



Henry Hudson

*The Failed Entrepreneur
who Founded New York*

By James S. Kaplan

IN 2009 THERE WAS an elaborate ceremony marking the 400th anniversary of the discovery of New York Harbor and the Hudson River by the explorer Henry Hudson. Although perhaps not as elaborate as the Hudson Fulton Tricentennial of 1909, last year's celebration was heavily promoted by the Dutch government and Dutch business interests, following a resurgence of scholarship about New York's Dutch roots, which fundamentally go back to Hudson's third voyage in 1609 when he was the first European to sail into New York harbor and up the river that today bears his name.

Ironically, Hudson was an Englishman who except for this one voyage worked exclusively for English corporations. Although most people know Hudson's name because of the Hudson River, few know much about Hudson the man or what and who he represented. Surprisingly, large portions of his life remain unknown, even to scholars. And there are darker turns in his life story that are often ignored, presumably because they do not befit his image of an intrepid explorer worthy of founding the world's greatest city. Accounts of his life often omit the fact that one year after he discovered the Hudson River, Hudson's crew mutinied and murdered him and his son, that his sailing to America and discovery of New York on his most famous third voyage was in direct defiance of his contract with the Dutch East India Company which employed him, that on his return from that voyage to England the British government had him arrested and almost charged with treason for working for the Dutch, and that all four of his voyages failed to achieve their objectives or provide his backers with the short-term return on investments that he had promised and they expected.

Nevertheless, Hudson's largely unknown story is a fascinating and important one because he was an

archetypal driven corporate entrepreneur who took tremendous risks in pursuit of fame and fortune. His failed voyages laid the way not only for the founding of the New York City, but also in certain respects the modern international commercial economy in a way that few people realize.

In reality, virtually nothing definitive is known about Hudson's life prior to 1607, when he captained his first ship, or after the day in 1610 when his mutinous crew put him and a handful of others (including his son) out to sea without provisions in Hudson Bay and left them to die.

What is known is that he was born in England, probably around 1565-1570. Not much is known about his parents, but sources believe that his grandfather, also named Henry, may have been one of the founders of the Muscovy Company that sent Hudson on his first two voyages seeking a route to China.

The Muscovy Company, originally named the Company of Merchant Adventurers for the Discovery of Lands, Territories, was a private enterprise formed by London's leading merchants and explorers to open trade routes to the East and discover new colonies. When it was formed in 1552, most of the lucrative trade routes with the Americas, India, Japan and China were controlled by the Spanish and Portuguese. The English wanted to get in on the action.

From the point of view of Queen Elizabeth and her successor, James I, who lacked the wealth or power of the European monarchs in Catholic countries, a private company of merchants like the Muscovy Company provided an ideal vehicle for financing such activities at private expense. But unlike the state-sponsored voyages of Spain and Portugal, the main purpose of the Muscovy Company's exploration was to make a profit for its backers. Thus, it represented a new form of organization—the private company—and would be run in effect by

private entrepreneurs and executives working not for the government, but their own personal profit.

To the Muscovy Company, the most promising unexplored routes to India and the Far East would be from the north. These routes had the advantages of being shorter, and therefore cheaper, than those closer to the equator. They were also safer, since the southerly routes were controlled by the Spanish and Portuguese. The company's early voyages were successful in establishing trade routes through Russia to Moscow, though they sustained tremendous losses. But by 1600 the company's backers began to subscribe to the belief—by then common among the English, Dutch and even to some extent Spanish explorers—that there was a “northwest passage” from Europe to the Indies that could bypass the long trip around the southern capes of South America or Africa. Whoever could find this water passage to the East would have wealth and fame beyond imagination.

It is in this context, in 1607, that Henry Hudson first appeared as the captain of a ship called the *Hopewell*, chartered by the Muscovy Company. His plan was to sail over the North Pole to China, and thus establish a short water route to the East. Even given that many geographers at the time believed that because there was daylight all day in the summer, the arctic's temperature might be warmer at the polar caps than it actually is, the idea was insanely visionary. The prospects of success were so slim and the risks so large that it is amazing that an enterprise with the experience of the Muscovy Company would ever finance such an effort again. Yet the fact that they did indicates the obsession of both Hudson and his backers to find, at any cost, a new route to the riches of India and China.

