

## **A Brief Outline of the History of New Netherland**

From: <https://coins.nd.edu/colcoin/colcoinintros/nnhistory.html>

Although most Americans are familiar with the basic outline of the British colonization of America and know some information on the Spanish and French settlements, there is less familiarity with the history of another new world settler, namely the Dutch. The following summary is presented as an introduction to clarify and amplify statements in the following sections on the development and use of coin substitutes in New Netherland.

### **The Dutch in America: From Discovery to the First Settlement, 1609-1621**

In 1602 the States General of the United Provinces, known as the Netherlands, chartered the United East India Company (the Vereenigde Oostindische Compagnie, called the VOC) with the mission of exploring for a passage to the Indies and claiming any unchartered territories for the United Provinces. On September 3, 1609, the English explorer Henry Hudson, on behalf of the United East India Company, entered the area now known as New York in an attempt to find a northwest passage to the Indies. He searched every coastal inlet and on September 12th took his ship, the *Halve Maen* (Half Moon), up the river which now bears his name, as far as Albany and claimed the land for his employer. Although no passage was discovered the area turned out to be one of the best fur-trading regions in North America.

As early as 1611 the Dutch merchant Arnout Vogels set sail in the ship *St. Pieter* for what was probably the first Dutch trading expedition to the Hudson Bay. This secretive mission was so successful in 1612 Vogels chartered the ship *Fortuyn* which made two, back-to-back trips to the area. The initial trip of the *Fortuyn* was under the command of Captain Adriaen Block. Two months before the *Fortuyn* returned on her second trip, Adriaen Block landed in Hudson Bay in a different ship. Block did not try to keep his activities a secret. He traded liquor, cloth, firearms and trinkets for beaver and otter pelts; however, before he could leave the Hudson for an early spring crossing to Amsterdam he saw the arrival of another Dutch ship, the *Jonge Tobias*, under the command of Thijs Volckertsz Mossel. Competition to exploit the newly discovered land was underway.

On October 11, 1614, merchants from the cities of Amsterdam and Hoorn formed The New Netherland Company receiving a three-year monopoly for fur trading in the newly discovered region from the States General of the United Provinces. In 1615 the company erected Fort Orange on Castle Island near Albany and began trading with the Indians for furs. Although merchants came to New Netherland for business purposes, the area was not colonized and at the end of the three-year period the company's monopoly was not renewed. At that point the land was opened to all Dutch traders. Eventually the States General decided to grant a monopoly to a company that would colonize the area. There was a need to have a permanent political presence in their colonies in New Netherland, Brazil and Africa against the possibility of an English, French or Spanish challenge.

### **The Dutch West India Company and Colonization**

In 1621 the newly incorporated Dutch West India Company (the Westindische Compagnie or WIC) obtained a twenty-four-year trading monopoly in America and Africa and sought to have the New Netherland area formally recognized as a province. Once provincial status was granted in June of 1623 the company began organizing the first permanent Dutch settlement in New Netherland. On March 29, 1624 the ship, *Nieu Nederlandt* (New Netherland) departed with the

first wave of settlers, consisting not of Dutch but rather of thirty Flemish Walloon families. The families were spread out over the entire territory claimed by the company. To the north a few families were left at the mouth of the Connecticut River, while to the south some families were settled at Burlington Island on the Delaware River. Others were left on Nut Island, now called Governor's Island, at the mouth of the Hudson River, while the remaining families were taken up the Hudson to Fort Orange (Albany). Later in 1624 and through 1625 six additional ships sailed for New Netherland with colonists, livestock and supplies.

It soon became clear the northern and southern outposts were untenable and had to be abandoned. Also, due to a war between the Mohawk and Mahican tribes in 1625, the women and children at Fort Orange were forced to move to safety. At this point, in the spring of 1626, the Director General of the company, Peter Minuit, came to the province. Possibly motivated to erect a safe haven for the families forced to leave Fort Orange, at some point between May 4 and June 26, 1626, Minuit purchased the island of Manhattan from the Indians for some 60 guilders worth of trinkets. He immediately started the construction of Fort New Amsterdam under the direction of the company engineer Cryn Fredericksz.

