Check for updates

Article

Neoliberalism Incorporated: Early Neoliberal Involvement in the Postwar Reconstruction: The Case Study of the Netherlands (1945–1958)

European History Quarterly
2021, Vol. 51(1) 98–121
© The Author(s) 2020

Article reuse guidelines:
sagepub.com/journals-permissions
DOI: 10.1177/0265691420981832
journals.sagepub.com/home/ehq

Bram Mellink

University of Amsterdam, The Netherlands

Abstract

Although recent studies have extensively traced the development of neoliberal ideas in international think-tanks since the late 1930s, scholars of early neoliberalism have paid far less attention to the translation of these ideas into policy. Current scholarship predominantly identifies the introduction of neoliberal policies with a paradigm shift among policymakers in the late 1970s and depicts the early neoliberal movement as an idea-centred and isolated phenomenon that was unable to put its ideas into practice. This article argues instead that early neoliberals employed an idea-centred approach to politics to establish a coalition of like-minded academics, journalists, politicians and policy officials. Focusing on the Netherlands, it demonstrates how this strategy brought neoliberals press coverage, influence within the Christian democratic parliamentary parties and acknowledgement among professional economists. On the one hand, their struggle to exert influence over policy matters contributed to the implementation of pro-market industrialization policies, which, ironically, were pursued by a coalition of social democrats and Christian democrats. On the other hand, it also compelled them to include Christian-democratic views in their political agenda, leading to a corporatist-neoliberal policy synthesis whose features exhibit remarkable similarities to German 'ordoliberal' ideas.

Keywords

Christian democracy, corporatism, industrialization, neoliberalism, the Netherlands

Corresponding author:

Bram Mellink, University of Amsterdam, Kloveniersburgwal 48, 1012 CX Amsterdam, The Netherlands.
Email: brammellink@uva.nl

> I am convinced that unless the breach between true liberal and religious convictions can be healed, there is no hope for a revival of liberal forces. (F. A. Hayek)[1]

Although the neoliberal turn of the late 1970s may have taken contemporaries by surprise, recent studies on neoliberalism have revealed that the movement possessed deep intellectual roots. The story starts in the Swiss village of Mont Pèlerin, where pro-market liberals assembled in 1947 to establish the Mont Pèlerin Society, which would become their leading international think-tank.[2] The subsequent plotline emphasizes the early neoliberals' faith in the power of ideas, their distance from public discussion and their 'sect-like mentality'.[3] For decades, according to the economist Milton Friedman, who attended the conference in Mont Pèlerin, he and his fellow neoliberals aimed to 'keep options open until circumstances make change necessary'.[4] The oil crisis of 1973 opened a window of opportunity and the rise of Thatcher and Reagan caused a policy paradigm shift in which the centrality of states yielded to that of markets.[5] Since those years, and especially since the financial crisis of 2008, scholars have struggled to reconcile the neoliberals' gradual intellectual ascent with their sudden success. It proves difficult to portray the birth of neoliberalism as a determined political project while simultaneously explaining its breakthrough as an 'inevitable' (and therefore apolitical) response to the deficiencies of the state. This article makes a fresh attempt to resolve this tension.

Although scholars have developed various theories in their efforts to tackle this very issue, one possible solution remains remarkably unexplored: the hypothesis that from the very start the early neoliberals developed their ideas in collaboration with politicians and civil servants. This article takes this hypothesis as its point of departure, using the post-war socioeconomic reconstruction of the Netherlands (1945–1958) as its case study. Inspired by the work of Lutz Raphael on the 'scientization of the social', it examines the interplay between politics and science in the first decade after the Second World War, placing particular emphases on the emergence of neoliberal ideas, the mediating role of experts in adapting these ideas to the realities of politics and policymaking in the Netherlands, and the institutions channelling the resulting ideas and policy compromises.[6] The overarching aim is to

[1] Cited in P Mirowski, *Never Let a Serious Crisis Go to Waste: How Neoliberals Survived the Financial Meltdown* (London 2013), 440.

[2] D. Plehwe, 'Introduction', in P. Mirowski and D. Plehwe, eds, *The Road from Mont Pèlerin: The Making of a Neoliberal Thought Collective* (Cambridge, MA 2009), 1–42, here at 2.

[3] A. Burgin, *The Great Persuasion: Reinventing Free Markets Since the Depression* (Cambridge, MA 2012), 197; J. Peck, *Constructions of Neoliberal Reason* (Oxford 2010), 40.

[4] Cited in Peck, *Constructions of Neoliberal Reason*, 4.

[5] P. A. Hall, 'Policy Paradigms, Social Learning, and the State: The Case of Economic Policymaking in Britain', *Comparative Politics*, Vol. 25 (1993), 275–96, here 283–7.

[6] L. Raphael, 'Embedding the Human and Social Sciences in Western Societies, 1890–1990: Reflections on Trends and Methods of Current Research', in K. Brückweh, D. Schumann, R. Wetzell and

trace the emergence in the immediate post-war period of the self-proclaimed 'neoliberals' who opposed the 'planned modernization' that, according to Raphael, dominated post-war politics until the late 1970s. Rather than tracing the establishment of self-proclaimed neoliberal institutions, this article focuses on the formation of coalitions among the politicians, scientific experts, businessmen and journalists who dedicated themselves to the neoliberal cause and were willing to cooperate with other pro-market advocates – most notably Christian democrats.

The ensuing analysis will thus put cross-party coalitions front and centre in order to assess their role in the dissemination, adaptation and application of neoliberal ideas at the national level. The first section traces the emergence of neoliberal organizations in the Netherlands since the 1930s and emphasizes the development of neoliberal ideas. First, this focus is required because politics, in its various manifestations, is always grounded in ideas: political actors need ideas about 'how the world works' before they can articulate and assert their political interests within that world and build coalitions and institutions to pursue those interests.[7] Second, general insight into the shared ideas of neoliberals – held in common despite their many disagreements – is crucial so that neoliberalism can be distinguished from other branches of liberalism such as classical liberalism and social liberalism. Because neoliberals preferred engagement in a 'battle of ideas' within existing institutions to the establishment of their own political parties, their shared political ideas and values are among the few indicators that allow us to separate neoliberals from non-neoliberals. Therefore, to provide an ideal-typical working definition of neoliberalism, the first section devotes itself to examining the three exclusively neoliberal organizations in the Netherlands after the Second World War.

The second section shifts attention away from the think-tanks, where neoliberal ideas were given their most articulate forms, and towards the rough-and-tumble worlds of politics, academia, business and journalism, interconnected spheres where emergent coalitions of experts aimed to put neoliberal ideas into practice and thus adapted these beliefs to the realities of the Dutch political landscape. Such undertakings, requiring ideologically hybrid coalitions and compromises, resulted in vigorous debates that took place not only among representatives of different ideological traditions but also among neoliberals themselves. In the second section, the ideal-typical working definition of neoliberalism is therefore used not to signify any exclusively neoliberal outcomes but to highlight the neoliberal *elements* in the political debates centred on the post-war Dutch economy. As this section will demonstrate, neoliberal ideas were components of ideologically hybrid solutions, and the role of the Christian democrats (who held a

(*fnote continued*)

B. Ziemann, *Engineering Society: The Role of the Human and Social Sciences in Modern Societies, 1880–1980* (Basingstoke 2012), 41–56, here 43–8.

[7] M. Blyth, *Great Transformations: Economic Ideas and Institutional Change in the Twentieth Century* (Cambridge 2002), 35–7.

parliamentary majority throughout the 1950s) in adopting such measures was pivotal. Neoliberals made their ideas compatible with the Christian-democratic agenda of the era so that they could work together with Christian democratic politicians, employers and economists in the real world.

