

# The Princes of Orange and Their Colonial Profits

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In 1869, the Dutch stadtholder's 1772 income was the subject of an article in *De Navorscher*, a magazine about history, genealogy, and linguistics.<sup>1</sup> The publication claimed that the stadtholder, Prince William V, received 40,000 guilders that year from the Dutch East India Company (VOC) and 10,000 guilders from the West India Company (WIC). Stadtholder William's total income in 1772 was 383,685 guilders and 19 cents. On May 11, 1674, *de Heren Zeventien* (the Lords Seventeen, the VOC executive board) had resolved that William III and his successors would receive the equivalent of one-thirty-third of all the money paid to capital participants, VOC shareholders who had invested money but held no managerial role in the company.

As historian Gert Oostindie has observed, historians have devoted scant attention to the colonial profits of the House of Orange. Remarking that it smacked of a cover-up, Oostindie concluded that the archives still held many secrets. This lack of information resulted from the fragmentation of archival research, the conflicts of interest of those who held both public and private positions, the fact that the VOC financial records were long kept confidential, and the lack of interest shown by earlier generations of historians. Based on good old-fashioned archival research, I have managed to partially fill this gap, so I can now provide a preliminary overview of how the House of Orange has benefited from colonialism and continues to do so.

After discussing the political and economic context, I will describe the stadtholders' political and military positions and colonial interests. I will then compare their colonial earnings with the rest of their official income. I will also describe the basis on which VOC profits were paid to

the stadtholders. And finally, I will answer the question why this remained unknown for so long and how further archival research can lead to a more complete picture of the stadtholders' colonial profits.



Stadtholder William V, painted by Johann Georg Ziesenis, circa 1763-1776.

## The Princes of Orange and the VOC

From the outset of the Dutch Revolt in 1568, William the Silent, Prince of Orange, and his family enjoyed a special position in the new Republic. After his death, his son Prince Maurits was appointed stadtholder of the States of Holland and Zeeland and as such became the Republic's highest-ranking official. He was made Captain-General and Admiral of the Seven Provinces and commander of the State troops. As stadtholder, he received 30,000 guilders a year, and as military commander, 120,000.

What is less well known is that the stadholders were also involved in the Republic's colonial enterprises. The VOC and later the WIC were established with the approval of the stadholders and received state financial support. The States General charged 25,000 guilders for the charter which they granted to the VOC in 1602 to conduct trade in Asia. This amount was offset against the fee which the States had to pay in 1638 to become a capital participant in the Company. Later renewals of the charter were granted at much higher prices. In this way, part of the VOC's profits from colonization and trade in Asia flowed back to the States General and the stadtholder. In 1647, for instance, the VOC paid 1.5 million guilders for a twenty-five-year extension. This money was then transferred to the financially struggling WIC. In 1664, the charter was extended in return for the supply of VOC ships to the Dutch naval fleet for use in the war against England. In 1693, the charter was renewed again until the year 1740, but this time at a price of 3 million guilders. In 1743, the two sides agreed on a twelve-year extension for which the state would impose a 3 percent tax on all dividends paid. Next, Prince William IV saw to the extension of the charter until 1774 for which the state received 1.2 million guilders from the VOC. And finally, when the Company charter was renewed in 1776 for a period of two years, the state again imposed a 3 percent dividend tax.

Support from the stadtholder was also important whenever the VOC became mired in small-scale disputes with other entities. Menno Witteveen describes, for instance, how the Venetian authorities seized the VOC ships *De Pauw* and *Sint-Paul* in August 1618 for having violated the Venetian trade monopoly. The vessels belonged to Amsterdam mayor and VOC *bewindhebber* (managing director) Reinier Pauw, who played a prominent role in the increasingly imperialist conduct of the VOC under Jan Pieterszoon Coen. After his ships were impounded, Pauw immediately reported this to Prince Maurits of Orange, who jointly with the States General wrote a letter to

the Venetian Doge (leader), stressing that the ships belonged to favored subjects of his. This did the trick. The ships and their cargo were returned to their owner and the crews were set free.

