

In time, Portugal's success in Asia attracted the attention of other European nations. As early as 1521, a Spanish expedition led by Ferdinand Magellan arrived in the Philippines. Spain claimed the islands and began settling them in 1565. By the early 1600s, the rest of Europe had begun to descend upon Asia. They wanted to establish their own trade empires in the East.

**Other Nations Challenge the Portuguese** Beginning around 1600, the English and Dutch began to challenge Portugal's dominance over the Indian Ocean trade. The Dutch Republic, also known as the Netherlands, was a small country situated along the North Sea in northwestern Europe. Since the early 1500s, Spain had ruled the area. In 1581, the people of the region declared their independence from Spain and established the Dutch Republic.

In a short time, the Netherlands became a leading sea power. By 1600, the Dutch owned the largest fleet of ships in the world—20,000 vessels. Pressure from Dutch and also English fleets eroded Portuguese control of the Asian region. The Dutch and English then battled one another for dominance of the area.

Both countries had formed an East India Company to establish and direct trade throughout Asia. These companies had the power to mint money, make treaties, and even raise their own armies. The **Dutch East India Company** was richer and more powerful than England's company. As a result, the Dutch eventually drove out the English and established their dominance over the region. **D** 

**Dutch Trade Outposts** In 1619, the Dutch established their trading headquarters at Batavia on the island of Java. From there, they expanded west to

## MAIN IDEA

## **Analyzing Issues**

D How were the Dutch able to dominate the Indian Ocean trade?