The third section focuses on the application of neoliberal ideas within the post-war economic reconstruction in Dutch industrialization policies. It demonstrates how the Catholic minister of economic affairs Jan van den Brink incorporated social democratic, Catholic and neoliberal ideas into a pro-market policy synthesis with especially noteworthy neoliberal elements. The final section proposes a more flexible conceptualization of ideology, focused on ideological hybridity and the resonance of ideas rather than a subconscious equation of ideology and party. This alternative approach to ideology not only enables historians to trace the impact of early neoliberals beyond the level of ideas, but also refines our understanding of ideology, expertise and institutions as crucial building blocks for the exertion of political influence in modern democracies.

The Establishment of a Dutch Neoliberal Thought Collective

Without diminishing the importance of common interests and institutions, it is nonetheless impossible to imagine the formation of a neoliberal 'thought collective' – uniting businessmen, politicians, policy officials and journalists – without the shared ideas that brought these groups together. The first known initiative by Dutch pro-market advocates to develop economic ideas opposed to *laissez-faire* liberalism and social liberalism dates back to 1934 and the founding of the 'anti-devaluists' lobby group by one of the founders of Royal Dutch Airlines (*KLM*), F. H. Fentener van Vlissingen, and the president of the Dutch Trading Society (*NHM*), A. A. van Sandick.[8] Opposing increasing state intervention in the economy, the group nevertheless advocated state policies that would uphold the Gold Standard, fixing the Dutch guilder to a given quantity of gold. In five years it managed to recruit to its ranks (among others) the director of Dutch telecommunications, the future chairman of the prestigious Dutch Socio-Economic Council and the director-general of the ministry of labour.[9] During this time the anti-devaluists developed their classical monetarist views into an overarching vision on state–market relations. By 1938, they established the Committee for Economic Orders to pursue 'planning [which] meets the condition, that it strengthens economic life, that it fosters economic forces, that it accelerates inevitable changes and, finally, that consumers will profit'.[10]

[8] Historical Center of Overijssel (HCO), Archive of the Hengelosche Electrische en Mechanische Apparaten Fabriek (HEEMAF), inv.nr. 1201, Minutes of the anti-devaluists, 28 September 1936, 1.

[9] HCO, HEEMAF, inv.nr. 1204, minutes of the Committee for Economic Orders, 6 February 1939, 1.

[10] International Institute for Social History (IISH), Archive of the Comité ter Bestudering van Ordeningsvraagstukken (CBO), inv.nr. 1.2, Beginselverklaring, 2.

The founding manifesto of the Committee for Economic Orders expresses socio-economic convictions strikingly similar to the views held by members of an international network established in the late 1930s to renew liberalism – not least the Austrian economist Friedrich Hayek, who would soon go on to oppose classical *and* social liberalism in his classic *The Road to Serfdom* (1944).[11] Hayek's stance in *The Road to Serfdom*, published in London and one of the most widely disseminated political pamphlets during the final year of the Second World War, was remarkable but not unique. It was shared by German academics such as Walter Eucken and Wilhelm Röpke, journalists such as Bertrand de Jouvenel in France and Walter Lippmann in the United States, and various businessmen and politicians who all believed that although deliberate state planning *for* the economy had become inevitable, direct state intervention *in* the economy should be prevented at all costs. The Dutch members of the Committee for Economic Orders held similar views: 'I am not opposed to *any form of* planning', declared Professor of Law A. C. Josephus Jitta, chairman of the Committee, in 1939. '[I see] an active task for the state in this regard. Even a double task. A task to foster *good* planning and to abandon *bad* planning'.[12]

These like-minded liberals abandoned classical and social liberalism while defending state planning for the economy because they had put their faith in the moral and economic value of the market mechanism and believed that classical liberals and social liberals had crippled competition. Social liberals had allegedly done so through their proposals for social security and an ensuing accumulation of economic and political power in the hands of the state. This process would inevitably culminate in the abolition of human freedom as such. The economic order based on *laissez-faire* ostensibly produced the same effects: the run-up to the Wall Street Crash of 1929 demonstrated that a market left to its own devices would be undermined by monopolies and cartels. Economists such as Hayek and Röpke therefore asserted that 'probably nothing has done so much harm to the liberal cause as [...] the principle of laissez-faire' and that 'the cardinal fault of the old liberal capitalist thought [was] to regard the market economy as a self-dependent process'.[13] Democratic freedom and economic prosperity could be secured only through the creation of conditions that ensured competition, which was possible only via a state-led programme of 'planning for competition'.[14]

The neoliberals' belief in state-fostered competition as the safeguard of human freedom and economic prosperity set them apart from social liberals and classical liberals. Scholars have therefore used this conviction as a means to delineate the neoliberal 'thought collective'.[15] If we define neoliberalism as a plea for

[11] Burgin, *The Great Persuasion*, 87–9.

[12] A. C. Josephus Jitta, *Goede en slechte ordening. Enkele pogingen tot ordening van de ordening* (Rotterdam 1939), 21.

[13] F. A. Hayek, *The Road to Serfdom* (London 1944), 18; W. Röpke, *Civitas Humana: A Humane Order of Society* (London 1948), 31.

[14] Hayek, *The Road to Serfdom*, 43.

[15] Plehwe, 'Introduction', 4.

state-fostered competition in order to secure economic and political freedom and then assess the Committee for Economic Orders in the Netherlands in the light of this definition, it becomes clear that their political activities quickly developed in a neoliberal direction from the late 1930s onwards. Around 1940, their ideas were still inarticulate. But this situation changed profoundly after 1945. By the time the Committee for Economic Orders resumed its activities in 1946, after six years of inactivity due to the Second World War, the committee's members had developed strong ties with fellow neoliberals across Europe. Henri Keus, a Dutch entrepreneur and one of the committee's most engaged members, now regularly corresponded with Wilhelm Röpke and used the German economists' letters of recommendation to extend his neoliberal network during a business trip to the United States.[16] Van Ommen Kloeke, the Committee's secretary, wrote and distributed summaries of the work of Hayek and his mentor Ludwig von Mises.[17] By the early 1950s, the minutes of the Committee's meetings mention (somewhat clumsily) that 'various members of our Committee joined the "Mont Pelérin [sic] Society", an international society chaired by Professor Hayeck [sic], which shares our objectives. Almost all authors, whose work we publish, are members of this society'.[18]

By that time, the committee had issued forty different neoliberal lectures in translation, including works by Hayek, Röpke, Ludwig von Mises, Walter Eucken, Emil Brunner, Milton Friedman and many others. In 1950, the Dutch neoliberals hosted the third meeting of the Mont Pèlerin Society and Josephus Jitta joined the society's board. These connections between the Dutch neoliberals and the Mont Pèlerin Society not only spurred the adoption and development of neoliberal ideas in the Netherlands but also influenced the Dutch neoliberals' political aspirations. Evolving into a study group and a tight-knit network of businessmen, academics, politicians and policy officials, the Dutch Committee for Economic Orders began to look like the Mont Pèlerin Society. Committee member Henri Keus spoke for many of its other prominent members when he declared that 'the concrete realization [of ideas] always trails far behind the intellectual preparation'.[19] Such a conviction resonated with Hayek's approach to politics as a 'great intellectual task [that is] required before we can successfully meet the errors which govern the world today'.[20]

[16] B. Mellink, 'Politici zonder partij. Sociale zekerheid en de geboorte van het neoliberalisme in Nederland (1945–1958)', *BMGN: Low Countries Historical Review*, Vol. 132 (2017), 25–52, here 36.

[17] HCO, HEEMAF, inv.nr. 1204, letter from K.J.J. van Ommen Kloeke to the members of the Committee for Economic Orders, 23 August 1947, 1.

[18] HCO, HEEMAF, inv.nr. 1206, letter from A. de Graaff to the members of the Committee for Economic Orders, 6 January 1950, 1.

[19] As Keus stated in a letter to his political ally Wilhelm Röpke. He borrowed this insight from Immanuel Kant. HCO, HEEMAF, inv.nr. 370, letter from H. I. Keus to W. Röpke, 19 Jan. 1944, 2.