The backing of the States General and the power politics of the stadtholder were what enabled the VOC to pursue such an aggressive overseas trade policy. The prince and the States General played more than just a formal, distant role in colonial expansion policy; sometimes they actively intervened to defend the interests of the VOC and its capital participants.<sup>2</sup>

### Dividend Payments by the VOC

Nowadays, we assume that all of a company's financial flows are accounted for in one central accounting system, but in the VOC, every chamber kept its own records, which were kept by an apparatus of hundreds of high-ranking bookkeepers and clerks according to centrally determined rules. The chambers of the VOC kept various books: the journal, the ledger, the garrison book, the ships' logs, the participants' book, and various auxiliary books. Based on these records, the profit and loss statement was drawn up. However, most of the books from the seventeenth century have been lost. Until its bankruptcy, the VOC's accounting remained fragmented, which makes it more difficult to find data.

Present-day accountants have carefully studied what has survived of the VOC books, but in 2011, Johan van Helleman concluded that the VOC's accounting was shrouded in secrecy.<sup>3</sup> J.P. de Korte's study analyzed the Chamber of Amsterdam balances on May 15, 1700 and May 15, 1701. These showed that the amount paid to Prince William III was 25,000 guilders, which was calculated as half of 25 percent of a 200,000-guilder capital participation in the stadtholder's name. That was approximately one-thirty-third of the 6.4 million guilders that the capital participants had invested in total when the enterprise was established. An important point here is that the Princes of Orange did not actually invest money in the VOC. Their capital participation of one-thirty-third part, mentioned above, was based on an "imaginary capital" of 200,000 guilders. In other words, although the princes had not invested anything, they were rewarded as if they had risked 200,000 guilders in capital.

We can get some indication of what these earnings mean in today's terms by comparing them to an average income. An average day laborer in the Republic earned about 200 guilders a year; sailors and soldiers earned less, but had a relatively secure income and received housing and meals. But even if we reason from a comparatively high yearly income of 250 guilders, the 25,000 guilders paid to William III in 1701 was equivalent to 100 annual salaries for an average worker. If we then take the average gross annual salary of a Dutch worker in 2021, which came to 44,800 euros, then the prince's payment was worth no less than 4.5 million euros.<sup>4</sup>

In addition to the resolutions found in the VOC archives, excerpts of the VOC accounts can be found in family archives, such as those of Hope (deputy to the stadtholder), Hudd, and the Delft regent family Van Vredenburg. Adriaan van Vredenburg (1680–1759) and his son Gerard (1710–1784) were managing directors of the VOC chamber in Delft, which is why their family archives include information about that chamber in the shape of resolutions, balance sheets, and income statements. One of the documents in these archives is a list of the dividends paid by the VOC from 1676 to 1701, which is based on a May 11, 1674 resolution of the Lords Seventeen ratified on September 28 of that year, with the telling title "Payment by the East India Comp: To His Highness William Henry Prince of Orange."<sup>5</sup> The stadtholder received one-thirty-third of the total company profit. In some years, no payment was made (1676–1678, 1683, 1684), but in 1698 and 1699, the prince was paid twice (see Table 2). In 1675, William Henry received 25 percent profit on 200,000 guilders, or 50,000 guilders. During his reign as stadtholder of the VOC (1675–1701), he was paid an amount worth nearly 200 million euros in today's currency. The payments to his successors, William IV and William V, were also recorded; they received a total of 280,000 guilders (now worth more than 50 million euros) and 635,000 guilders (now close to 114 million euros), respectively.

