5, 1605, the Consistory notes that the administrators never pursued an investigation and decided to speak to the “Majores” (a title often given to directors) for precise information. Again the responsibility of this was put on Plancius and Philips Cornelissoon. On August 9 they released their report; certain directors had told them that Le Maire had definitely committed fraudulent activities and that he had used his son and servant as accomplices; that the company had established his guilt, Le Maire, having himself confessed his guilt, had been sentenced to a hefty fine and had paid this fine. After hearing of these communications, the Consistory decided to summon Le Maire. Le Maire refused to appear in person but consented to receive a delegation from the committee. Once again Plancius and Philips Cornelissoon were put in charge of interrogating Le Maire, this time at his place. Unfortunately the minutes contain little but brief notes on their report. They only state, “a lot of things explained themselves differently than what was presented by his accusers” and then continue: “Due to the fact that this is a matter of great importance, the pastors consented to carry on with the investigation”. In reality it doesn’t seem like the investigation took place because the minutes contain no additional references to it.

There exists a document that proves that the accusation relates to the expedition of the fourteen ships, under the command of Warwyck. This expedition was undertaken, as stated earlier, for the accounts, not of the Company but for handful directors. In accordance with the custom of the preliminary firms each of the directors was responsible for a part of the facilities. Le Maire neglected to return, when all of the accounts were consolidated, the receipts and other documents concerned

with his division. Questioned about this neglect, he tried to defend himself, but, based on the events that followed, his explanation was seen as insufficient.

Later on, Le Maire always maintained his innocence. But the extracted minutes mentioned above along with the communication from Bakhuizen gives the impression that Le Maire was actually guilty of embezzlement, even though the report of Plancius and his predecessor refer to questionable circumstances.

It is clear, now, that Le Maire did not retire on his own accord. On February 22, 1605 he signed a declaration in which he committed, among other things, not to undertake any expeditions around the Cape of Good Hope or by the Strait of Magellan and also to not participate in any similar expeditions, in any undertakings of others besides himself, either in Holland or in a foreign country.⁸ In addition, he was required to hand over all documents in his possession regarding the Company to the directors. As a warning he committed a sum of 3,000 Flemish Pounds, taken against the accounts of the company and also a few firms he owned in Egmond.

The King of France, Henry IV, had nurtured the idea of founding an East India Company in his country for a long time. The negotiations that started with this in mind, with a few unhappy Dutch merchants, such as Balthasar of Moucheron and Pieter Lyntgens, were not successful.⁹ Around the end of 1607, the French minister Jeannin was put in charge of this project. A Brabantine councillor drew attention to Isaac Le Maire. He was one to eagerly accept suggestions given to him. In March 1608, he had, on several occasions, long meetings with the French Minister, either at a very late or very early hour, in fear “of those from Amsterdam” as Bakhuizen would call them. But the uncertainty that existed surrounding the relationship between France and Holland, and negotiations for an armistice with Spain, prevented any definitive agreements.

At the same time, the English explorer, Hudson arrived in Amsterdam, around the end of 1608. Seeing that negotiations with the Company were remaining unsuccessful for the moment, Le Maire tried to convince him to take a voyage to the extreme north for the service of the King of France.¹⁰ In his letters to the King, Jeannin warmly recommended the project.¹¹ But as a penalty, the directors, upon getting wind of this project, got in touch with Hudson. The result of this came in April 1609, when the *HalveMaen*, took to the open seas, in search of a septentrional passage to India, for the Company.

Far from being discouraged by this misfortune, Le Maire wrote to Jeannin, as early as January 25, 1609, that he knew of a captain even more experienced than the Englishman. M. Naber supposes he was referring to Jean Ryp. Henry IV let himself be persuaded by Jeannin, who, apparently, was himself persuaded by Le Maire's enthusiasm, to supply the funds for the expedition. Since it didn't seem that Ryp wanted to take part in this undertaking they had to settle for Malchior van de Kerckhove, about whom we only know that he was experienced as a seaman. Le Maire played an ambiguous enough role: officially, the expedition left under his name, he even obtained a letter of recommendation from Price Maurice, but the captain received secret instructions to hoist, after the possible discovery of a strait, the French flag and to stop, after the expedition, in a French port. On May 5th, one month after Hudson, van Kerckhove took to the open sea, with a ship loaded by Le Maire, from his own account, with merchandise totalling 10,000 florins. Of this expedition all that is known is that the desired result was not achieved.¹²

Before he left for France, in the summer of 1609, Jeannin received a promise from Le Maire, that he would come to Paris to start negotiations about the creation of a French East India Company. Le Maire did indeed leave for the capital of France during the month of December. De Jonge has already

revealed some details about this visit, details that he found in a letter that Francois van Aerssen, minister of the Republic wrote on December 25 to the General Assembly. Additional correspondence of Francois van Aerssen with Oldenbarnevelt, that I've been able to consult, allows me to provide more precise information about this event.¹³

Before December 8, the minister announced that the question of the creation of an India Company existed again. Jeannin, who would have been leading this project, also publicly admitted it. On December 16th, Aerssen, in his letters to Oldenbarnevelt, always using the French language, wrote: "I find that the a company for East India is advancing quickly. Girard le Roy, with Isaac Le Maire, both from Amsterdam, are really endorsing it; I've been told that the latter is here, secretly staying with Lamet."¹⁴ I still doubt him even though it is true that he promised M. Janin in his letter of leaving Amsterdam November 29, under the pretext of going to deal with his businesses in Antwerp.....". Moucheron and Joris van Spilbergh were also in Paris. They deliberated everyday. Aerssen tried in vain to convince the King's advisors that the undertaking would be as disastrous for the French as it had been for the Dutch, particularly because the prices for spices were on the rise in India and decreasing in Europe due to of competition. They realized, in part, the truth in this argument; but then they thought of the idea of a United Company of France, England and the Republic. Aerssen responded that this project was unrealisable: "it is enough that the funding would be too large, with regards to the deposit, but we, already with only the original funding, have more spices than Europe can consume". A similar project would be more possible in regards to the West Indies, but these men wanted to stick to their idea, the foundation of a West India Company hardly attracted their attention in the circumstances of the moment.