[20] Cited in R. Cockett, *Thinking the Unthinkable: Think-Tanks and the Economic Counter-Revolution, 1931–83* (London 1995), 112; B. Walpen, *Der Plan, das Planen zu beenden* (PhD Thesis, University of Amsterdam, The Netherlands, 2004), 73.

But the Dutch neoliberals possessed ambitions that extended beyond the realm of think-tanks. Besides developing political ideas for a targeted audience of experts, they sought influence among owners of small- to medium-sized enterprises, as well as politicians and the Dutch population at large. In 1945 certain members of the Committee for Economic Orders established the Federation of Dutch Businesses, which aimed at disseminating neoliberal ideas in the business sector.[21] The Committee for Economic Orders was pleased with the Federation's successful public outreach: 'there have been voices in favour of beating the drum, but the [committee's] chairman believed that [...] the committee should remain in the background. The Federation of Dutch Businesses [...] is very suitable for campaigning purposes'.[22] Months after its founding, the Federation had enlisted the support of 5,000 to 6,000 businesses.

Encouraged by this success, the members of the Federation now founded the Committee for Civil Rights to push their cause even further. The Committee for Civil Rights, regarding itself as 'not a political party, but a political current in society, put forth a neoliberal political programme in the hopes of mobilizing the Dutch population towards its goals.[23] Josephus Jitta, the chairman of the Committee for Economic Orders, labelled the Committee for Civil Rights 'a binding element that can be seen as – to use a common phrase – a "shock troop"' which, according to another member, should 'inculcate the masses'.[24] It is tempting, at first sight, to interpret these claims as the statements of conspirators. But although neoliberal conspiracies have existed – as will be seen further on – the neoliberals' political struggle was not itself a conspiracy. Dutch neoliberals preferred to 'infiltrate' parties because they believed in the power of ideas and thought that state intervention in the economy should be based on sound ideas and a thorough understanding of economics. They understood their struggle as a political and a pedagogical undertaking: reliable economic knowledge and the 'right' economic views were meant to complement each other.

To disseminate their message, the Dutch neoliberals developed a threefold strategy for print media. First, they established the weekly *Civil Rights*, supported by subscribers and the occasional donations from owners of small- to medium-sized enterprises. The Dutch poet and entrepreneur Leo van Breen became the first editor-in-chief of *Civil Rights* and rather enjoyed his newly acquired status as neoliberal provocateur *par excellence*. 'The journal attracts attention', he soon wrote to his political companion Henri Keus. 'During the last three weeks, I received a call from minister [of Financial Affairs] Lieftinck, two angry letters from minister In 't Veld [...] and an angry letter from [...] [the Labour Party's

[21] HCO, HEEMAF, inv.nr. 142, minutes of the inaugural meeting of Burgerrecht, 13 November 1947, 1.

[22] HCO, HEEMAF, 1204, minutes of the meeting of 18 September 1947, 1.

[23] HCO, HEEMAF, inv.nr. 142, minutes of the inaugural meeting of Burgerrecht, 28 November 1947, 1.

[24] HCO, HEEMAF, inv.nr. 142, minutes of the inaugural meeting of Burgerrecht, 28 November 1947, 1; HCO, HEEMAF, inv.nr. 142, Minutes of the inaugural meeting of Burgerrecht, 14 November 1947, 2.

chairman] v.d. Goes van Naters [. . .] This illustrates that our weekly attracts attention among ministers and members of parliament'.[25]

In addition to his editorship of *Civil Rights*, Van Breen also took the lead in developing a second, more subtle strategy that involved the acquisition of existing newspaper titles. In cooperation with Keus, Van Breen secured a budget to establish a new publishing company, Ceterum Censeo. The Dutch Trading Company, the prominent Dutch warehouse De Bijenkorf and several other enterprises donated 1.2 million guilders as seed money. Van Breen first bought *De Prinsestad* to introduce a 'recreative journal' in 'partially leftist circles and oppose the planned economy, without alienating its readers', as he explained to Keus.[26] He also acquired the newspapers *Het Kompas* and *De Nederlander*, the latter closely related to the Christian Historical Union, a mainstream Protestant parliamentary party in which Van Breen sought influence.[27] Finally, Van Breen bought the influential weekly *De Haagsche Post* in 1951, although the takeover did not go smoothly. When confronted with the buyer's political aspirations, the entire editorial board resigned in protest.[28] Van Breen responded by adding the disclaimer 'the H.P. is neither directly nor indirectly influenced by any party or group' to the newspaper's banner, and he publicly denied the allegations of his political affiliations. He nevertheless confessed in private correspondence with Keus that 'I do not care about their claim that the H.P. is partly your forum, for I also consider it as such'.[29]

Finally, Keus ensured neoliberal influence in liberal circles by developing ties with the prominent journalist Henk Lunshof, who worked for the leading newspaper *De Telegraaf* before a temporary publication ban shut it down due to allegations that it had been an instrument of collaboration with the German occupier.[30] Lunshof, who had joined the Mont Pèlerin Society in 1950 together with Keus, co-founded the conservative weekly *Elsevier* after the war but left the publication when Keus offered him a job as editor-in-chief of *De Nederlander*. With his outspoken political views, Lunshof garnered attention among his fellow journalists, who, according to Lunshof, considered him 'a possible gathering point for the Dutch opposition and, praising my qualities as a journalist, they do not hesitate to recommend me as a correspondent abroad'.[31] When the Dutch government lifted its ban on *De Telegraaf*, however, Lunshof resumed his editorship. Keus used the occasion to

[25] HCO, HEEMAF, inv.nr. 142, letter from Van Breen to Keus, 24 January 1949, 2.

[26] HCO, HEEMAF, inv.nr. 142, letter from Van Breen to Keus, 24 January 1949, 2.

[27] HCO, HEEMAF, inv.nr. 155, letter from the Raad van Commissarissen der Nationale Uitgeversmaatschappij to Keus and De Jong Schouwenberg. For a more extensive analysis of the relation between the neoliberals and the CHU, see K. W. Omta, *Ceterum Censeo 1947–1949. Een rechtse doorbraak in het Nederlandse perswezen?* (Bachelor's thesis, University of Amsterdam, 2019), 9, to which I owe this reference.

[28] 'Haagse Post onder nieuwe leiding', *Het Vrije Volk*, 20 March 1951, 7; J. Jansen van Galen and H. Spiering, *Rare jaren. Nederland en de Haagse Post 1914–1990* (Amsterdam 1993), 154–9.

[29] HCO, HEEMAF, 233, Letter from Van Breen to Keus, 17 July 1951, 1.

[30] M. Wolf, *Het geheim van De Telegraaf. Geschiedenis van een krant* (Amsterdam 2009), 315.

[31] HCO, HEEMAF, inv.nr. 158, letter from Lunshof to Keus, 2 February 1949, 3–4.

express his delight about the reappearance of *De Telegraaf* to Lunshof and editor-in-chief J. M. Goedemans: 'I hope that you will be given many years, in which you can lead the newspaper in such a way that it breathes a neoliberal spirit'.[32]

Within a year of its founding, Ceterum Censeo collapsed: financial mismanagement soon led to bankruptcy, and the neoliberal publishing company vanished as quickly as it had been appeared. Despite this setback, the Dutch neoliberals had built up a substantial network to disseminate their views by the early 1950s, and the admission of Henk Lunshof, A. C. Josephus Jitta and Henri Keus to the Mont Pèlerin Society secured close ties between Dutch neoliberals and the international thought collective. At the national level, the Dutch neoliberals had established a close-knit, well-organized network that encompassed an intellectual think-tank supported by prominent businessmen and academics, a neoliberal business group that secured support among small- to medium-sized enterprises and an organization that fostered public visibility. The time had come to reach out.