Around May 1, 1607, Hudson sailed out of the British port of Gravesend and headed north. Fortunately for modern-day New Yorkers, he turned



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Illustration of Henry Hudson descending the Hudson River. Published in the April 12, 1856 edition of Ballou's Pictorial Drawing—Room Companion.

around after reaching a point further than any ship had ever gone north, or would for another 150 years. He wisely decided that his wooden ship would not penetrate the polar ice caps, and returned to England. Although he did find what would later prove to be lucrative whaling grounds, the voyage was a complete failure in terms of its objective of reaching China.

However, in 1608, the Muscovy Company management decided to finance a second attempt by Hudson to find the Northwest Passage. This time,

rather than going directly across the North Pole, Hudson planned to sail along the northern coast of Norway and Russia to an archipelago north of the Ural Mountains called Novaya Zemlya. This route made more sense than his first, but also had tremendous risks. Some years earlier three ships that the Muscovy Company had sent on a similar route had never returned. As on his first voyage, Hudson's ship was blocked by huge ice floes and he was forced to turn back.

After his second failure, Hudson's

backers were no longer interested in financing his voyages, and he reportedly sank into depression. But in the autumn of 1608, Hudson was invited to dinner at the Dutch consulate in London, where a representative of the Dutch East India Company asked if he would be willing to travel to Holland to meet with the company's directors.

At the time, Holland was beginning to supplant Portugal as one of the major trading nations with the Far East. This was in part because of its superior banking structure, and in part

because the legal structure through which it traded, using privately-owned trading companies on the English model, was more efficient than the government-run enterprises of the Catholic European powers. Although England had been Holland's military ally in wars with Spain, the two countries were becoming commercial rivals in the competition for world trade and colonies. The Dutch East India Company was as interested as the Muscovy Company in finding a cheaper route to the East, but apparently did not have sea captains of Hudson's experience. Thus, Hudson was in effect a highly-skilled out-of-work executive who was willing and eager to work for whatever organization would employ him to permit him to achieve his goal of obtaining the riches of finding a passage to the Orient.

In November 1608, Hudson made a presentation to the directors of the Dutch East India Company, much the same way an entrepreneur today would present his ideas in a corporate board room. After some hard negotiation, including an overture from the French king to Hudson as they were negotiating, they agreed that he would set sail the next spring.

Based on the failure of his last voyage, Hudson warned his new backers about the dangers of a northerly route, suggesting that a route through North America was more promising. But they ignored him, ordering him to sail east around the northern coast of Russia instead and his contract specifically provided that he was only to sail east to Novaya Zemlya and to take no other route. Because Hudson insisted on paying premium wages—after all, a trip through the arctic through unknown routes did have certain hazards not present in a usual voyage—the Dutch East India Company provided him with a second-rate ship, the *Half Moon*. On April 6, 1609, he set sail from Holland with a crew of approximately 20 English and Dutch sailors.

By May, he had reached the coast of Norway near Novaya Zemlya, but the ship was blocked by fog, high winds and ice. The mixed crew of English and Dutch sailors grew quarrelsome, particularly the Dutch, who were not used to the arctic weather. Hudson was able to squelch threatened mutinies by promising to sail south to try to find a route to China through America. Just before the voyage, Hudson had received maps and news from his friend, John Smith, the English explorer who had established the Virginia colony, indicating that there were many inlets north of Virginia, and that the Indians spoke of a significant river between Virginia and Newfoundland. Hudson's decision to turn around and sail 4,000 miles away from where he was ordered without stopping in Amsterdam to talk to his employers on the way is curious, and some have suggested that this may have become a complete rogue operation in which Hudson had in effect stolen the *Half Moon* from its owners. It does appear, however, that the Dutch sailors and representatives on the ship approved of this decision.