Table 1.  
VOC Payments to William Henry of Orange III

Year	Percentage	Amount paid	Value in 2021
1675	25.00	<i>f</i> 50,000	€ 8,960,000
1679	12.50	<i>f</i> 25,000	€ 4,480,000
1680	25.00	<i>f</i> 50,000	€ 8,960,000
1681	22.50	<i>f</i> 45,000	€ 8,064,000
1682	33.33	<i>f</i> 66,666	€ 11,946,547
1685	40.00	<i>f</i> 80,000	€ 14,336,000
1686	12.50	<i>f</i> 25,000	€ 4,480,000
1687	20.00	<i>f</i> 40,000	€ 7,168,000
1688	33.33	<i>f</i> 66,666	€ 11,946,547
1689	33.33	<i>f</i> 66,666	€ 11,946,547
1690	40.00	<i>f</i> 80,000	€ 14,336,000
1691	20.00	<i>f</i> 40,000	€ 7,168,000
1692	25.00	<i>f</i> 50,000	€ 8,960,000
1693	20.00	<i>f</i> 40,000	€ 7,168,000
1694	20.00	<i>f</i> 40,000	€ 7,168,000
1695	25.00	<i>f</i> 50,000	€ 8,960,000
1696	15.00	<i>f</i> 30,000	€ 5,376,000
1697	15.00	<i>f</i> 30,000	€ 5,376,000
1698	15.00	<i>f</i> 30,000	€ 5,376,000
1698	15.00	<i>f</i> 30,000	€ 5,376,000
1699	20.00	<i>f</i> 40,000	€ 7,168,000
1699	15.00	<i>f</i> 30,000	€ 5,376,000
1700	25.00	<i>f</i> 50,000	€ 8,960,000
1701	20.00	<i>f</i> 40,000	€ 7,168,000
Total paid		<i>f</i> 1,094,998	€ 196,223,642

Table 2.

VOC Payments to Stadtholder William Carl Henry Friso of Orange IV

Year	Percentage		Amount paid		Value in 2021
1747	20.00	<i>f</i>	40,000	€	7,168,000
1748	20.00	<i>f</i>	40,000	€	7,168,000
1749	25.00	<i>f</i>	50,000	€	8,960,000
1750	25.00	<i>f</i>	50,000	€	8,960,000
1751	25.00	<i>f</i>	50,000	€	8,960,000
1752	25.00	<i>f</i>	50,000	€	8,960,000
Total paid		<i>f</i>	280,000	€	50,176,000

Table 3.

VOC Payments to William V

Year	Percentage		Amount paid		Value in 2021
1753	20.00	<i>f</i>	40,000	€	7,168,000
1754	20.00	<i>f</i>	40,000	€	7,168,000
1755	20.00	<i>f</i>	40,000	€	7,168,000
1756	20.00	<i>f</i>	40,000	€	7,168,000
1757	20.00	<i>f</i>	40,000	€	7,168,000
1758	15.00	<i>f</i>	30,000	€	5,376,000
1759	15.00	<i>f</i>	30,000	€	5,376,000
1760	15.00	<i>f</i>	30,000	€	5,376,000
1761	15.00	<i>f</i>	30,000	€	5,376,000
1762	15.00	<i>f</i>	30,000	€	5,376,000
1763	15.00	<i>f</i>	30,000	€	5,376,000
1764	15.00	<i>f</i>	30,000	€	5,376,000
1765	17.50	<i>f</i>	35,000	€	6,272,000
1766	20.00	<i>f</i>	40,000	€	7,168,000
1767	20.00	<i>f</i>	40,000	€	7,168,000
1768	20.00	<i>f</i>	40,000	€	7,168,000
1769	20.00	<i>f</i>	40,000	€	7,168,000
1770	15.00	<i>f</i>	30,000	€	5,376,000
Total paid		<i>f</i>	635,000	€	113,792,000