Reaching Out: The Desecularization of Neoliberalism

A key challenge faced by Dutch neoliberals in 1945 was the uncertainty regarding the future composition of parliament as the first post-war elections approached. Since 1917, the year in which universal male suffrage was introduced alongside proportional representation, the Dutch parliament (lacking an electoral threshold) had been composed on average of 11 to 12 parties. This fragmented political landscape was somewhat ordered by the presence of one Catholic and two Protestant confessional parties which, taken together, had held a parliamentary majority since 1917. Despite their cooperation in the political sphere, religious groups in the Netherlands had established separate institutions which included faith-based newspapers, associations, broadcasting companies and (state-financed) primary schools.[33] By the late 1930s, the Dutch increasingly referred to these faith-based communities as 'pillars'. Among the key questions at the end of the Second World War were whether these pillars would return and whether the three confessional parties would retain their parliamentary majority.

Dutch historians have long portrayed the struggle between advocates and opponents of Dutch pillarization as a struggle over the secularization of the political arena, in which supporters of 'national unity' opposed the defenders of the rights of religious groups.[34] The battle against the Dutch pillars was, however, just as much an attempt to implement extensive social security measures. Inspired by the Beveridge Report in Great Britain, of which the Dutch cabinet had gained detailed

[32] HCO, HEEMAF, inv.nr. 158, letter from Keus aan de Telegraaf (J. M. Goedemans), 31 January 1949, 1.

[33] H. Daalder, 'Leiding en lijdelijkheid in de Nederlandse politiek', in H. Daalder, *Van oude en nieuwe regenten. Politiek in Nederland* (Amsterdam 1995), 11–39, here at 23.

[34] N. Beyens, *Overgangspolitiek. De strijd om de macht in Nederland en Frankrijk na de Tweede Wereldoorlog* (Amsterdam 2009), 9–10.

knowledge during its exile in London (1940–1945), a group of social democrats, social liberals and left-wing Christian democrats made common cause and denied the Christian democrats' a parliamentary majority. Together, they established the Dutch Labour Party, which became the effective successor to the pre-war Social Democratic Workers' Party and two smaller parties. The newly founded party duplicated the posters of the British Labour Party and launched an all-out campaign for social security. At the same time, it called into question the legitimacy of the pre-war confessional parties, claiming that Christian democrats had disguised the 'real' opposition between labour and capital by binding employers and employees together on religious grounds.[35] Here the post-war Labour Party not only adopted ideas from its British sister but also strived to make the party landscape closely resemble Britain's. If its envisaged 'breakthrough' succeeded, the pre-war political landscape, now shattered, would become a political arena marked by just one central cleavage: advocates of social security versus supporters of a free market society.

Had this come to pass, the struggle between social democrats and their (neo) liberal opponents would have dominated Dutch politics and marginalized the Christian democrats. Such a victory was conceivable in the immediate post-war period. The opposition outlined in Hayek's *The Road to Serfdom* – between a neoliberal pro-market programme and the socialist 'road to servitude' – played a distinctive role in the British parliamentary elections of 1945.[36] The same division had inspired the Dutch cabinet in exile to install a committee, headed by A. A. van Rhijn, to develop a plan for extensive social insurance measures in imitation of the proposals of the Beveridge Report.[37]

The Dutch neoliberals were initially convinced that the struggle between socialists and pro-market liberals would dominate post-war politics. Due to the limited scope of the Dutch neoliberal network and a lack of material covering the wartime period, the activities of members of the Committee for Economic Orders (formally suspended in May 1940) cannot be traced between 1940 and 1945. After the liberation of the Netherlands, however, the Dutch neoliberals reappeared and were at once appalled and intimidated by what they perceived to be the dangerous rise of socialism and broad support for social security. 'They arrange "houseparties" [sic] everywhere', the Dutch entrepreneur Frits Willink complained, and it had become 'completely clear that they want to establish the Dutch Labour Party. They openly confess their socialism and anti-capitalism and support [the] planned economy'.[38]

[35] D. J. Elzinga and G. Voerman, *Om de stembus. Verkiezingsaffiches 1918–1998* (Amsterdam 2002), 85.

[36] Burgin, *The Great Persuasion*, 87–9; Peck, *Constructions of Neoliberal Reason*, 47; H. Jones, 'A Bloodless Counter-Revolution: The Conservative Party and the Defence of Inequality, 1945–51', in H. Jones and M. Kandiah M, eds, *The Myth of Consensus: New Views on British History, 1945–64* (London 1996), 1–16, here 5–6; R. Toye, 'Winston Churchill's "Crazy Broadcast": Party, Nation, and the 1945 Gestapo Speech', *Journal of British Studies*, Vol. 49 (2010), 655–80, here 655.

[37] A. Van Rhijn, *Sociale zekerheid. Rapport van de commissie, ingesteld bij beschikking van den minister van sociale zaken van 26 maart 1943, met de opdracht algemeene richtlijnen vast te stellen voor de toekomstige ontwikkeling der sociale verzekering in Nederland* (The Hague 1945).

[38] HCO, HEEMAF, inv.nr. 296, letter from Frits Willink to H. I. Keus, no date [Dec. 1945], 1.

The neoliberals quickly founded the Federation of Dutch Businesses to counter-mobilize in an electoral campaign dominated, as in the first post-war electoral campaign of the Federal Republic of Germany, by the question of 'market or plan'.[39] Protestants of the Anti-Revolutionary Party, echoing Hayek, equated social democracy with 'medieval serfdom', the newly established Catholic People's Party sided with the social democrats in their struggle for national health care and social security, and the new liberal Party of Freedom adopted a neoliberal logic by arguing that social democracy, because it established 'a power position that subjects all aspects of life to coercion', thwarted individual freedom.[40]

It is difficult to ascertain the extent to which the Dutch neoliberals were directly responsible for these neoliberally inspired claims made predominantly by right-wing members of the confessional parties. However, the neoliberals capitalized on the increased interest in their struggle, using the conflict between social democrats and pro-market advocates as a means of further calling attention to their own political ideas. As chairman of the Committee for Economic Orders, Josephus Jitta developed an advanced strategy to convey the neoliberal message. He proposed that the committee withdraw into the background, leaving public activities to the administration of the Federation of Dutch Businesses and (by extension) its successor, the Committee for Civil Rights.[41] While the Committee for Civil Rights aimed to influence 'the masses', believing that 'when the masses started to think along different lines, political leaders will surely follow', key members of both networks cooperated to develop a political strategy guided by two tenets: the 'infiltration' of political parties and increased influence among policy experts.[42]

To achieve this latter end, the intellectually oriented Committee for Economic Orders targeted a professional audience of economists and policy elites, presenting itself as made up of economic experts rather than selling its message in overtly ideological terms. In 1948, the Committee issued the first edition of its series 'Topics of today and tomorrow', which encompassed translated lectures of internationally renowned neoliberal intellectuals.[43] Within little more than a year, 500,000 copies of these lectures had been issued.[44]

---

[39] Mark E. Spicka, *Selling the Economic Miracle: Economic Reconstruction and Politics in West Germany, 1949–1957* (New York 2007), 49, 59.

[40] Cited in Beyens, *Overgangspolitiek*, 250; Electoral programme KVP, 3. http://pubnpp.eldoc.ub.rug.nl/FILES/root/verkiezingsprogramma/TK/kvp1946/kvp46.pdf (1946, accessed 19 December 2018); Electoral Program PvdV, 1946, 3. http://pubnpp.eldoc.ub.rug.nl/FILES/root/verkiezingsprogramma/TK/pvdv1946/pvdv46.pdf (1946, accessed 19 December 2018).

[41] HCO, HEEMAF, inv.nr. 1204, minutes of the meeting of the Committee for Economic Orders, 18 September 1947, 1.

[42] HCO, HEEMAF, inv.nr. 142, minutes of the inaugural meeting of Burgerrecht, 14 November 1947, 1.