Because of the dangers and hardships of life in the new land some colonists decided to return to the homeland in 1628. By 1630 the total population of New Netherland was about 300, many being French-speaking Walloons. It is estimated about 270 lived in the area surrounding Fort Amsterdam, primarily working as farmers, while about 30 were at Fort Orange, the center of the Hudson valley fur trade with the Mohawks.

New Netherland was a company-owned and -operated business, run on a for profit basis by the directors of the West India Company. The intent of the firm was to make a profit for the investors who had purchased shares in the company. WIC paid skilled individuals, as doctors and craftsmen, to move to New Netherland and also sent over and paid soldiers for military protection of the settlements; the company also built forts and continually sent over provisions for the settlers. All the New Netherland positions one would usually consider government or public service jobs were, in fact, company jobs held by WIC employees. Laws were made by the company-appointed Director General in the province with the consent of the company directors in Amsterdam; even the New Netherland provincial treasury was actually the company treasury. All taxes, fines and trading profits went to the company and the company paid the bills. Basically the company profit was whatever was left after expenses had been paid (it should be noted expenses included ample salaries for the Amsterdam directors). WIC soon discovered the expenses associated with establishing and expanding a new colony were considerable. In order to increase their profit margin the company sought to find what might be thought of as subcontractors. The first attempt at partnerships was the Patroonship plan.

The Patroonship plan was first conceived in 1628 as a way to attract more settlers without increasing company expenses. Under the plan a Patroon would be granted a large tract of land and given the rights to the land as well as legal rights to settle all non-capital cases, quite similar to a manorial lord. In return the Patroon would agree to bring over settlers and colonize the land at his own expense. No one accepted a Patroonship under these conditions because the lucrative fur and fishing trades were left as a monopoly of the company. One of the most prominent Amsterdam merchants and a principle shareholder in the Dutch West India Company, Kiliaen van Rensselear, had the plan modified. In the revised plan issued on June 7, 1629, the terms were much more favorable: colonization requirements were less stringent, the allocation of land to the Patroon was larger and there were broad jurisdictional rights over the colonists. Additionally

Patroons were allowed to trade with New England and Virginia and, most importantly, they were allowed to engage in both the fur trade, subject to a company tax of one guilder per pelt, and could participate in the fish trade. In 1630, with the more favorable terms in place, Kiliaen van Rensselaer became Patroon to the largest and most lucrative fur trading area in New Netherland, that is, the area along the Hudson River near Fort Orange, which he named the colony of Rensselaerswyck.

Under the Patroonship plan New Netherland continued to expand with more colonists and settlements taking hold. The nerve center of New Netherland was along the Hudson River from New Amsterdam (New York City) northwest to Fort Orange (Albany). The colony of Rensselaerswyck (encompassing the western area beyond the Esopus and up to but not including Beverwyck and Fort Orange) and adjacent areas was the center of the fur trade, while New Amsterdam was the shipping hub for Dutch traders. The northern border of New Netherland was not well defined but was taken to be the Connecticut River, which they called the Fresh River. Based on this border the Dutch felt they had a claim to New Haven and southern Connecticut; this was clarified at a convention in Hartford in September of 1650 limiting the Dutch to the territory west of Greenwich Bay (similar to the present day border NY-CT border). To the south, New Netherland took all of New Jersey, establishing Fort Nassau in 1626 near the southern end of New Jersey (at Gloucester, New Jersey) along the Delaware River, which they called the South River. They also established a whaling village on the southern shore of Delaware Bay called Swanendael (Valley of the Swans) near what is now Lewes, Delaware; although the village was soon destroyed in an Indian raid. The Dutch also constructed Fort Beversrede in 1648 on the Schuylkill River (at Philadelphia) and Fort Casimir in 1651 (at Newcastle, Delaware) to defend their territory against the Swedes and Finns of the Swedish West India Company in Delaware. In 1655 New Netherland defeated New Sweden and occupied the Swedish stronghold, Fort Christiana (Wilmington).