Why did Henry IV hold on to his idea of the creation of the East India Company? Aerssen tells us: “The King is impressed with this company for the pure profit that he could receive from the sale of spices that, in the same method as salt, could be distributed by his kingdom”. According to Aerssen, the King was making a mistake because the French only demanded nutmeg and cloves and very little pepper!

One of the partners declared that he was willing to sabotage the project, in exchange for sufficient compensation. It was Bathasar de Moucheron. “Moucheron, who is one of the managers, approached me yesterday and proposed that he has a way to break up the plan, if I would be willing to send a reward with him; I excused myself, with the promise that I would ask you (Oldenbarnevelt) about this, under the condition that we would use this opening discretely and that his role in this affair would be lost”. A few days later Aerssen wrote that Le Maire was avoiding him and that the negotiations were continuing.

On December 25, the correspondence takes on a positive tone. “I think I’ve broken the collar of Isaac Le Maire’s plan; as a minimum M. de Sully promised me that within six months, he would stop talking with him and wouldn’t allow him to be aided by the King’s purse, from which he needs funding”. Around the same time a letter was written in Dutch, addressed to the General Assembly. This letter tells us that Le Maire had finally decided to visit the minister. It is with reason that De Jonge speaks of a dramatic meeting. The cunning businessman started by pretending he didn’t know anything, then once Aerssen made it clear that he was up to date on all the happenings, and that he even knew that Le Maire had hashed out an entire plan, Le Maire decided to confess. He tried to justify his actions by reminding Aerssen about his large family and of the wrong that other directors had done to him. And, whereas in the past he had always assured Jeannin that, born in Tournay, he

had always felt like a Frenchman, he showed himself in front of Aerssen like a good Dutchman, who would never undertake anything without the consent of the State.¹⁵

However, Aerssen had claimed victory too soon. Even if he had been, as stated by De Jonge, the most perspicacious diplomat of his time, his influence wasn't unlimited, like it seemed. He had taken the declarations of the French too seriously. On December 29th he was obliged to admit his ignorance to Oldenbarnevelt: "Le Maire, who had to leave, renewed his pursuit with the encouragement of M. Janin who took him to see the King this morning, who he spoke to about the advantages of this commerce for more than half an hour. He pushes strongly to have communicated to you the subject of his voyage and that you had approved it. I did not believe that he discovered you to have real funds, I learned of that later". It should be noted that in an older letter Aerssen had said that Le Maire permitted himself the approval of Oldenbarnevelt.

At last, on January 5, 1610 Aerssen could say that the dangerous man had left "(He) carried (letters) from the King for his discharge and must return as first in command and undertake the direction of this company, M. les Etat consulted with him. We will spend this year preparing; M. de Sully told me that they are not as far along as they think, that one year is as far as resolution of this matter is concerned. M. Janin said as much; but it is he who is in charge of the direction of all this and of the way Le Maire is treated. I do not have anything else, I had done what you asked of me when I advised you of what was happening...." The tone of the letters had definitely changed. Even though, ten days earlier, he had again announced with an air of triumph that he had fatally wounded the plans for the project, he was forced to recognize that the matter was progressing.¹⁶ He consoled himself with the idea that he had done as much as he could.

During this time, rumours about what was going on in Paris had reached as far as Amsterdam. The directors had addressed the burgomasters with a petition in which they maintained that the Company was compelled to take on excessive expenses of the wars against Spain and Portugal and that, due to this, their shares were selling at an extremely low price. It would be very unfair if others could profit from the sacrifices made by the Company by going to look for spices in ill-equipped ships with low overhead. After receiving this petition the burgomasters quickly persuaded the General Assembly, in a letter in January 1610, to do anything within their power to prevent the creation of a French East India Company.¹⁷

This illustrates well that, in fact, there was a reason to worry. Le Maire probably didn't find his welcome by the Stock Exchange too joyous. The first of May, he gave his cousin, Alexandre Le Maire full permission to transfer stock in his name. His name never returned to Aerssen's letters. The assassination of Henry IV (May 14, 1610) was a cruel blow to Le Maire. Following this event, the opportunity to create a French East India Company disappeared for quite some time.

In the preliminary companies, the names of shareholders were unknown to anyone except the administrator to whom they made their payments. One could sell or pass on a stock and the company would hardly pay attention.¹⁸

At the Dutch East India Company (founded in 1602) things happened differently. The shareholders were inscribed in the books of the Houses of the Company, where the money was deposited. At first, it was decided that payments would be made in three allotments but in reality they were completed in twelve, with the last one being in 1606.¹⁹ When a shareholder sold their "stock", a word that came into practice much later, it had to be transferred to the name of the purchaser in the presence of two directors. Also the seller had to present himself in person at the office of the interested division.

It is with reason that the Dutch East India Company is considered as one of the first models of a limited company. However, its structure differed a lot, especially in the beginning, from those institutions that we designated today with this title. It was really a limited company *in training*. One of the points of difference is that shares of the Company didn't have a set, round nominal value; but had different values. Next, the shareholder had almost no rights. With the exception of the General Meeting; the shareholder had no influence over the choice of the directors. At first it was considered that the State houses of the different respective provinces appoint the directors, and very quickly, at least in the province of Holland, the burgomasters of cities where the Houses were established seized this idea. Only in 1623, to comply with the wishes of unhappy shareholders, was it allowed for them to present a list of nominees, a right that was purely theoretical!

Did the Company issue securities? Many authors leaned towards giving an affirmative response to this question. Sayous is of the mind that we can consider the receipts given to shareholders when payment was made as a security. Van Brakel is in agreement with him, and considered the existence of securities as a necessary condition for the development of share trading.²⁰

This opinion was decisively refuted by M. Smith²¹. Negotiable securities never existed. When van Brakel speaks of a "paper" trade of the company, he presents matters in a very modern way. If securities really did exist, the transfer and complicated formalities that are linked to them would be superfluous. The matter could have been considered resolved, if it hadn't been for the arrival of F. W. Stapel.²² He recognised that sellable securities didn't exist but nevertheless, believed himself able to prove that shareholders received a supporting document. He declared with satisfaction, having discovered that, after the last payment, the provisional receipts were exchanged for a general receipt. He found proof of this fact in a resolutions passed on August 28, 1606 when it was decided that

shareholders who had paid the last of the twelve payments would be given a general receipt for the entire sum they had invested into the company and that the provisional receipts would lose their value. In my opinion, he didn't prove anything except that a specific distinction was made between general and provisional receipts. Also he forgot that the shareholders had the right to voluntarily sell parts of their shares, at a considerable price, a right that they used quite often. The general receipt could never serve as proof that one held a share of a specific value. It only proved that the named person was absolved of their payment obligations; in other words it was nothing but a simple receipt.