[43] An overview of the 66 lectures, published in the series 'Topics of Today and Tomorrow' between 1948 and 1966, can be found in *De publicaties van het Comité in de tien jaren 1948–1957* [place unknown], 1957.

[44] HCO, HEEMAF, inv.nr. 1206, letter from A. de Graaff to the members of the Committee for Economic Orders, 6 January 1950, 1.

Despite its appeal to expertise, the Committee's internal minutes reveal that its members kept their political tenets clearly in view. By targeting economics departments, the Committee for Economic Orders aimed to 'convert students. One should create files at the libraries. For these purposes, De Jouvenel [a French neoliberal] would be very suitable. We have to be a laboratory'.[45] In doing so, the Committee focused on what it believed to be socialist and confessional bastions within the economic sciences.[46] This strategy quickly captured the attention of notable academics. In the first post-war years, a wide variety of lawyers and economists dedicated their inaugural addresses to the question of 'economic orders' and distinguished a (neo)liberal order from a (neo)socialist one.[47] The Protestant economist and future minister of Economic Affairs Jelle Zijlstra devoted his inaugural address to an intellectual genealogy and immanent critique of the neoliberal movement.[48] His colleague Pieter Hennipman aimed for a synthesis between neosocialist and neoliberal thought, while the lawyer and future minister of justice Carel Polak discussed whether social security would inevitably culminate in serfdom.[49] The Protestant economist Arend Diepenhorst defended the neoliberal worldview in his inaugural address, rejecting state-led market constraints and deeming William Beveridge, the architect of the British welfare state, to be 'a sporting old Englishman who urges England to take over the German game'.[50]

Meanwhile, the first post-war elections in 1946 resulted in the reinstatement of the Christian-democratic centre: the three Protestant and Catholic parties retained their parliamentary majority and the Catholic People's Party (KVP) became the leading party of the Netherlands. The 'breakthrough' desired by the social democrats had failed. This turn of events exerted a profound impact on the neoliberals. As the elections approached, it seemed sensible to oppose the social democrats through a coalition of liberals and pro-market Protestants aimed at securing a pro-market majority in parliament. But after the Christian democrats retained their parliamentary majority, and the Catholics and social democrats entered a coalition headed by the social democratic prime minister Willem Drees (1948–1958), the neoliberals' main way to secure influence would be through cooperation with the Christian democrats – as they well knew by the time they founded the Committee for Civil Rights in 1946. At the Committee's inaugural meeting, chairman J. van den Berge asserted that neoliberalism was a 'societal current . . . within political parties [original emphasis] . . . if the masses start to think along different

[45] HCO, HEEMAF, inv.nr. 1205, minutes of the Committee for Economic Orders, 24 March 1948, 1; inv.nr. 1206, Annual Report of the Committee for Economic Orders, 1948, 1.

[46] HCO, HEEMAF, inv.nr. 1206, Annual Report, 1948, 1.

[47] J. Zijlstra, *Enkele algemene aspecten van het vraagstuk van de economische orde* (Leiden 1948); P. Hennipman, *De theoretische economie en de wederopbouw* (Amsterdam 1945); A. I. Diepenhorst, *Sociale zekerheid en financiering* (Groningen 1949); C. F. H. Polak, *Ordening en rechtsstaat* (Zwolle 1951).

[48] Zijlstra, *Enkele algemene aspecten*, 6–7.

[49] Hennipman, *De theoretische economie*, 13; Polak, *Ordening en rechtsstaat*, 5.

[50] Diepenhorst, *Sociale zekerheid en financiering*, 9, 12. Diepenhorst borrowed this quote from the neoliberal American economist Henry Simons.

lines, political leaders will surely follow. We must work towards this new situation. Therefore, we have to infiltrate'.[51]

Although neoliberal ideas had, up to that point, been most favourably received within the Protestant parties, the election results of 1946 made the Catholic KVP a more appealing target. Whereas the KVP picked up 32 per cent of the votes and became the largest parliamentary party, the two Protestant parties received no more than 21 per cent in sum. Electoral considerations aside, the Dutch neoliberals now sensed that prospects were good for cooperation on ideological grounds with the right-wing pro-market advocates of the KVP. The political debate on 'sectoral organization under public law' (*publiekrechtelijke bedrijfsorganisatie*, PBO) presented itself as an auspicious opportunity. The PBO was a corporatist institutional system developed to minimize socioeconomic conflict by accommodating dialogue among employers, employees and the state at a sectoral level. At the time, the PBO was largely identified with the Catholic lawyer J. A. Veraart, who had been its main advocate and the leading expert on the topic during the interwar years. After the war the Catholic economist Jan van den Brink further developed Veraart's corporatist system, proposing that sectoral cooperation among employers, employees and the state should be a cornerstone of the post-war economic order.[52]

The Dutch neoliberals initially opposed the PBO, and some of them would continue to do so. The neoliberal hardliner A. C. Josephus Jitta, for instance, deemed the PBO an unwarranted constraint on the market mechanism: it would foster concentrations of power and would restore the medieval guilds.[53] Others, however, viewed the matter differently and sensed opportunities to reconcile corporatism with certain neoliberal tenets. Van den Brink's own position regarding the PBO provided such opportunities. The Catholic economist was not only exceedingly familiar with neoliberalism; he also presented his corporatist agenda as an alternative to market-constraining socialist plans that allegedly thwarted individual freedom.[54] Although Van den Brink's position was Catholic in origin, it thus included aspects of the neoliberal agenda, most notably in its critique of socialism. Second, Van den Brink's belief that the state should establish the conditions for a viable market economy created a space for cooperation with the neoliberals. Finally, members of the Committee for Economic Orders and the Committee for Civil Rights soon discovered an intellectual whose work would allow them to work out an ingenious reconciliation of neoliberalism and corporatism: Wilhelm Röpke.

Röpke was a renowned German economist and a key member of the German ordoliberal school. His pro-market agenda and abiding faith in state-fostered competition were closely aligned with Hayek's views. But unlike Hayek, who had

[51] HCO, HEEMAF, inv.nr. 142, minutes of the inaugural meeting of Burgerrecht, 14 November 1947, 1.

[52] A. Wilts, *Economie als maatschappijwetenschap. Een sociologische geschiedenis van de economische wetenschap in Nederland (ca. 1930–1960)* (PhD Thesis, University of Amsterdam, 1997), 126.

[53] A. C. Josephus Jitta, *Publiekrechtelijke bedrijfsorganisatie* (Voorburg 1949), 11.

[54] Wilts, *Economie als maatschappijwetenschap*, 126.

written his *Road to Serfdom* for a British audience, Röpke directed his efforts to participants in West Germany's multiparty system. Moreover, Röpke was not only a dedicated member of the Mont Pèlerin Society but was also a practising Christian and a Christian democrat who considered his neoliberal and Christian views to be inseparable. His political strategy was in line with these convictions. Rather than opposing his neoliberal economic agenda to socialism, Röpke carved out a 'third way' *between* capitalism and socialism to push his neoliberal economic agenda alongside his Christian cultural agenda.[55] He emphasized the linkages between liberalism and Christian social thought, embraced Catholic subsidiarity as an organizational principle and acknowledged the role of the church as a counterbalance against state power.[56] He deemed religion a necessary cultural and spiritual supplement to the market. And while Röpke rejected corporatism as a mere extension of economic planning, he supported economic cooperation at the sectoral level when it accommodated private initiative, for instance in the industrial sector, by mitigating tensions between labour and capital through dialogue.[57]

Röpke thus merged market-based competition and a spiritual ethos grounded in Christianity into an overarching claim concerning the roots and sustainability of individual freedom. In doing so, he simultaneously made the case for the value of neoliberal economic views for Christian democrats and the value of Christian faith for liberals. As a result, Röpke's ordoliberal message, although initially directed at a West German audience, perfectly matched the needs of the Dutch neoliberals – most of them Christians themselves, operating within a parliamentary system dominated by the Christian democrats – who sought influence not only among experts but also within parliamentary parties.