### **Merchants**

New Netherland settlers did not come to America because of religious or political persecution, nor were they destitute. They came with the hope of making money. The majority were single males, primarily tradesmen or farmers. The West India Company negotiated to bring these people over because the company felt they would be useful in building an economy that would turn a profit for the company. Also, these individuals felt this was an opportunity whereby they could make their fortune. The West India Company provided cattle, horses, provisions and land to farmers. The farmers repaid the company as soon as possible and after ten years were to give the company one-tenth of their crops (Jogues, Narratives, p. 260). For craftsmen, a salary was negotiated and housing arrangements were made, in effect making the individuals company employees. Many colonists started in one profession and either diversified or moved into other more profitable ventures as opportunities presented themselves.

Contemporary chronicles noted this entrepreneurial spirit among the colonists. In Father Isaac Jogues's account of his 1643 visit he stated:

Trade is free to all; this gives the Indians all things cheap, each of the Hollanders outbidding his neighbor, and being satisfied provided he can gain some little profit. (Narratives, p. 262)

The religious reformer Jasper Danckaerts also noted this desire to trade but had a very different view of who benefited from trade with the Indians. In his Journal entry for Wednesday, October

18, 1679, while visiting Long Island, Danckaerts gave his personal comments on the mercantile nature of the inhabitants:

I must here remark in passing, that the people in this city, who are mostly traders in small articles, whenever they see an Indian enter the house, who they know has any money, they immediately set about getting hold of him, giving him rum to drink, ... They do not rest until they have cajoled him out of all his money, or most of it... And these miserable Christians are so much the more eager in this respect, because no money circulates among themselves, and they pay each other in wares, in which they are constantly cheating and defrauding each other. (Danckaerts, Journal, p. 262)

Indeed the mercantile nature of the people even extended to cases where the ministers sent from Holland to care for the spiritual needs of the settlers took their congregations to court because the parishioners were not forthcoming with the minister's contracted salary (an example from Brooklyn in 1657 is detailed in the commodity section and another example from Albany in 1683 is discussed in the beaver section).

In order to tap this resource of entrepreneurship and thereby increase the revenue from the New Netherland settlement, in 1638 the West India Company abandoned its trading monopoly. The company felt it could share the expenses and risks associated with trade by opening up the area to other merchants and collecting fees from them. With the passage of the Articles and Conditions in 1638 and the Freedoms and Exemptions in 1640 the company allowed merchants of all friendly nations to trade in the area, subject to a 10% import duty, a 15% export duty and the restriction that all merchants had to hire West India Company ships to carry their merchandise. Of course the West India Company continued in the fur trade.

Some of the first individuals to take advantage of this situation were WIC employees who left the company to act as agents for large Dutch merchant firms and also trade on their own, such as Govert Loockermans and Augustine Heermans. Loockermans was a WIC employee from 1633-1639, when he left the company to become the local agent for both the powerful Verbrugge family and for himself. He was suspected of smuggling on several occasions and incurred several fines and eventually the disapproval of the Verbrugge firm. Heermans first came to New Netherlands in 1633 as a company surveyor in the Delaware region. In 1643 he moved to New Amsterdam, where he acted as an agent for the Dutch firm of Gabry and Company and also worked for himself in the fur and tobacco trade. Other WIC employees such as Oloff Stevenson van Cortlandt, who had come over in 1637 as a WIC soldier, rose within the company. He was awarded the job of Commissary, supervising the arrival and storage of provisions. In this position he made numerous business contacts and joined in various trading ventures. He was able to acquire several properties within the city of New Amsterdam and by 1648 owned and operated a brewery. Another of these early independent merchants was Arnoldus van Hardenburg, from an Amsterdam merchant family, who came over to make his fortune. Some English colonists also took advantage of the new trading privileges. Isaac Allerton, an original Plymouth settler, who became a founder of Marblehead, Massachusetts, went to New Amsterdam as did Thomas Willet of Plymouth. Allerton was known as an unscrupulous individual who overcharged customers and manipulated his account books. Willet sometimes worked with Allerton and was of the same demeanor, he was once accused of bribing an inspection official to look the other way while he imported contraband items. Another Englishman, Thomas Hall, had independently moved into the Delaware valley where the Dutch discovered him in 1635 and took him to New Amsterdam as a prisoner. Hall seems to have been released fairly quickly and in 1639 went into