Stapel was even more mistaken, in my opinion, when he maintained that the new buyers also received a security. Here's what he wrote on the subject: "The process for transferring a share has been explained on several occasions: the new shareholder received a document signed by the seller and two directors. This document was proof of their shareholding. The note of transfer played the same role for the subsequent buyers as the general receipt did for the primary shareholder."

This way of presenting things is not correct. The author seemed to have read the pages of Smith that he references only very superficially. The transfer form that he speaks of, signed by the seller and two directors, was never given to the buyer, but was, in contrary, carefully preserved by the Company.²³ The Transfer Books, of which an entire series has been preserved in the National Archives, were essentially made up of completed forms. One could ask if the transfer certificate could have been duplicated and if the buyer could have received this copy; but no indication of this has ever been found. In the many legal documents that exist, there is never a mention of such use.²⁴ Also it should be noted that a transfer certificate differs from a security, since the share named in the certificate could be resold. All that I have just stated permits, in my opinion, only the following conclusion to be drawn: the Company never issued securities. The shareholders identified themselves

exclusively by the books of the Company, namely the great-book of shareholders and the books of transfer.

The only “paper” received, from time to time, by those who bought and sold shares, was an agreement of sale. It is doubtful that similar agreements were drawn up for cash dealings, but it was the law when the deals were a matter of a term sale. Towards 1629, models for term sales were available everywhere; a white space allowed for the inscription of the name of the company.²⁵ It must be noted that these were not legal documents but were for private use.

The absence of securities didn’t however, prevent the development of an extensive stock trade. The centre of the trade was the Amsterdam Stock Exchange. With a few exceptions, it was mainly the shares of the House of Amsterdam that traded regularly. This fact was explained with the condition imposed on the dealers to present themselves in person at the time of transfer, which obviously made it difficult for residents of Amsterdam to partake in trading stock from other Houses.

The demand for securities, with a view to their investment alone, can never itself create active trading. This is achieved only with speculation, that is by the operations of those who buy and sell in order to profit from price differences. In the trade of wheat, very important in Amsterdam for a long time, speculation was far from uncommon. So it is not surprising that the first transactions entered into at the Amsterdam Stock Exchange were part of the same schemes.

The “shares” of former companies had also been sold, but up to now no information has been found to document stock market transactions about them. It is with the creation of the Dutch East India Company that the first modern company appears. Its capital was divided into a large number of shares: those of the House of Amsterdam alone were worth 3,687,415 fl, divided between 1,201 subscribers. Some of the capital was fixed but there were a good number of shareholders ready to

sell a part of their total share if it was profitable to them. The unequal value of each share was obviously a large obstacle to steady trade. But a large number of important shareholders, among them Isaac Le Maire who had invested 60,000 fl., could, in subdividing their assets, offer shares at a fixed, round value. It is well known that, in the second half of the 17th century, all share trades were done with a nominal value of 500 Flemish pounds, that is 3,000 florins. Documents prove that, a few years after the creation of the Company, the Exchange preferred shares of this value; but shares of different values, always round, were also sold.

In documents, shares valid for ten years are always referred to. That meant that every ten years there was a projected closing the accounts: the shareholders had to retake possession of their deposited sum, augmented by their portion of the profits. Afterwards a new ten-year subscription needed to be opened. Moreover, the grant certificate contained a clause that stated shareholders would receive a first dividend as soon as the bank recovered 5% from the sale of cargo upon return. Mansvelt, remarked that at the time of the creation of the Company there apparently wasn't the slightest idea about the needs of a continuing company.²⁶ The first dividend wasn't paid until 1610, moreover, in 1612 the State excused the company from clearing the accounts and returning to the shareholders their deposits. This decision was motivated by the argument that the shareholders that wanted to could use the Stock Exchange to realize their returns.

Alongside the ten-year shares, the Exchange also sold shares in the fourteen ships. I've already alluded to the fact that in 1602, fourteen ships took to the open sea, for the accounts of a combination of directors and their shareholders. The management of this enterprise was separate from that of the Company. These shareholders, which received their dividends well before those of the Company,

received a total of 265%. Many authors wrongly considered this sum as being a dividend; but the initial capital deposited was obviously included in this figure.

At the beginning, a share with all the rights attached to it was considered an indivisible whole. That is to say not only the right to future dividends was sold but also the dividends already paid, where the latter were included in the purchase price. A report from 1613 shows that the purchaser could fold back the purchase price by the value of the dividends already received, unless the share was already selling at a “remaining” price. This explains the expression “remaining shares” that we often see later. As the first dividend of the ten-year shares wasn’t paid until 1610 this last complication had little impact on trading activities before 1610.

The shares sold not only for cash but also on term. This wasn’t anything new in Amsterdam, since term sales had been the custom for trade in wheat and herring. It goes without saying that only term sales could serve speculative goals. Those who term sell don’t need to have the merchandise in possession at the time of sale. This is why the “white” sale of shares doesn’t seem to be going away.

A few years after the foundation of the Company, a large number of shares were bought and sold on term. This gave way to complicated mutual obligations. It was clear that the settlement of the positions was occurring without the unwinding purse of the Exchange and that only the difference was being paid out in cash. The word “rescontre” refers to this sort of trade. On this point, it would be tempting to talk about the term market but fixed terms of liquidation were not yet in use.²⁷

END OF PART I

“Isaac Le Maire and the Share Trading of the Dutch East India Company Part II, p.121-37.