## Payments by the WIC and Other Colonial Enterprises

VOC payments were not the only source of colonial profit that the stadtholders enjoyed. Other companies gave them a cut of the profits based on similar calculations. One example is the Amphioen (Opium) Society, which existed from 1745 to 1794 and was set up to combat opium smuggling in the VOC-controlled areas in the East Indies. The Society was granted a lucrative monopoly and shipped a large amount of opium from India to Java. In 1749, the Society's participants gifted the stadtholder a participation capital of thirty shares worth 2,000 *rijksdaalders* (coins worth 2.5 guilders) and the right to one-eleventh of the company profits in return for "the gracious promise of protection."<sup>6</sup> It is not known whether the stadtholder also received earlier payments from the Society of Suriname (1683–1795), for instance. This colonial administration was in the hands of the WIC, the Aerssen van Sommelsdijck family, and the city of Amsterdam. From 1705 to 1772, it paid out a total of 3,329,000 guilders in profits (equivalent to 594 million euros) to its shareholders. Research will be required to establish whether there was a connection between the stadtholder and this Society.

The stadtholder also received income from the WIC. The Company was chartered by the States General in 1621 to conduct trade, wage war, and see to the colonial administration of the West Indies. It is not yet known whether the stadtholder received an annual cut from the WIC; this, too, will have to be researched. What we do know is that the stadtholders received a share of the privateering booty captured by the first WIC.

The charters of both the VOC and the WIC stipulated that if they captured enemy ships, they were required to give their "country and the admiral" (the stadtholder) a percentage of the booty.<sup>7</sup> The stadtholder received 10 percent of the booty taken in European and North Atlantic waters and 3.5 percent of the booty captured south of the Tropic of Cancer. This could yield huge amounts of money. When the WIC's Piet Hein captured the Spanish treasure fleet in 1628, for instance, the booty was worth about 7 million guilders after covering the expedition costs. Piet Hein himself received 6,000 guilders, his crew 200 guilders per person (an annual salary) and the stadtholder, Prince Frederik Hendrik, 700,000 guilders (worth roughly 125 million euros today). The States General supported the warfare and privateering with generous annual subsidies for the VOC and WIC. Thus, the stadtholder indirectly profited from the subsidies that allowed the companies to fight their battles.



The first half of the eighteenth century saw the Second Stadtholderless Period (1702–1748),<sup>8</sup> during which there were, in principle, no profit distributions to anyone based on their position, but it remains unclear whether the stadtholder actually did not receive any compensation from the various societies and companies. This question demands further study.

Following this period, the stadtholders acquired yet another source of income. In 1749, the most influential capital investors in the VOC and WIC, the Major Participants, appointed Prince William IV as Chief Managing Director of both companies. This role gave him the right to appoint the Managing Directors and Major Participants from three nominees. In return, the prince pledged to promote the economy and trade. The Major Participants paid him a *jouissance* (profit share) of 4 percent for his efforts.<sup>9</sup> Due to its poor financial state in 1749, the WIC could not yet make this payment. William IV's new role led to disputes with the WIC directors and the Lords Seventeen who attempted to limit the prince's new powers.

In the late eighteenth century, the stadtholders held dividends and shares in the WIC worth 1,288 guilders, and in the VOC worth 18,239 guilders. An accompanying note stated: "These items neither requested nor received in recent years," because no *jouissance by provisie* (profit share based on commission) had been paid out since 1769 due to the WIC's losses.<sup>10</sup>

## Colonial Profits Versus Other Income

How did the colonial profits which the Princes received in the shape of VOC and WIC dividends compare to the stadtholders' other sources of income? The stadtholders also earned an income from their official position as military commander and their political offices in the States General and the Council of State. From 1672 on, the stadtholder received 25,000 guilders per year for serving on the Council of State; this annual fee was later increased to 30,000 guilders (roughly equivalent to 5.3 million euros today). The stadtholder was also remunerated for his role as the top military commander to the tune of as much as 120,000 guilders, composed of proportional contributions from each of the provinces. Maintaining an army and waging war was very expensive, so further research is needed to reveal how profitable this military fee was for the stadtholders. What is clear is that this annual fee was raised to 262,000 guilders in wartime. To cover unforeseen risks, the prince also received 42,000 guilders itemized as "the extraordinary of War," meaning all expenses incurred as a result

of warfare. For the biggest item, “Secret Correspondence,” the stadtholder received 100,000 guilders. This covered the costs of conducting confidential postal communications, which included hiring secretaries who could write and decipher letters in code. When the costs of warfare exceeded the stadtholder’s fees, the state was always ready to make up the difference. For the stadtholder, the risk was virtually nil. Any war debts accrued were forgiven by the States General anyway, as was the case when Prince Maurits had amassed a 2-million-guilder debt.<sup>11</sup>