In May 1609, Hudson sailed southwest toward North America in defiance of his orders from the Dutch East India Company. By late July he reached the coast of Maine and then proceeded down the coast to Virginia. He thought of visiting his friend Smith, but feared the *Half Moon*, as a ship flying a Dutch flag, might be attacked. So he returned north up the eastern seaboard in search of the great river that would lead to the fabled northwest passage. By the beginning of September, he sailed into New York Harbor. When he first saw the Hudson River, particularly how wide it was at Tappan Zee, he thought he had found the route to the West he had been seeking. Noting the beauty and fertility of the land on the river banks, he sailed up the river past Albany, where he realized there was no route through the mountains that a ship could navigate. Once again his quest for the Northwest

Passage had failed, and he returned downriver to the Atlantic Ocean. He did, however, write that this was as fair a land as he had ever seen and purported to claim it for the Dutch East India Company. A member of the crew noted the tremendous potential of such an area for settlement.

By October 4, at the apparent urging of his unruly crew, Hudson sailed back across the Atlantic. For reasons that are not entirely clear, he landed at Dartmouth, England and immediately sent word to his backers in Holland of his return, recommending that he make a return voyage to North America to find the Northwest Passage the following March. But the Dutch East India Company, disappointed with his failure to obey their orders, ordered him to return with his ship to Amsterdam immediately. However, Hudson had a problem. The English government refused to let him, his ship and the other Englishmen in his crew return to Holland. Although there was no legal prohibition against an Englishman sailing for a Dutch company—particularly when no English company was willing to invest in him—Hudson's discovery of fertile lands and a great river in North America on behalf of the Dutch arguably threatened English commercial interests. King James himself reportedly summoned Hudson and berated him for serving a foreign power, and Hudson was forbidden from working for any foreign company in the future. He never set foot in Holland again. For his greatest contribution to history, he was nearly branded a traitor.

But Hudson could not have been completely out of favor in England, since the English East India Company immediately hired him to put together a fourth voyage to find the Northwest Passage. This time Hudson proposed sailing along the northern coast of Canada and following promising inlets to the interior. He did, in fact, find a very significant bay in the interior of the country, Hudson's Bay, which



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Illustration of Henry Hudson adrift in the Arctic with his son after a mutiny by Hudson's crew.

Dutch East India company soon realized that, even though he never found a water passage to the East, the voyage of their wayward and disobedient employee provided them with a claim to the Eastern seaboard of the United States from Delaware to Massachusetts, and the basis for what would later become the colony of New Amsterdam. The Dutch now claim Hudson's voyage and the founding of New York as one of their greatest historical achievements. While the river that he founded did not extend to the Pacific, it did prove to be the clearest water route to the interior of America, particularly after the opening of the Erie Canal 200 years later. On the vacant land he found as fine as any he had ever seen, there would within the next 400 years arise the largest and most important commercial city in North America, if not the world, which both the Dutch and the English would fight over for the next 70 years. Furthermore, as a corporate entrepreneur working with tremendous drive and daring for two of the largest multinational corporations in the world, he probably more than any other major explorer of the age presaged the rise of global capitalism and democratic governments that are the dominant force in the world today. It is unfortunate that the true story of his efforts is not better-known today. ■■

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looked like a possible water route to the East. But with the onset of winter, his ship got stuck in the ice, and he and his crew had to lay over until the next spring. Hudson then reportedly wanted to continue west but his crew, which reportedly accused him of hoarding rations, ordered him along with his young son John and several others into Hudson Bay in a shallow boat without supplies. They were never seen again.

Thus, Hudson's fourth voyage, often omitted from accounts of his life, was for him personally his least successful, and his family was left in poverty. His

wife, Katherine, spent years seeking compensation from the East India Company and recognition for her husband in the form of a monument erected in London in his honor. Her unsuccessful quest for a monument must have seemed strange at the time, as Hudson was considered a failure who had never achieved his quixotic goal of finding the Northwest Passage to China and had left his family in poverty; to the English he was a traitor and, to the Dutch a disobedient mercenary.

However, as time went on, the importance of his accomplishments became clearer. The directors of the