For several days following the 1602 subscription, and even before the payment, East India Company shares increased to 14 to 15% above par. Then interest got weaker and the trading rate remained unchanged for several years at 103 and 105%. However, when good news arrived from the Indies - the occupation of the islands of *Amboine* and *Timor* and especially when the vessels from the Steven Verhagen fleet returned richly loaded in 1605 – the trading rate rose to 140%. Over the course of the following year, the optimism was limitless. At the news - which turned out later to be false - of the taking of the *Malague*, the shares even climbed to above 200%. But in 1607 bad news arrived and the trading rate lowered to 158 to 160%. In the two following years, the decline continued so that in January 1610 the trading rate was quoted very low at 126% at the time and at 131 % after a one-year term. At that time, there was once again a sudden turnaround. The news coming out of the East Indies improves, the vessels return richly loaded. The directors agree on a 75% mace dividend, with a dividend of 50% in pepper and yet another of 7 1/2 % in silver to follow yet again in the Fall. It goes without saying that the trading rate then increased considerably.

It was especially in the spring of the year 1609 that the decline in the trading rate of the shares was the deepest. The directors believed that this phenomenon was due, not to natural causes, but to the intrigues of a group of decline speculators. They saw in this in particular situation the hand of Isaac Le Maire, whose negotiations with Hudson and with the King of France had not remained unknown.

This is why - probably in the summer of the year 1609 - they addressed a petition to the General Assembly. They say that there is a conspiracy, a "dirty scheme". The conspirators continuously sell large share portions which include a long term of one to five years for amounts which surpass what they own by several thousand florins.²⁸ At the time of delivery, they weigh down the trading rates by spreading unfavourable rumours. With much trickery, they sell for reduced amounts "shares often

purchased by their own accomplices" and at the same time they purchase great amounts at very low prices. This is to the disadvantage of a large number of shareholders, in particular widows and orphans, who let themselves get pushed by the false rumours into getting rid of their shares. In addition, the agitators have sold such large parts that they will soon no longer be able to deliver. The directors even believe that "the general enemy has its accomplices among the important sellers".²⁹ This is why they are asking the States to render impossible the blank sale of shares by decreeing that from now on the entry into the books will have to take place no later than one month following the sale.

This petition did not remain unanswered. "Several businessmen" presented a request of their own in which they declared that the decrease in the trading rates was in no way caused by "dirty schemes" and it came about as a result of natural causes. Did the company not have a whole gamut of difficulties: the loss of the islands of *Tenerate* and *Timor*, the siege without success of *Malaque*, and the sinking of several vessels?

Mr. De Jonge had already used the two documents mentioned above and he is the one who published them. I however found paper which, given the handwriting, was probably from the hand of Isaac Le Maire himself and which was most likely written in August 1609.³⁰ There is no indication of whom this document is addressed to; it may have been intended for Oldenbamevelt, with whom Le Maire had a relationship, to inform him personally.

The author begins by listing the vessels which sunk. He evaluates the loss at no less than 1,500,000 florins. Four vessels have just docked, but one of them, the *Ter Gouw*, still belongs to the fourteen vessels. Of the three other, the *Ter Veer*, the *Ceylan* and the *Bantam*, part of the freight is headed to the consortium which equipped the fourteen vessels. Based on this, the total value of the

merchandise going to the Company is less than fl.1,800,000. The vessels are bringing a quantity of mace equal to the value of fl. 800,000 which however will not be able to be sold before five years because there is still a large quantity of mace in stock in the stores and that even more is expected. The proportion that will be able to be sold annually should be estimated at most at 10% and it should be taken into account that the quality tends to diminish.

Before the arrival of the vessels, the shares were being sold at 123 to 124% cash and 134% at a year; then they increased to 150% at a year; but as soon as it was discovered that a part of the merchandise was intended for the group of fourteen vessels, it reduced once again to 132% cash and 142% at a year, a price which in fact exceeds the real value. The directors were irritated with the fact that the trading rate remained so low. They would have liked to see it increase to 180% and even 200% "as the shares have done in the past". This is why they accused those "constantly busy buying and selling shares" of trickery. Two years previous, when the shares were trading at 180 to 200%, many people with no business knowledge purchased shares, "as soon as they saw that some directors were purchasing them as well, because the directors knew the right time".

There was no reason to say that the decrease would be harmful to widows and orphans. As a general rule, those people kept the shares they had. If some of them were selling, "this was a service to other widows and orphans who, not knowing how to place their money, purchased new shares with the Company".

The author believes that the directors were motivated by greed for several of them purchased "large portions of shares at a very high price". They know that several of their colleagues were more reasonable and even sold part of what they owned. For some time, we find several times repeated the point in discussions in the Assembly of the Seventeen – and again at the Assembly of September

1st in Middelburg – the question of knowing if the directors still own the required amount of shares. "The president must question them specifically regarding this." This proves in fact that people were realizing the dangerous situation the Company was in.

The States of Holland consulted with the Court of Holland and the Superior Court regarding the administrators' request. It was regarding this consultation that the share merchants addressed the Court in January 1610. In this petition, they listed again the losses suffered by the Company, which they evaluate this time at a million florins. They note also that the large mace reserves piled up in the stores will not be able to be sold within the first few years. In effect, without authorization, the directors took considerable amounts of money as deposits, for which they must pay 8% in interest. It is therefore "clear as day that the share merchants are not the cause for the decrease, but that it can be found in the Company's actual situation." One would even be justified in saying that the current price is still too high. It is in fact the trade of shares which is still maintaining the price a bit. The authors see proof of this in the fact that the shares from the Rotterdam, Delft, Hoom, and Ekhuiz Chambers usually are traded at 3 to 5% less than those from the Amsterdam and Zealand Chambers, because there one does not know business or "*rescontre*". The term sale has always been allowed: "often herring was sold using term sales before it was even caught, wheat and other merchandise, before it was grown or before it was received." Up until now the sellers have settled their obligations; several of the buyers, on the other hand, among which one finds several directors, went bankrupt. The petition requesting the forbidding of share trading is, in their opinion, related to individual interests. For several directors bought, through term sales, shares for a large sum of money, and these people are already announcing "loudly" that they are certain that the sellers will be unable to deliver them, "adding to this the threat of kicking them out of the city if they do not follow through

on their obligations." The petitioners then insist strongly on the maintenance of the freedom of trade. If this freedom is reduced, it is quite likely that the trade of shares will move, as it is already no longer taking place in Amsterdam and Middleburg, but it also occurs in Hamburg, in Frankfurt, in Cologne, in Rouen and elsewhere.