partnership with another Englishman, George Holmes, in the acquisition of a tobacco plantation, leading to a career as a tobacco grower and wholesaler (see, Maika, pp. 40-59).

A significant difference between these New Netherland merchants and the merchants in the British colonies, such as the Hancocks of Boston, was that the New Netherland merchants primarily worked at the local level and never controlled the foreign trade. They did trade on their own when it was possible but more frequently they were employed as agents or suppliers for the major Dutch trading firms. Oliver Rink has identified four firms that controlled more than 50% of the New Netherland to Holland trade during the period from 1640 throughout the Dutch era. These four firms were the merchant houses of Kiliaen van Rensselaer, Gilles and Seth Verbrugge, Dirck and Abel de Wolff and Gillis van Hoornbeeck. These four companies worked together to control most of the profits from the New Netherland trade. In the more prosperous years when there was no threat of war, other Dutch merchants, such as Gabry and Company, entered the market, but none kept up the sustained business of these four firms.

Kiliaen van Rensselaer was a jeweler, who became a principle shareholder in the West India Company and was twice elected as one of the company's directors. His jewelry company merged with the firm of Jan van Wely, one of the most prominent Amsterdam jewelers. After the death of his first wife Kiliaen remarried van Wely's daughter and obtained access to the vast van Wely fortune. In 1629 after taking on the Patroonship of Rensselaerswyck he took part in several New Netherland trading ventures. Kiliaen remained in Amsterdam using local New Netherland merchants as his agents and conducting joint ventures with the Verbrugge and de Wolff families. Also, some family members move to New Netherland to administer the Patroonship. After Kiliaen's death in 1643 other family members continued the trade.

Gilles and his son Seth Verbrugge were involved in at least 27 voyages to New Netherland and at least 14 to Virginia, and additionally cosponsored voyages in partnership with English merchants who had dual citizenship in Virginia and New Netherland.

Dirck de Wolff was twice elected as a member of the board of directors for the Broker's Guild in Amsterdam and became supervisor of grain prices, setting the daily rates for wheat and rye as well as overseeing imports and exports. Dirck and his son Abel joined with Gerit Jansz Cuyper to trade in New Netherland. Cuyper had married Abel's sister Geertruyd and had previously worked in New Netherland for the Verbrugge family. Cuyper and his wife moved to New Amsterdam, shipping furs, lumber and tobacco to Abel who sold these products in Amsterdam.

Up to 1651 these Dutch merchants could also trade with New England and Virginia as well as New Netherland. However, once the British instituted the Navigation Acts of 1651, non-English ships were no longer allowed to transport goods from English ports. This forced the Verbrugge family to rely on English intermediaries for their Virginia trade, which they finally abandoned in 1656. The Verbrugge family owned their boats and therefore suffered financial losses due to the Navigation Acts. In 1662 they sold off most of their New Netherland assets, including land, warehouse space and ships. The de Wolff family had rented ship space rather than own their own ships and therefore were not as affected by the acts. Also, they were a more diversified operation with profits from the trading of Baltic grain, French wine and African slaves. The family continued to operate in America until about the mid 1670's, when they abandoned the market for the more profitable slave trade, although Dirck de Wolff's son-in-law, Gerit Cuyper, continued to trade in America until his death in 1679.