In addition to their state incomes, the Princes of Orange also received income from their land ownership in Orange, the Marquisate of Breda and the earldom of Lingen (until 1702) and other private properties. There is as yet no good survey of these incomes, which means they cannot be included in the comparison.

## Accountability

From 1675 to 1770, the VOC paid dividends to the three Princes of Orange totaling 2,009,998 guilders (with a current value of 360,191,642 euros). As mentioned earlier, this was based on *imaginary* capital, which means that the Oranges had not actually invested in the company and therefore ran no risk; this capital was actually a gift from the other participants. From the mid-eighteenth century, the Oranges also received income from the Amphioen Society (current worth 45.9 million euros) and for their role as the VOC’s Chief Managing Director (more than 13 million euros). This was supplemented by income from (colonial) privateering and possibly from other companies.

Table 4.  
 Overview of the Stadtholders' Regular and Colonial Incomes  
 SG = States General; CS = Council of State

	Period	in Guilders	Current Value
SG+CS (William III)	1675-1701	<i>f</i> 1,485,000	€ 266,112,000
SG+CS (William IV)	1747-1752	<i>f</i> 330,000	€ 59,136,000
SG+CS (William V)	1753-1770	<i>f</i> 990,000	€ 177,408,000
VOC (William III)	1675-1701	<i>f</i> 1,094,998	€ 196,223,642
VOC (William IV)	1747-1752	<i>f</i> 280,000	€ 50,176,000
VOC (William V)	1753-1770	<i>f</i> 635,000	€ 113,792,000
Chief Managing Directorship VOC	1749-1770	<i>f</i> 76,148	€ 13,645,690
Amphioen Society (one-eleventh)	1748-1794	<i>f</i> 256,364	€ 45,940,364
Privateering WIC (example: 1628) (Spanish Treasure Fleet)		<i>f</i> 700,000	€ 125,440,000
WIC; Society of Suriname; other companies	*	further research needed	
Other privateering	*	further research needed	
WIC and VOC Chief Managing Directorship (after 1770)	*	further research needed	
Fees for warfare and secret correspondence	*	further research needed	
Income from land ownership	*	further research needed	
Total general payment	1675-1770	<i>f</i> 2,805,000	€ 502,656,000
Total colonial profit	1675-1770	<i>f</i> 3,042,510	€ 545,217,696
Grand total	1675-1770	<i>f</i> 5,847,510	€ 1,047,873,696

Table 4 shows what we know now, based on current research. From this overview, we can conclude that, from presently known incomes alone, the Princes of Orange received a total of 3.04 million guilders in colonial profits. This translates to 545 million euros in today's economy.

This amount can be compared to what is known about the princes' "regular" income, which was not derived directly from colonial profits but came from their positions in government and their service in wartime. This regular income for the stadtholders' positions in the Council of State and the States General amounted to a total of 2.8 million guilders for the duration of the reigns of Williams III, IV, and V (or 0.5 billion euros today). In addition, the Oranges received substantial payments in the shape of an annual military allowance and money to cover the costs of secret correspondence, but these items were offset by large expenditures for the army and other costs. This makes it harder to estimate how much profit the Oranges actually enjoyed from their regular incomes. It is important to note that these regular earnings were also intertwined with colonial interests by virtue of the stadtholders' role in national decision making (e.g., in the States General), in foreign affairs, and in warfare.