As a supplement, they added to this petition a sort of report which was to clearly show the bad situation the Company was in. It is very interesting that, among the liability positions, there is, besides the capital, a sum amounting to 26% of the capital. We remember that the trading rate for the shares was at the time 126% cash.

Just like Le Maire's paper, the two petitions on the part of the merchants show a wealth of knowledge, both of the commerce in the Indies and of the interior business of the Company. It is not far reaching to speculate that Le Maire had his part in the writing of these documents. One might ask: how did Le Maire get his hands on such precise data regarding the Company? I believe the solution of the problem can be found in the fact that the head accountant for the Company was also an enemy of the directors. This person was a certain Barent Lampe, cited by the minister of France as being among those who were ready to support Henry IV's enterprise.

The petitions were without success. On February 27, 1610, an ordinance was promulgated banning the blank sale of shares. This is therefore an absolute ban on selling shares that one does not own. The shares sold must be transferred no later than a month following the sale. The intention was not however to make term sales impossible. But the proclamation specified that, when it was decided to defer the payment until a later date, the seller will keep, regardless of the transfer, "mortgage rights" over the shares sold. There is one point however where the directors were not able to impose their will: they had wanted the obligation to transfer no later than a month following the sale to be

applied to current contracts as well. But the proclamation does not speak of such a decision, which would have caused great difficulties for blank sellers.

The documents mentioned above leave no doubt as to the fact that 'decline speculation' and blank sales existed on the Amsterdam Stock Exchange in 1609. But should one conclude that there existed a real decline speculators *organisation*, a "dirty scheme" as the directors say? A happy discovery made in the legal archives enables me to prove that the accusation was well founded. On February 11, 1609, Isaac Le Maire and eight other merchants founded a society which had as its goal to trade East India Company shares at their common expense. Their collaboration was to last several months, until the month of April at the latest. Reinier Lems³¹ was appointed accountant. The goal was as much to buy as to sell shares. The associates were to meet two or three times a week. The one put in charge of buying or selling something for the society was to give account of his dealings at the next meeting. It is not certain whether they operated with a fixed capital. But it is mentioned that Le Maire had four fifteenths interest in the business. He was followed by Hans Bouwer with two fifteenths 1/2, with most of the others only interested for one fifteenth. The society is listed under the name "the big company". One would therefore be tempted to conclude from the name that there also existed a "small company" of the same type, but until now no trace has been found of one.

Unfortunately the founding act has never been found. What I have just said was revealed through several acts dated 1610 and 1612, relating to dissension between the associates regarding the way the business was run. One of these acts states that on March 28, 1610, which is to say one month after the promulgation of the proclamation, the associates made the decision in one of their meetings "never again to sell to profit their company, but to '*resconter*' only the parties who are yet to receive with the parties who have yet to deliver". This passage is important because there is already mention

of liquidation, which would later become one of the essential elements of the term market. The term '*resconter*' is also found in one of the petitions from the share merchants.

Le Maire's company was without a doubt a secret Organisation. The business was always done in the name of one of the associates. One of them, named Steven Gerritsen, lived in Dordrecht. The accountant Reinier Lems, who was sometimes given the title of "director", bought and sold in his own name. The term sale was still being done using a private agreement. A notary public was only contacted if one of the two parties did not fulfill his obligations. I published a great number of the legal notices in the *Annals of Economic History* ("Isaac Le Maire en de handel in actien der Oost-Indische Compagnie", *Economisch-Historisch Jaarboek* 1930: 1-165.)

The term sales are often rather long, sometimes of several months, almost always of two or three years. In his paper, Le Maire says that the shares were again at 180 to 200% in 1607, whereas in the summer of 1609 they were only at 132% cash and 142% with a one year term. The second petition by the merchants lists a trading rate of 126% cash for January 1610. The legal acts confirm that this information is correct. In the spring of the year 1607 people are selling with a three year term with 112% in advance, which means it is at a trading rate of 212%, in September people are only selling at 183% with a three year term. In Spring 1609, trading rates are quoted as being at 155 to 156 % at two years; in August the trading rate is of 140% at one year; in October, 144% at two years; in December, 133 to 131 % at six months. This data is very incomplete, but it at least gives a good idea of the considerable decline in the trading rates, although one might expect to see an even stronger decline. De Jonge was of the opinion that the shares were below par, but this idea is incorrect. The word "advance" obviously means the profits.³² Is it in fact possible that, from the year 1608 to the year 1610, the shares were above par? In 1612, the ten years of the first application would be

finished and then each shareholder would be able to take back his money if they wished to do so. People had become a little less optimistic with regard to the profits, but no one was thinking of the possibility of a loss of a part of the capital.

However, in 1610, the trading rate increased considerably once again; in July and in August it was once again at 152 and 156% and in spring 1611 it even reached 200%.³³ This increase is related, on one hand, to the favourable news coming from the Indies and, on the other hand, to the announcement of the distribution of the dividends to the shareholders. In all likelihood, the decision made in April 1610 by the directors to distribute 75% in mace can mainly be explained by the hope they had of stopping the decline of the trading rates.³⁴ The Company had very little money available but had much merchandise, which it was impossible to sell at a reasonable price. In the fall the shareholders received yet again 50% in pepper at the same time as 7 1/2% in silver.³⁵ In 1612 there followed still the distribution of 30% in nutmeg. The right to receive merchandise they could not sell was obviously a doubtful advantage for the shareholders. Also, most of them did not seem to have exercised this right. Several years later, the spice market had much improved. The Company was then able to, little by little, sell its stocks. To the shareholders who did not accept the distribution of merchandise, the same percentage, which is 162 ½ %, was distributed in silver over several terms during the years of 1612 to 1620.³⁶

During the year 1610, the contributors to the decline found themselves in very big difficulties. The shares purchased with a one year term were expired and, following the increase in the trading rates, they were forced to buy them at a higher price. But they were also burdened with regard to the contracts that had not yet expired. For, in the trading of shares, it was a rule that the shares be sold, including dividends. The buyers were having the sellers warned, using a legal act, that they would

have to take delivery of the mace and the pepper to profit the buyer and that, if this didn't happen, they would themselves subtract the dividend already distributed in silver from the purchase price at the time of delivery. In addition, the buyers required most often for the sellers to prove that they actually were in possession of the shares sold. Le Maire and the other contributors to the decline declared with good reason that nothing forced them to do this. Despite this, Le Maire declared that he was registered in the Company's book for an amount higher than 87,000 florins. The other contributors to the decline, who apparently did not hold interest representing big sums of money, were smart enough to remain silent.

