

## Long Distance Trade

### Buyers, Sellers, and the 17th-century Amsterdam Stock Exchange

**Background:** Though Europeans launched voyages of exploration from the late 15th century, two hundred years later, interest in the East Indies and the Americas intensified. Early profits on the spice trade were extraordinary, and Spanish conquest across the Atlantic resulted in a flow of precious metals to Iberia.

The Amsterdam Stock Exchange was created in 1602, a few short months after the establishment of the Dutch East India Company (VOC). Like the Spanish and the Portuguese, the Dutch were interested in acquiring profits, but they were also keen on throwing off the rule of the Catholic and Spanish Habsburg Empire. In 1621, after the lapse of the Twelve Years' Truce between Spain and the Dutch Republic, the Dutch West India Company was formed as well. One purpose of this company was to challenge Spanish rule in the Americas and thus draw Spanish attention away from the Dutch Republic.

Dutch investors had funded expeditions abroad prior to the 17th century. New, however, was the purchase and sale of shares in companies. The goal was to provide a company with a ready supply of funds for investment. Where could one purchase and sell shares in a company? In Amsterdam, this activity took place at the Bourse, an open-air building which initially served as a place for commodity exchange.

### Directions

Your class will be divided into groups of three or four to analyze two 17th-century paintings on the Amsterdam Stock Exchange, which was created in 1602: Document 1, *General Scene at the Amsterdam Stock Exchange* (undated, Berckheyde) and Document 2, *The Courtyard of the Old Exchange in Amsterdam* (1652, Emmanuel de Witte).

As you analyze the sources, respond to the following questions:

1. What seems to be happening in the documents?

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2. What is the most interesting feature (or what stands out) in each of the paintings?

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3. What is similar in both?

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4. What is different?

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5. Consider what might account for the similarities and differences of the paintings.

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6. What conclusions can we draw from this scene?

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**Document 1:** General Scene at the Amsterdam Stock Exchange (undated) by Jhiob Berckheyde (1630-1693)



Source:

[https://upload.wikimedia.org/wikipedia/commons/0/07/Job\\_Adriaensz.\\_Berckheyde\\_001.jpg](https://upload.wikimedia.org/wikipedia/commons/0/07/Job_Adriaensz._Berckheyde_001.jpg)

Document 2: The Courtyard of the Old Exchange in Amsterdam (1652) by Emanuel de Witte (1617 – 1692)



Source: [https://upload.wikimedia.org/wikipedia/commons/b/bf/Emanuel\\_de\\_Witte\\_-\\_De\\_binnenplaats\\_van\\_de\\_beurs\\_te\\_Amsterdam.jpg](https://upload.wikimedia.org/wikipedia/commons/b/bf/Emanuel_de_Witte_-_De_binnenplaats_van_de_beurs_te_Amsterdam.jpg)

## Commerce and Coffee: A Coffeehouse Drama

The year is 1698. Fifty years have passed since the Dutch have formalized independence from Spain, and are completely free to pursue commercial activity without fear of Spanish punishment (seizure of ships, taxes). The French are a rising maritime power.

The English have expanded their imperial reach, aided by the mid-Navigation Acts and the outcomes of three Anglo-Dutch wars. Commerce continues—and is thriving. One reason is that access to financial capital has increased through the exchange of funds for shares in companies such as the East India Companies. For instance, the English East India Company first issued General Stock in 1657, and even allowed the sale of shares to foreign agents.

The financial world of 17th-century England is fast-paced—and rowdy. English governments and courts scramble to keep up with financial innovations, such as the purchase and sale of shares in companies. In addition, English stockbrokers are viewed as an ill-mannered, boisterous rabble, and were recently expelled from the Royal Exchange!

Business, however, goes on “as usual.” Voyages have to be funded, and there are profits to be made. So upon expulsion, stockbrokers and interested buyers have been conducting business in the streets and coffee houses, the most popular of which is “Jonathon’s.” It is here that John Castaing regularly posts a list of stock and commodity prices. This list is known as “The Course of the Exchange and other things.”

### Directions

Your task is to simulate a 17th-century discussion in a London coffeehouse. What was important, and to whom, in such commercial discussion? Why? As a class, you will create a tableau of scenes. Each group is responsible for a scene, which you will enact in order. Consider carefully what you might discuss, and why. You may insert a few lines of “small talk.” Each group will hand in a “script” that consists of about 15 lines, with 3-5 lines per person.

### *Coffeehouse in London, 17th century*



Source: Bodleian Library, University of Oxford Wikipedia commons, [http://en.wikipedia.org/wiki/Coffeehouse#/media/File:17th\\_century\\_coffeehouse\\_england\\_1-580x400.jpg](http://en.wikipedia.org/wiki/Coffeehouse#/media/File:17th_century_coffeehouse_england_1-580x400.jpg)

**Scene 1: The Tobacco Business**

**Topic:** How might tobacco be best shipped and distributed in England and on the European continent? What other commodities would offer a good return? Reveal specific concerns of each “actor” in your dialogue. What concerns might they share?

**Actors:** An English lord, two tobacco planters, and two English East India Company officials

**An English Lord** (government official) who is deeply interested in the profitability of tobacco, as this might lead to greater tax revenue. He is a staunch advocate of mercantilism.

**Two tobacco planters with land in Virginia.** They are in England to persuade government officials of the benefits of freer trade. At present, they are restricted by the Navigation Acts. Their product “Virginia Gold” could help them pay off their colony’s debts, if only they were able to sell beyond the British market.

**Two English East India Company officials** who have returned from the East Indies and have given up on the spice trade there, as the Dutch remain firmly entrenched. They are looking for new economic activities, and hope to raise funds for their next venture.

**Scene 2: Peril at Sea: Lost Ship from Barbados**

**Topic:** The loss of a ship and goods (in this case, the precious commodity of sugar “white gold”) en route from Barbados to England. The captain escaped with his life, as did twenty of his crew.

**Actors:** A ship’s captain, his first mate, an insurance agent, and two investors in the enterprise.

**The ship’s captain and his mate**, who were promised a cut of the sugar profits—but there are no profits.

**The insurance agent**, hired by the captain, who is new to the business. The insurance agent is not willing to cover other losses.

**The investors**, who have fronted funds for a ship, specially fitted for slaving, for the purpose of shipping human cargo to Barbados. The ship was to return loaded with sugar. They have lost it all.

**Scene 3: The Allure of China**

**Topic:** Consideration of how to gain access to Chinese goods. The Spanish have declined in power, though they still control the bulk of the world’s silver trade, due to the mines in Potosi. How might the English government help merchants gain access to Asian trade?

**Actors:** An English merchant, a British official, a member of the British East India Company, and a cartographer

**An English merchant** hoping for access to Chinese silk and tea.

**A British government official** (House of Lords) who dreams of a glorious British empire, a merchant who has had success in India.

**A member of the British East India Company** who is eager to expand activities in the Far East.

**A cartographer** who would like a permanent position in the British East India Company.

**Historical Context**

Contextualization involves understanding how the context of time and place as well as national, regional, and global processes affected a person or event in history.

After reviewing the organizer below, fill in the full page organizer with the context that shaped the perspective of your assigned person for the Coffeehouse Drama. Then, using the organizer, compose a one-paragraph journal entry from the perspective of the character you portrayed. This entry will be written in the first person.

Note: You might also consider how past events or economic processes might have provided important context that shaped a person or event.

### Historical Context Organizer

Complete this organizer that shows the historical context that shaped and impacted the person you have been assigned for the Coffeehouse Drama.