The fourth of major Dutch merchant families to predominate in New Netherland trade was the firm of Gillis van Hoornbeeck. He entered the market late, first trading in New Netherland in 1656. Van Hoornbeeck had worked closely with the Verbrugge family and was their largest creditor. In fact, he was the executor of the Verbrugge estate when Gilles and Seth both died in 1663. Van Hoornbeeck stepped in as the Verbrugges were leaving the New Netherland arena. During the ten year period from 1656-1666 his firm was second only to the Rensselears in volume of trade. Van Hoornbeeck continued to trade in America during the British period but found it prohibitively expensive. Rather than abandon the area he continued trading as a client of various English merchants. When Gillis van Hoornbeeck died in 1688 his family liquidated their American holdings and concentrated on the slave trade (see, Rink, Holland, pp. 172-213).

The result of this situation was that a few powerful Amsterdam merchants along with the West India Company controlled New Netherland trade. Oliver A. Rink has succinctly explained the situation as follows:

Unlike New England, the individuals largely responsible for exploiting New Netherland's resources were merchants of the home country. Secure in their Amsterdam countinghouses, the merchants grasped control of the colony's lifeline to Holland and held fast. Profits from their enterprises flowed into coffers in Amsterdam, thus depriving New Netherland of capital and the opportunity to develop a viable, colony-based merchant community. (Rink, Holland on the Hudson, pp. 212-213)

### **Demographics**

Another important element in the New Netherland province that differed from the British colonies was demographics. It has been estimated that probably one half of the population was not Dutch. The size of the province has been estimated at between 2,000 to 3,500 in 1655 growing to a total of about 9,000 by 1664. A significant number of the inhabitants were Germans, Swedes and Finns that emigrated in the period after 1639; a number that was increased by 300 to 500 with the capture of New Sweden on September 24, 1655. The impact of these German and Scandinavian Lutheran immigrants was brought out in a controversy that arose because the Lutherans in Middleburg, Long Island were holding church services without an approved preacher. The New Amsterdam pastors brought this situation to the attention of the Director General, Pieter Stuyvesant, at the end of 1655, requesting the services be halted. The dispute dragged on for years until a resolution was formulated by the West India Company directors in Amsterdam. It was decided to permit the Lutherans the right to worship by slightly adjusting the catechism. In order not to offend the Lutherans, the Company bluntly stated the complaining New Amsterdam Calvinist pastors would be replaced by younger ministers who were more liberal, unless the dispute was put aside.

There were also about 2,000 English inhabitants in the area of New Netherland, primarily from New England, living on Long Island or in communities along the Connecticut border. The English obtained the Eastern portion of Long Island, (as far as the western end of Oyster Bay) in the border agreement reached at the Hartford Convention of 1650. In fact, five of the ten villages in the vicinity of New Amsterdam were English (namely, Newtown, Gravesend, Hempstead, Flushing and Jamaica, while Brooklyn, Flatlands, Flatbush, New Utrecht and Bushwick were Dutch). There were also a number of "half free" African slaves, who were required to make a fixed yearly payment to the company for their freedom. In September of 1654 a group of 23 Jews were brought to New Amsterdam from the colony in Brazil (which was called New Holland),

where the Portuguese had just defeated the Dutch West India Company following an eight-year rebellion. In 1655, the same year charges were made against the Lutherans, the New Amsterdam preachers requested the province get rid of the Jews. This matter was brought to the company directors in Amsterdam, who recommended the Jews be segregated and allowed to practice their religion, but not be permitted to build a synagogue. In this case toleration was granted because some of the Dutch West India Company stockholders were Jewish merchants. In fact, in 1658 when one of these New Netherland Jews, named David de Ferrera, was given a overly harsh punishment for a minor offence, it took the intervention of an important Jewish stockholder in the company, Joseph d'Acosta, to have the punishment reduced.