When the contributors to the decline saw that the game was lost, they tried to liquidate the then current contracts. Instead of delivering the shares, people were content most often to pay the surplus, the difference between trading rates, which had to be settled later.

In the months of April and May 1610, several of the contributors to the decline declared bankruptcy, including Hans Bouwer, Harmen Rosenerans, Reinier Lems, and Jacques Damman.³⁷ Soon the situation became even more difficult when it surfaced that Hans Bouwer and his brother Jasper were convicted of fraud: they had transferred shares for a total value which was well above the amount of their interest in the Company.³⁸ The fact that this was possible despite all the required formalities was due to their complicity with the accountant from the Barent Lampe Company, who I mentioned above was working with Le Maire. In accordance with the practice, two directors assisted with each transfer, however, since they had total confidence in their accountant, they neglected to check if the person completing the transfer really held interest in the Company in the amount being transferred.

Despite the irrefutable proof of fraud, those who had been registered in the Company's books in this manner claimed to be recognised as shareholders, which the Company refused to do. A long trial, whose outcome we do not know, was born from this dispute.

One of the documents relating to the trial contains the following testimony, given by the directors, regarding the Bouwer brothers. In their opinion the purchasers should have avoided any relationship with people who they knew had for goal to pillage the prosperity of the Company, and whose meanness was proven in that, among other things, when they were in Amsterdam at the Doelen with several others of their associates when several vessels returning from the Indies were in great difficulty near the island of *Texel* following a storm, they drank a toast while singing: "The vessels have sunk, the crew was saved, let's drink to that!"³⁹

The purchasers (say the directors) let themselves be seduced by the hope of making a profit, thanks to the difference in trading rates, even though they should have known about the doubtfulness of the Bouwer brother solvency, especially that the latter were acting out of desperation, assured that, if the price of the shares did not decline considerably (either by accident or because of trickery) they were ruined. For having sold for purchase (*sic*) numerous long term shares, they had as their goal to bring down the trading rates - by buying large portions of shares at modest prices - and to thus buy, before the expiration date at a lower price, the shares already sold, which would enable them to make a considerable profit'.⁴⁰

Hans Bouwer was not only a brave speculator, he was also an impostor who, in a very clever way, led the purchasers to believe that they had come into possession of the shares by legal means.⁴¹ All of this does not give us a very high opinion of the people who were Le Maire's associates in the "big company".

It would seem that the losses the "big company" suffered were not too considerable; one of the acts gives an approximate figure of fl. 45,000. But the personal losses seem to have been worse, with several bankruptcies following including that of Reinier Lems, who was the accountant for the "big company" but had never actually become one of the associates.

Thus, we can conclude that in 1609, there in fact existed on the Amsterdam stock exchange a "dirty scheme" led by Le Maire.⁴² The sentences defining the "big company's" goal are rather innocent; but, when one considers them in relation to the rest, one must note that the company had as its goal to cause the decline by artificial means. Everything leads to the belief that the manner in which the directors presented matters was overall correct. The associates did in fact sell as *in blanco* large portions of shares. The fact that they tried to lower the trading rates by spreading worrisome rumours is also no doubt true. Nevertheless, it is certain that they negotiated share trades amongst themselves. This also confirms the complaint from the administrators who accused them of having negotiated small portions of share trades amongst themselves in order to reduce the trading rate and to thus be able to buy at an advantageous price.

However for their part, Le Maire and his friends are probably right when they say that it is the fate of the Company which decides the increases and decreases. If, around 1609, there was any reason to worry, the speculators seem to have exaggerated. They were basing their claim, it is true, on a factor they could not mention in their request, which was the hope of success of the negotiations of Le Maire with Henri IV! Ludwig Samuel exaggerates however when he says that "the speculators claimed to know lots more about business than the directors of the East India Company".⁴³ If it is true that the directors exaggerated the influence the speculation had on the trading rates, it is certain on the other hand that the speculators can, using well thought out manipulations, have an influence

for some time on the trading rate. In addition, in the trading of shares, the "big company" can be considered as the prototype of a well organized association aiming at decline.

Most of the members of the "big company" probably had no other goal than to make a nice profit. However Le Maire had something else in mind. Following the failure of his negotiations with Hudson, he had, as I mentioned above, suggested to the Minister of France to send out another experienced explorer, a suggestion which was met with enthusiasm and which strengthened the project to found a French company of the East Indies. In his paper addressed to Oldenbamevelt dated January 24, 1609, Le Maire fought with numerous arguments the directors' request asking for an extension of the concessions on the deltas which remained to be discovered; the Company had wanted to take on too much, it was thus unable to dispense of its true functions; instead of broadening them, its grants should have instead been reduced; next to it, there needed to be room for other companies.⁴⁴ Just when Le Maire was taking care of this opening of the way for the foundation of a competing company, the "big company" was doing its work! One can't help but think that, in contributing to the decline of the shares, Le Maire wanted to confirm the assertions that the Company was being badly administrated.

His projects failed. Henry IV's death removed for a long time the possibility of founding a French company. Van Kereckhove's voyage did not bring about any results. In 1610, the Company's shares increased instead of declining.