It is clear that the stadtholders' regular earnings consisted to a great extent of colonial profits, but the data are far from complete. Was the Lords Seventeen's resolution of May 11, 1674 a formalization of agreements reached earlier and had similar dividend payments been made between 1602 and 1675? It is unknown whether the Society of Suriname and other colonial companies and societies paid the Oranges, and if so, how much. Further studies should focus in particular on private archives, and network research will have to uncover where we need to look. Archives that come to mind are the archives of the House of Orange-Nassau and the private records of the lawyers, managing directors, and capital participants of the colonial societies. This will likely provide a clearer picture of the colonial money flows to the stadtholders.

Historian Johan Huizinga wrote that history is the scholarly manifestation of how a culture shows accountability for its past. Slavery and colonial history are now the subject of debate, and based on the "new" data uncovered, the head of state cannot sidestep this discussion.

## Notes

- 1 I would like to thank Gert Oostindie, Jan L. van Zanden and Michiel Schwartzenberg for their advice and comments on earlier drafts.
- 2 Menno Witteveen, *Reinier Pauw en Amsterdam: De macht van een man en een stad* (Amsterdam: Boom, 2022), 910; Matthias van Rossum, “De VOC, van Amsterdam naar Azië,” in *De slavernij in Oost en West: Het Amsterdam onderzoek*, ed. Pepijn Brandon et al. (Amsterdam: Spectrum, 2020), 52–61.
- 3 Johan van Helleman, “Financiële verantwoording door de VOC,” *Management Control & Accounting (MCA)* 12, no. 2, (2011): 27–31.
- 4 This method can give an indication of the contemporary value of incomes and investments by multiplying them by a factor of 179.2. Using average incomes, this method gives a more accurate estimate than using the current value of currencies (as available from <https://iisg.amsterdam/nl/onderzoek/projecten/hpw/calculate.php>). Another calculation uses the average gross national product (GNP) per capita. This results in a similar estimate: assuming an average of 275 guilders for the period 1700–1800 and comparing this to the 2021 GNP of 45,800 euros per capita, we derive a factor of 166.5.
- 5 NA, Archives of Adrian and Gerard van Vredenburg, 1.10.83, Inv. no. 8; NA, Archives of the Dutch East India Company VOC, 1.04.02, Inv. no. 50.
- 6 Correspondence between the Participants and the stadtholder, letter dated September 30, 1750. NA, Archief van Stadhouderlijke Secretarie, 1.01.50, Inv. no. 1195.
- 7 H. den Heijer, *De geotrooierde compagnie, Ars Notariatus* 128 (Deventer: Kluwer, 2010), 54.
- 8 During the periods designated as the First Stadtholderless Period (1650–1672) and Second Stadtholderless Period (1702–1748), the office of stadtholder was vacant in several Dutch provinces, and no single stadtholder reigned over the entire Republic. There were, however, stadtholders at provincial level in some of the provinces.
- 9 W. E. H. Winkels, *Publicatiën en verordeningen betrekkelijk Suriname, Resolutie November 26, 1749* (Paramaribo: W.E.H. Winkels, 1816).
- 10 Memorie van Raaden en Rekenmeesters der Erfgoederen van den Prins van Oranje en Nassau, overgeleverd aan de Fransche Repraesentanten in Den Haag, den 9 Februarij 1795, bijlage B in *Geschiedenis van de jongstgeëindigen oorlog 1793–1803, derde deel*, Cornelis Van der Aa, (Amsterdam: Johannes Allart, 1803), 316; *Nieuwe Nederlandsche Jaerboeken, vierde deel*, 2nd. vol. (Leiden: P. van der Eyk & D. Vygh, 1769), 1350.
- 11 J. Haverkamp, *’s Lands verydelde hoope ter geheugenisse der ingezetenen vertoont in een kort begrip der historie van het leven van Willem Karel Hendrik Friso* (Amsterdam: De Compagnie, 1753), 55.