In 1948, the Committee for Economic Orders invited Röpke to the Netherlands for a lecture tour to accompany the publication of the Dutch translation of *Civitas Humana*, one of his most widely acclaimed books.[58] On two separate excursions the German economist travelled across the Netherlands for several weeks to address audiences made up of businessmen, academics, journalists, politicians and policymakers, in short 'most members of the Dutch political and economic elite', according to the Catholic newspaper *De Tijd*.[59] *De Tijd* recognized Röpke as a promotor of 'the neoliberal doctrine' but praised his 'moderate' political position.[60] The Protestant *Leeuwarder Courant* likewise celebrated Röpke's nuanced

[55] Röpke, *Civitas Humana*, 15.

[56] Ibid., 131–2, 148.

[57] Ibid., 61, n. 15; A. Franc, 'Wilhelm Röpke's Utopia and Swiss Reality: From Neoliberalism to Neoconservatism', in P. Commun and S. Kolev, eds, *Wilhelm Röpke (1899–1966): A Liberal Political Economist and Conservative Social Philosopher* (Cham 2018), 31–40, here 38.

[58] For a more extensive analysis of Röpke's reception in the Netherlands, concisely summarized in the following three paragraphs, see B. Mellink, 'Towards the Centre: Early Neoliberals in the Netherlands and the Rise of the Welfare State, 1945–1958', *Contemporary European History*, Vol. 28 (2019), 1–14 [DOI: https://doi.org/10.1017/S0960777318000887].

[59] 'Veroordeling van het collectivisme', *De Tijd*, 12 May 1948, 2.

[60] Ibid.

views and compared him favourably to the Committee for Civil Rights, whose members 'solve the most complex political issues with the stroke of a pen'.[61] When a Frisian journalist attended a lecture by the neoliberally inspired theologian Emil Brunner one year later, he recalled Röpke's tour and, observing that Brunner's thought had developed in a similar vein, noted his puzzlement 'that we are far more inclined to sympathize with such messages when brought about by foreigners'.[62] In the background, however, the careful preparations made by the Committee for Civil Rights, which included the invitation and organization of his lecture tours, the planning of his radio interviews and the publication of his lectures as brochures, contributed significantly to the impact exerted by the German economist.[63]

The reception of Röpke's lecture tour in the Netherlands illustrates that the dynamic of influence between the neoliberals and the Christian democrats was one of mutual reciprocity: aiming for influence among Christian democratic politicians, journalists and experts, the neoliberals adapted their political message and gradually were themselves influenced by Christian-democratic views. Some neoliberals, such as Abraham Zeegers, had combined Christian democratic and neoliberal affiliations from the start.[64] Their focus on the common ground shared by neoliberal and Christian democratic ideas, and their growing conviction that these conceptions were inextricably connected, were key to their success. Equally important was the mediating role of experts, as the authority of academics from abroad such as Röpke, Brunner and Hayek bolstered the credibility of the neoliberal story among experts and lay audiences.

By the late 1940s and early 1950s, neoliberal ideas had gained some traction within the confessional parties and press. Protestant journalists complained about the 'neoliberals' within the Protestant Anti-Revolutionary Party 'who carry Röpke and Hayek in their pockets'; the Catholic journalist W. van Gent warned that 'a neoliberal breakthrough' threatened to overturn the policy goal of social security; and the Protestant Christian National Labour Union (CNV) invited the Christian democratic minister of economic affairs Ludwig Erhard, member of the Mont Pèlerin Society and a supporter of Röpke's views, to deliver its annual keynote address in the early 1950s.[65]

Meanwhile, the neoliberals were expanding their network within the Christian democratic parties. In the summer of 1951, months before the campaign for the 1952 parliamentary elections began, Henri Keus and Leo van Breen worked out a

[61] 'Snelle afloop', *Leeuwarder Courant*, 19 October 1950, 1.

[62] 'Een goed woord van Emil Brunner', *Friesch Dagblad*, 30 September 1948, 5.

[63] *Radio-vraaggesprek met en rede van prof.dr. W. Röpke met een inleiding op de rede van prof. Röpke gehouden te Hengelo, door ir. H.I. Keus* (Amsterdam and Delft 1949).

[64] Abraham Zeegers, 'Het Anti-Revolutionnaire beginsel en Burgerrecht', 6 Oct. 1951, 6.

[65] 'De vier groepen bij de "anti's"', *Leeuwarder Courant*, 6 Nov. 1951, 5; W. van Gent, 'Schemering van het socialisme?', *De Tijd*, 31 Oct. 1949, 1–2; A. Zeegers, *Van Kuyper tot Keynes, De A.R.-partij op de dirigistische doolweg* (Amsterdam 1958), 5.

concrete plan. In recent years there had been rising discontent among the right-wing voters of the two mainstream Protestant parties in the Netherlands, the Anti-Revolutionary Party (ARP) and the Christian Historical Union (CHU). Members of the neoliberal network had played a modest role in fostering such conflict.[66] The dedicated neoliberal and orthodox Protestant lawyer Abraham Zeegers had, in cooperation with the former prime minister Piet Gerbrandy, used his connections within the ARP to oppose advocates of social security within his own party. Due to Gerbrandy's authority, the group was powerful enough to force the ARP's party leadership to organize a conference dedicated to the threat of economic planning. The dissidents within the ARP now tried to extend their influence by developing ties with like-minded pro-market advocates within the competing mainstream Protestant party, the CHU, and they even considered cooperating with Catholic dissidents within the Catholic People's Party (KVP) – an uncommon move given the religious tensions between Catholics and Protestants at the time.

By 1951, Keus and Van Breen were seeking to strengthen Catholic resistance against planning through close cooperation with Charles Welter, a former Catholic minister for colonial affairs who became a conservative dissident within the KVP after it had joined a coalition with the social democrats in 1946. Disillusioned by the party's leadership, Welter established the Catholic National Party (KNP) in 1948, a right-wing fringe party composed of ultra-conservatives. Welter's departure, however, did not ease the pressure exerted by right-wing conservatives on the KVP's leader, Carl Romme. A small but influential group led by Frans Duynstee and Max Steenberghe continued to challenge Romme's economic agenda, which they perceived to be quasi-socialist.[67] Keus and Van Breen wanted to capitalize on the internal dissent roiling the party. In 1951, Van Breen established his first connections with Welter.

Correspondence between Van Breen and Keus offers detailed insight into their political strategy. In July 1951, Keus expressed his hope to Van Breen that Welter would be convinced 'that a return [to the KVP] – given Duynstee's movement – will be of great importance, although I can imagine that Romme will oppose this move'.[68] To maximize results, Keus contacted an anonymous Catholic senator he had befriended and asked him to prepare the way for Welter's return to the Catholic People's Party.[69] By the end of October 1951, Van Breen happily reported:

> I believe . . . that Civil Rights and its approach convincingly proved its right to existence. The fact that so many prominent Catholics support Duynstee while

[66] National Archive (NA), Archive of prof.mr. P.S. Gerbrandy [2.21.068], inv.nr. 166, letter from an anonymous correspondent to P.S. Gerbrandy, 29 February 1952, 1.

[67] 'Twee takken uit één stam', De Leeuwarder Courant, 6 May 1952, 5; Duynstee FJFM and Bosmans J. Het kabinet Schermerhorn-Drees 1945–1946. Assen and Amsterdam: Van Gorcum, 1977, p. 33.

[68] HCO, HEEMAF, inv.nr. 233, letter from Keus to Van Breen, 19 July 1951, 1.

[69] HCO, HEEMAF, inv.nr. 233, letter from Keus to Van Breen 11 August 1951, 1.