In the spring of the year 1611, Le Maire leaves Amsterdam to settle permanently in Egmond. There exists only one document stating that he is no longer able to settle his delivery obligations; but nowhere does it ever mention anything about bankruptcy. He seems to still hold some assets but he can't have access to them. He still holds an interest in the Company in the amount of 3,000 Flemish

pounds (fl. 18,000) but based on the February 22, 1605 contract, the directors refuse to transfer them. He is also disallowed the distribution of what is his of the products from the 8 and 14 vessels. The directors bring up at length a lawsuit they brought against him.⁴⁵ In March 1613, Le Maire asks the business community to take appropriate action so that the differences can be resolved by arbiters, but they let him know, through Reinier Pauw, that they can do nothing for him and that they "do not wish establishing any relationship with him." The anonymous author of the letter communicating the refusal to him - probably his brother, pastor Johannes Le Maire - attributes the unfavourable results to the influence of the directors whom everyone tries to flatter. These are "mean and enraged" people who are very unfair to Le Maire. The author even claims that they increased the share trading rates "by sinister and dishonest means"!

If you believe the request, Le Maire had lost over fl. 1,500,000 in 28 years. But despite all the losses and all the disappointments, he does not lose hope. In 1614, with a few notables from Hoom, he founds the "Australische Company" (Southern Company), which equips two vessels the following year. One of the two captains of this expedition is his son, Jacques Le Maire.

During this expedition, a new delta is discovered and given the name of Le Maire and he was thus saved from being forgotten. But no sooner had the vessels arrived in the Indies that they were confiscated by the governor general Jan Picterszoon Coen, who acted upon orders by the directors. During the return trip, Jacques Le Maire dies. When the vessels return in 1619, Le Maire goes in person to the meeting of the General States to share the important discovery. Bakhuizen rightly notes that, after so many afflictions and disappointments, this day must have been for Le Maire a day of triumph. He must have also felt some satisfaction from finding out that the trial regarding the confiscation of the vessels had been won by the Australische Company.

As can be concluded from several legal acts, during the years 1619 and 1620, Le Maire once again made efforts to obtain the payment of the amount he believed to be his. This was still the 3,000 Flemish pounds representing his interest in the Company and his share in the profits from the Heemskerek and Warwijck expeditions. He had even been deprived of the 162 ½ % dividend.

Le Maire is constantly bothering the directors with legal notices. In order to settle his previous commitments, he must still deliver shares and, for this reason, requests free access to his portion.

The directors are not very obliging. Referring back to the contract of 1605, they continue to refuse free access by Le Maire to his portion. They agree to pay him the dividends that are owed him from the three different Companies, on the condition that he commit in writing not to undertake anything, either in Holland or abroad, which would be contrary to the interests of the Company. He therefore still seems to be considered a dangerous man!

Le Maire refuses to accept these conditions. The 3,000 Flemish pounds representing his interest in the Company, he had sold several years ago. He refuses to sign the declaration as it is submitted by the directors, which would be contrary to the Charter granted to the Company, even though he is prepared to promise not to do anything. He adds that he has in fact never violated this concession. Basically, he is stating that he is ready to reveal to the directors "several secrets on trade in the East Indies, which could be useful." He believes that the differences must be decided by arbiters.

Le Maire wrote these papers with much skill. A few times he takes on a threatening tone: he could reveal some things which would be very disagreeable and compromising for the directors. The Company is powerful, but one knows "that a mouse can very well tease an elephant." However his threats have as little effect as his promises. He then tries to get at his enemies through feelings: he is getting old, he is tormented by alcohol, his finances are in very bad shape, and he has under his

responsibility an “excessive number of children”. But his call to "Christian charity" is also without success. The directors remain in a haughty silence.

It is only following renewed efforts from the notary, van Banchern, with the East Indies Company that Le Maire finally receives a response: an absolute refusal. The directors claim they had nothing to do with the Heemskerck and Van Warwijck expeditions. As for his 3,000 Flemish pound share and the dividend, they refer not only to the 1605 contract but also to the fact that these amounts have already been seized by Le Maire's creditors. They do not forget either to remind him of the embezzlement and of the "sinister" trickery schemed against the Company. Even the intervention by prince Maurice does not make them more acceptable. The suggestion of arbitration is declined, but the directors claim to be prepared to resume the 1611 trial.

Le Maire stands firm and finally addresses the college of the Seventeen with a detailed paper. He even claims to be ready to make the solemn promise not to undertake anything which would be contrary to the Company's interests, which is therefore more or less the declaration he had at first refused to make. But the highest placed college of the Company does not either seem to have been favourable to him. No one knows if Le Maire ever received any dividends, but it is certain that he was never able to avail himself of the 3000 pounds.

A few years after this futile feud, in 1624, Isaac Le Maire dies at the age of 65 years. A strange epitaph was carved into the headstone at his grave, which is located in village church of Egmond-Binnen. "Here lies Isaac Le Maire, merchant who, during his activities over all the parts of the world, by the grace of God, knew so much abundance that in thirty years he lost (save his honour) more than 150,000 florins. Died as a good Christian on September 20, 1624".⁴⁶

Referring to the request of 1613 in which Le Maire claims to have lost over twenty eight years 1,600,000 florins, Bakhulzen demonstrated that in the epitaph a zero is missing in the number and that it should have been a million and a half. The epitaph is still strange because it shows to what extent Le Maire and his family wanted to show that his honour had remained intact. It is hard to judge whether or not this was the case. Isaac Le Maire is an interesting figure, not only from an economic point of view but also from a psychological point of view. He was certainly not a vulgar rogue, but it is difficult to see him as an innocent victim of the directors' meanness as he liked to show himself to be. Though the embezzlement accusation at the time of the equipping of the 14 vessels may have been a bit exaggerated, it did not seem to be without foundation. Later, also, his actions and his words are ambiguous and suspect to a high degree. However it is impossible to take away from Le Maire the honour of having been one of the most active and energetic merchants in the days of a budding international trade in Amsterdam.

NOTES

1. A document from October 21, 1599 states that Le Maire was 40 years old (Noordkerk, Handvesten van Amsterdam).
2. A treasury bill according to which on December 26, 1586, Isack de la Mer lent the sum of 75 fl. to the treasury shows that Le Maire was in Amsterdam towards the end of 1586.
3. It is incorrect that Bakhuizen states that he was never a citizen: cf civil state B..f. 230v. : Isaack la Meer of Antwerp, businessman, took his oath of citizenship on February 19, 1601.
4. This one, whose name can also be written as de le Beeque or del Beecke, found himself among the first directors of the House of Amsterdam of the Dutch East India Company, whereas he was not among the directors of the former company. Later on he was among the adversaries of Isaac Le Maire.
5. Bakuizen's study first appeared in *Gids* in 1869 and was later inserted in *Studien en Schelsen*. Also it can be found in *Historisch Leesboek* from 1906, edited by Professor Brugmans of Nijhoff.