A French Jesuit priest named Father Isaac Jogues visited New Netherland in 1643-1644. After returning to Canada Father Jogues wrote a brief description of New Netherland, completed on August 3, 1646. In his work the ethnic diversity of the island of Manhattan was described as follows:

On the island of Manhate, and in its environs, there may well be four or five hundred men of different sects and nations: the Director General told me that there were men of eighteen different languages; they are scattered here and there on the river, above and below, as the beauty and convenience of the spot has invited each to settle: some mechanics however, who ply their trade, are ranged under the fort; all the others are exposed to the incursions of the natives, ..."  
(Narratives, pp. 259-260)

### **British Claims and Conquest**

As New Netherland prospered the British set their sights on the province, stating they had a claim to the land as part of John Cabot's discoveries. In May of 1498 the Genoese-born Cabot, working for Britain, had explored the coast of the new world from Newfoundland, Nova Scotia and New England down to Delaware. As this trip predated Hudson's voyage by over a century the British felt they had prior claim to the land.

In the mid-Seventeenth century the British and Dutch saw each other as direct competitors, consequently several times during this period they were at war. During the first Anglo-Dutch war of 1652-1654 Oliver Cromwell planned to attack New Netherland with the help of the New England colonists, but the plan was never carried out. Following that conflict the two nations continued to be trading rivals and were suspicious of each other. With the restoration of Charles II to the British throne in 1660 the United Netherlands feared an English attack, so in 1662 they made an alliance with the French against the English. In response to this alliance in March of 1664, Charles II formally annexed New Netherland as a British province and granted it to his brother James, Duke of York and Albany (later James II), as Lord Proprietor. The Duke sent a fleet under the command of Sir Richard Nicolls to seize the colony. On September 8, 1664, the Director General Pieter Stuyvesant surrendered Fort Amsterdam and on September 24, 1664, Fort Orange capitulated. Both the city of New Amsterdam and the entire colony were renamed New York, while Fort Amsterdam was renamed Fort James and Fort Orange became Fort Albany.

The loss of the New Netherland province led to a second Anglo-Dutch war during 1665-1667. This conflict ended with the Treaty of Breda in August of 1667 in which the Dutch gave up their claim to New Amsterdam in exchange for Surinam (just north of Brazil). Amazingly, within six months, on January 23, 1668, the Dutch made an alliance with Britain and Sweden against the French king Louis XIV, who was trying to capture the Spanish-held areas in the Netherlands.

However, in May of 1670 Louis XIV made a secret alliance with Charles II (the Treaty of Dover) and in 1672 he made another separate treaty with Sweden. Then on March 17, 1673 Louis and Charles joined together in a war on the United Netherlands. During this war, on August 7, 1673, a force of 600 Dutch soldiers under Captain Anthony Colve entered the Hudson River. The next day they attacked Fort James and took the fort on August 9th. As the British governor, Francis Lovelace, was absent, the surrender was made by Captain John Manning. When Lovelace returned on Saturday August 12th, he was seized and put in jail. With the fall of the fort the Dutch had retaken New York. They then took control of Albany and New Jersey, changing the name of the area to New Orange in honor of William of Orange.

However these gains were temporary, as the lands were restored to the British at the end of the conflict by the Treaty of Westminster on February 9, 1674. The British governor, Major Edmund Andros, arrived in Manhattan on November 1st and gave the Dutch a week to leave. On November 10, the transfer was completed and Governor Colve and his soldiers marched out of the province. From that point the British controlled both the city and province of New York. Indeed, New York City remained the premier British military stronghold in America during the Revolutionary War and was not liberated until the British evacuation in 1783.

---

## Reference

Oliver A. Rink, *Holland on the Hudson: An Economic and Social History of Dutch New York*, Ithaca, NY: Cornell, 1986; Dennis J. Maika, *Commerce and Community: Manhattan Merchants in the Seventeenth Century*, Ph.D. Dissertation, New York University, 1995; John Franklin Jameson, *Narratives of New Netherland, 1609-1664*, New York: Scribner, 1909.