> *De Volkskrant* [the Catholic's national newspaper] considers them 'a group', demonstrates that we were right in pursuing our attempts to strengthen the right wings of the political parties. I discussed this with Lunshof yesterday and I will contact Mr Welter today. In my opinion, we can start to plan his return to the KVP.[70]

A few weeks later, Van Breen elaborated on his strategy: 'You understand what I am getting at. In my opinion, all dissident groups have to return to their respective parties, while Civil Rights remains as their catalyst'.[71] In the run-up to the 1952 parliamentary elections, Van Breen observed with satisfaction:

> the opposition in the CHU is bearing fruit, and it is safe to assume that this is largely the result of the actions of the Committee for Civil Rights . . . As far as I am concerned, we must continue our current strategy firmly but cautiously. We should enforce a breakthrough into the political parties.[72]

By that time, Van Breen had found a new job alongside his other duties: Welter had employed him as his new campaign strategist.[73]

Although the restoration of the Christian democratic majority initially took the Dutch neoliberals by surprise, it also stimulated them to cooperate with pro-market advocates among the Christian democrats. Inspired by the work of Röpke and profiting from his status as an internationally renowned economist, the Dutch neoliberals took abstract neoliberal assertions and made them conform to the realities of the Dutch political arena. By 1952 they were maintaining a well-coordinated network within Dutch Christian democratic institutions: academics and journalists took note of (and sometimes sympathized with) their message, and the neoliberals had established and sustained a small network of pro-market advocates within the Protestant and Catholic mainstream parties. These ties created opportunities for them to exert influence.

Neoliberalism Incorporated: The Dutch Road to Post-War Industrialization

Although by the late 1940s the Dutch neoliberals had established a notable thought collective – one in which academics, journalists, businessmen and politicians all had parts to play – their refusal to found their own political party ruled out direct parliamentary influence on policy. Were the neoliberals to exert influence, they would have to do it indirectly or discreetly or, in some instances, both.

By the late 1940s, the growing tensions within the Catholic KVP over its cooperation with the social democrats made its leadership vulnerable. The Dutch

[70] HCO, HEEMAF, inv.nr. 233, letter from Van Breen to Keus, 22 October 1951, 1–2.

[71] HCO, HEEMAF, inv.nr. 233, letter from Van Breen to Keus, 10 December 1951, 2.

[72] HCO, HEEMAF, inv.nr. 233, letter from Van Breen to Keus, 26 February 1952, 1.

[73] HCO, HEEMAF, inv.nr. 233, letter from Van Breen to Keus, 10 December 1951, 1.

neoliberals now had an opening. Before the war the Catholics had supported the 'Nolens doctrine', named after one of their former political leaders. Regarding coalition-building with social democrats as a 'last resort', this doctrine effectively banned social democrats from cabinets until 1939, when the KVP's party leadership implicitly dismissed the *cordon sanitaire*. As the post-war KVP adopted a pro-social security agenda, internal opposition emerged from the circles surrounding the conservative Catholic politician Charles Welter. To appease these conservatives within the party, the KVP's political leader, Carl Romme, put forward a right-wing minister for economic affairs when the Catholics joined the first elected post-war cabinet in 1946. In private correspondence, Romme described the newly appointed Gerardus Huysmans as 'the conscience of Mr. Welter when he asserts that we adopt a socialist political course'.[74]

Whatever policies Huysmans had in mind, it was clear from the start that he would not walk down the socialist road. Huysmans inherited a Department of Economic Affairs (previously called the Ministry of Trade and Manufacturing) that had been led by a prominent social democrat, Hein Vos, a dedicated socialist. As soon as Huysmans took office, the new minister asked his secretary for a list of policy officials who had been appointed by Vos and managed to remove them within a year and a half.[75] Meanwhile, the new minister designed an industrialization programme from scratch to foster the restoration of market forces. However, first illness and then his untimely death prevented his further involvement. In early 1948, the young Catholic economist Jan van den Brink was installed as Huysmans's successor.

The new minister's political position was difficult, as he had to appease both the KVP's right wing and his social democratic coalition partner. As Van den Brink continued along the lines laid down by Huysmans, preventing a loss of faith among employees, the trade unions and the social democrats proved tedious, as he confessed in later life.[76] Nevertheless, he was an ideal candidate for the job. The young Van den Brink had already obtained a full professorship in economics and had co-authored with Romme an authoritative report on the expansion of private ownership.[77] A specialist on the issue of unemployment, he was a less outspoken anti-socialist than his predecessor, but the new minister held unambiguously pro-market views, as his policies would indicate.

For while right-wing Catholics, fostered by the Dutch neoliberals, rallied against the party leadership's allegedly leftist leanings, Van den Brink used the

[74] NA, Archive of mr.dr. C.P.M. Romme [2.21.144], inv.nr. 33, letter from C. P. M. Romme to F. J. F. M. Duynstee, 1 January 1947, 1.

[75] H. De Liagre Böhl, J. Nekkers and L. Slot, *Nederland industrialiseert. Politieke en ideologiese strijd rondom het naoorlogse industrialisatiebeleid* (Nijmegen 1981), 146.

[76] Ibid., 218; J. R. M. Van den Brink, 'Indicatieve planning als beleidsinstrument van de industrialisatiepolitiek in de jaren vijftig', *BMGN: Low Countries Historical Review*, vol. 101 (1986) 118–27, here 119.

[77] C. P. M. Romme and J. R. M. Van den Brink, *Verbreiding van privaat-eigendom. Deelneming in de winst, kapitaaldeelname en vermogensvorming door werknemers* (Amsterdam 1945).

manoeuvring space thus opened to develop industrialization policies that strongly contributed to the establishment of state-fostered market forces. By the time he took office, Van den Brink had become interested in neoliberal thought. In early 1948, he met with the West German economist Ludwig Erhard, a member of the Mont Pèlerin Society, to be informed about Erhard's pleas for a state-fostered market economy; their tête-à-tête took place just months before each man would became the minister of economic affairs in their respective countries.[78] In his memoirs, published in 1984, Van den Brink emphasized that he did not aspire to duplicate Erhard's pro-market plans, which he deemed overly individualist. However, he emphatically preferred Erhard's approach to socialist alternatives and aimed to reconcile his Christian democratic values with the German economist's proposals.[79] It soon turned out that Huysmans's successor sold his policy agenda with a less overtly ideological pitch and displayed a particular talent for merging his own Christian democratic rhetoric with the rhetoric of his opponents, while keeping pro-market policy tenets clearly in view.

The resulting policy synthesis could be reconciled with the social democratic agenda in so far as Van den Brink ensured that his policies fostered employment. This policy objective not only secured popular support but also enabled the minister to present his agenda of state-fostered industrialization as an economic necessity.[80] As Van den Brink emphasized when he introduced his policy agenda in 1949, the Dutch workforce was increasing at an annual rate of 40,000 people, and as job growth expectations were at zero in the agricultural sector and limited in the case of trade, industrialization was the only remaining option if employment rates were to go up.[81] Moreover, given the structural reliance of Dutch industry on imported raw materials, a rapid increase in export rates was a precondition for successful industrialization policies and therefore of prime concern to the government. The brochure *The Netherlands Industrializes*, issued in 1950 to communicate the government's plans to the general public, mentioned the government's ambition to create 215,000 jobs within three years.[82]

Although Van den Brink mentioned employment as one of the key policy objectives of his industrialization policies, he was careful to avoid planned socialism or Keynesian interventions to attain this goal. Keynes famously claimed in his *General Theory* that, contrary to Say's Law, supply and demand generally intersect *below* the level of full employment, producing a suboptimal employment of the production factors – most notably labour.[83] Keynes therefore prescribed the

[78] J. R. M. Van den Brink, *Zoeken naar een 'heilstaat'. Opbouw, neergang en perspectief van de Nederlandse welvaartsstaat* (Amsterdam 1984) 369.

[79] Ibid., 369.