6. Archives of the Reformed Church of Amsterdam. *Minutes of the Consistory*, v. III

7. It was learned that Isaac Le Maire had promised his daughter to a young man from Antwerp and that she would settle in that city, which would have caused a scandal. The Pastors Hallius and Middlegeest would have admonished him about this. Prov., p.16.

8. This declaration can be found in “Pieter van Dam” *Beschryvinge van de Oosi-Indische Compagnie* ed by F.W. Stapel v. I, p 227, *Bijks Geschiedkundige Publicatien*, series, n 63.

9. Both Bakhuizen and De Jonge saw Lyntgens as a successful businessman but Dr. Yzerman showed that, at the time of his meetings with Henry IV his finances were in a deplorable state. J. W. Yzerman, *Een en ander over Pieter Lyntgens*.

10. See, along with the articles by Bakhuizen already cited: J.K J. de Jonge, “De opkomst van het Nederlandsch gezag in Oost-Indie”; also: H. G. Murphy *Henry Hudson in Holland* reedited by Nijhoff in 1909; and: Honourable S.P. Naber *Henri Hudson’s reize onder Nederlandsche vlag, Ouvrage de la Societe Linscholoen*, v. XIX.

11. There exists a good edition of this correspondence of Jeannin by M. Petitot, Paris 1822.

12. Hessel Gerritszoon speaks in passing of “an unfortunate voyage of Kerchhoven for Isaac Lameir”: cf. Honourable S.P. Naber. p 24.

13. National Archives at The Hague. 618.

14. In 1601, and again in 1604, Le Roy took a voyage to India for the Zealand Company. He tried to create at Rouen a company for navigation to the Indian sub-continent: consult M Weber *La Compagnie Francaise des Indes*.

15. He presented himself as being fond of France, being a native of Tournay where the residents all have the Fleur de Lis in their hearts. Three of his brothers, settled in Spain, Portugal and Italy had to take part in the project. See: *Negociations du president Jeannin*, ed. Petitot v. III, p 280.

16. Since de Jonge didn’t know anything apart from the letter from December 25th, he overestimated the success of Aerssen.

17. National Archives, General Assembly Suite 62.

18. See my article in *Jijdechrijt voor Geschiedenis* 1930, v. IV, entitled *Nieuwe gegevens betreffende de Amsterdamsche Compagnieen van Verre*.

19. Cf. F. W. Stapel, *Historisch-Economisch Jaarboek*, v. XIII, p 240.

20. S van Brackel, *De Hollandsche Handelscompagnieen der seventiende eeuw*.

21. M. F Smith, *Tijddaffaires in effecien aan de Amsterdamsche beurs*, p. 35.

22. F. W Stapel, *Aandeelbewijzen der Oosi-Indische Compagnie. Economisch Historisch Jearboek*, v. XIII p 240.

23. Smith p 32.

24. In the shareholder inventory of the Company there is no mention of transfer certificates. Only once did I find, in similar inventories, a general receipt.

25. The East or West India company.

26. W.M.F. Mansvelt, *Rechisvorm en geldelijk beheer bij de Oosi-Indische Compagnie*.

27. I've spoken before of the term market in an article in *The Economist* 1927. All things considered I felt it was better to avoid this expression.

28. Notarized stock was never written with a term of greater than three years.

29. This accusation was probably not true. Nothing seemed to have come from it.

30. The vessels named in this paper arrived at the beginning of August. It is another question for the next assembly of the seventeen in September. The record is published in *Economisch-historisch Jaarboek, XVI*.

31. Reinier Lems was originally from Anvers.

32. A sale of 31 0/0 of "advance" signifies a trade of 131 0/0. It is what M. De Jonge did not understand.

33. These trades were of stocks where the dividend had not yet been distributed.

34. Already by 1609, 30 0/0 was offered to the shareholders, not as a dividend, but to by them.

35. The shareholders could not receive payment unless they also accepted pepper!

36.4 Cp. STAPEL, *Pieter van Dam's Beschryvighe van de Oost-Indische Compagnie* (Description of the activities of the India Company), volume 1, page 434, *Revue d'Histoire Moderne*, No. 17.

37. The contributors were composed not only of members of the Company, but also of many other people. Jacques Damman, of Anvers, married, in 1607, one for Isaac Le Maire's daughters.

38. Stapel, *Pieter van Dam's*, volume 1, page 149. Hannen Rosencransm, Jacques van de Geer and Corelis van Forest were convicted of the same fraud, but for a considerably lower amount. The total equaled 39,000 florins.

39. Place of recreation for the nobility.

40. This quote was borrowed from a collection of pieces of a lawsuit, relating specifically to competition between the "Magellaansche Compagnie" and the East India Company: Library of the Municipal Archives of Amsterdam.

41. Hans Bouwer was once part of the India Company. He took part in the voyage of De Houtman as second officer or candidate of the navy, while it had been the expedition of Jacob van Neck as first officer, Cf. De Jonge, II, p. 188 and 204.

42. The events of 1609 didn't take place at the stock exchange built by Hendril de Keyser, as M. Bakuizen believed. This didn't open until 1611! Before the opening of this exchange people gathered at the *Nieuwe Brug* (new bridge) or, when the weather was bad, in the *Oude Kerk* (old Church)

43. Ludwig Samuel, *Die Ejeklenspekulation im 17 und 18. Jahrhundertl. Ein Beitrag zur Borsengeschichle*, (Stock speculation in the 17th and 18th centuries. History of Stock Exchanges), Berlin, 1923.

44. This expose was published by M. De Jonge, III, p. 364.

45. The records of Amsterdam from this time were only partly conserved, so that one finds nothing more about this lawsuit brought in front of the aldermen of Amsterdam.

46. A second epitaph revealed that his wife Maria Walraven, mother of 22 children, had already died in 1621.