[80] HCO, HEEMAF, inv.nr. 1328, 'Installatie hoofdcommissie voor de industrialisatie', 19 September 1949, 1.

[81] Ibid., 2.

[82] HCO, HEEMAF, inv.nr. 1330, brochure 'Nederland industrialiseert', 8.

[83] J. M. Keynes, *The General Theory of Employment, Interest and Money* (London 1936), 15–17, 26.

state-initiated substitution of declining demand during economic slumps by fostering consumption and investment (demand management). Van den Brink, however, combatted unemployment by developing an opposite approach, which he called 'facilitative policy' (*voorwaardenscheppend beleid*). He stimulated the economy from the supply side by means of deregulation, lowering taxes and fixing wages below the market price, to ensure that Dutch exports would be competitive in the global market. This logic moved in the direction of what Cornel Ban has called 'embedded neoliberalism', an ideological hybrid that, despite its non-neoliberal features, ultimately fosters macroeconomic orthodoxy, deregulation and privatization.[84]

A key aspect of Van den Brink's specific policy synthesis was the establishment of regular consultations involving employers, employees and the state: the so-called tripartite consultation structure. Van den Brink established a Central Committee for Industrialization, which served as his advisory board and simultaneously secured the support of key social partners, most notably the trade unions and the employers' organizations. Whether by design or not, this committee developed strong pro-market leanings, as it consisted of three employers with neoliberal sympathies. There was the Protestant Röpke-specialist and trade union delegate D. W. Ormel, and a chairman who afterwards became a key economic advisor of Singapore: director-general of industrialization Albert Winsemius.[85] The neoliberal committee member Henri Keus made additional arrangements to ensure a pro-market course. In November 1949, he began organizing informal meetings between the delegates of the employers' organizations and the trade unions in order to forge a consensus about the crucial importance for Dutch post-war reconstruction of capital formation and fixed wages below the market rate.[86]

By the time Van den Brink defended his first policy document on industrialization in parliament in 1949, it had become clear that the minister aimed to achieve his employment tenets by means neither of planned socialism nor of Keynesian demand management. Instead, he introduced 'indicative planning': state interventions with a 'global character' based on estimates rather than set targets.[87] The minister declared that 'given the . . . existing, and by the vast majority of the Dutch population desired socio-economic organization – [industrialization] should stem from private economic decisions'.[88] In line with the Catholic doctrine of subsidiarity, the minister emphasized the complementary role of the state in society: state

[84] C. Ban, *Ruling Ideas: How Global Neoliberalism Goes Local* (Oxford 2016), 5.

[85] HCO, HEEMAF, inv.nr. 1328, letter from S. H. Visser to Keus, 22 June 1949, 1; D. W. Ormel, 'Röpke', in S. U. Zuidema, ed., *Denkers van deze tijd III: Marx, Schumpeter, Keynes, Röpke* (Franeker 1957), 203–61; HCO, HEEMAF, inv.nr. 1328, minutes of the meeting between employers and employees initiated by H. I. Keus, 7 November 1949.

[86] HCO, HEEMAF, inv.nr. 1328, minutes of the meeting between employers and employees initiated by H. I. Keus, 7 November 1949.

[87] Rijksbegroting voor het dienstjaar 1950, stuk 1400 X 6, bijlage IV, memorie van toelichting, 'Nota inzake de industrialisatie van Nederland', 23.

[88] Ibid.

interventions were feasible only if private initiative failed.[89] However, the state should foster the conditions that allowed private initiative to flourish by creating an 'industrial climate' underpinned by lower taxes for entrepreneurs and fixed wages under the market rate.[90] This tenet – the necessity of a state-facilitated climate – did not have Catholic origins but was strongly aligned with neoliberal principles.

Whereas the first policy document contained the details of the newly adopted socioeconomic measures, the brochure *The Netherlands Industrializes* was intended to generate popular support for the industrialization programme, and so it was focused on the minister's central tenet: the creation of 215,000 jobs in under four years. In the mid-1980s, Van den Brink reflected on his former policies and emphasized the importance of job creation for the eventual success of his industrialization programme:

> The first policy documents on industrialization, after all, were – in the first instance – intended to gain support of business elites in these economic policies and its tenets, without losing trust among employees, the trade unions and the social democratic coalition partner.[91]

Overall, Van den Brink's policy recipe thus smoothed over a series of conflicting ideas, resulting in a well-conceived policy synthesis. It satisfied the social democratic tenet of full employment. It secured the support of employers and employees by means of a corporatist tripartite consultation structure. But in the end, it fulfilled its employment-centred tenet with supply-side policy instruments that contributed to the restoration of free market forces, and at the same time ensured that the state took an active part in fostering favourable economic conditions – and so was fully in line with neoliberal principles. This is not to say that Van den Brink's policies relied exclusively on neoliberal economic ideas. However, it does illustrate that neoliberal ideas were significant here, and historians should consider the role of these views if they want to understand the socioeconomic debates of the late 1940s and 1950s and their policy outcomes. By 1949, even the delegates of the confessional labour unions within the Central Committee for Industrialization supported state-fostered market forces. According to D. W. Ormel, the Protestant trade unions' delegate, capital accumulation and employment were 'Siamese twins', while his Catholic colleague J. A. Middelhuis argued that only capital accumulation in the business sector could warrant employment.[92] The wide dissemination of neoliberal ideas and their inclusion in hybrid policy proposals demonstrate that the influence of the early neoliberal movement extended beyond the realm of think-tanks and into the world of politics and policy at large.

[89] Ibid., 28.

[90] Ibid., 29.

[91] Van den Brink, 'Indicatieve planning als beleidsinstrument', 119.

[92] HCO, HEEMAF, inv.nr. 1328, minutes of the meeting between employers and employees initiated by H. I. Keus, 7 November 1949, 1.

Conclusion

The story of neoliberalism in the Netherlands throughout the decades of post-war reconstruction (1945–1958) ultimately boils down to a struggle waged by politicians without a party. Convinced of the power of ideas, they aimed to establish a thought collective made up of politicians, academics, journalists and businessmen in order to move Dutch socioeconomic policies in a market-oriented direction as fostered by the state. By putting this tenet front and centre in this article, I have questioned three commonly held assumptions in political history: namely that ideologies are tied to parliamentary parties, that political struggle predominantly takes place within political institutions, and that knowledge formation and the exertion of political power occur separately.

These claims may sound feeble, but their subconscious support explains to a large extent why political historians have only recently managed to consider the neoliberals, despite their considerable public visibility at the time. This neglect of early neoliberalism in historiography cannot be explained by the unique nature of neoliberalism as an ideological current. From a purely ideational viewpoint, neoliberalism does not differ from its rival ideologies. Ideologies are like black holes: difficult to define or delineate, but visible through what they attract. Precisely because ideologies are continually discussed among their supporters, they exert a profound influence over their advocates and provide structure to political debates. With the notable exception of cultural political history – in which the question of power often remains opaque – political historians have delineated ideologies mainly by institutional measurements, most notably parliamentary parties, which channel ideological thought.[93] However, the acknowledgement of the power of institutions to channel ideas does not rule out other ways of getting a political message across. As I have demonstrated, the Dutch pro-market advocates employed shared ideas to unite politicians, businessmen, journalists and academic experts in a neoliberal thought collective and to gain influence by various means. Their relative lack of formalized institutions explains why historians have overlooked the neoliberal movement, but this omission does not rule out their actual influence.

To assert the influence of the neoliberals, studying their ideological development is not enough. I have traced the strategies of the neoliberals to pursue their pro-market advocacy in the political arena, using a definition based on their shared commitment: the advocacy of state-fostered competition to secure economic and political freedom. In their struggle for recognition and influence, the neoliberals profited from the mediating role of experts in Dutch academia and abroad. The published neoliberal brochures of the Committee for Economic Orders, of which 500,000 copies specifically targeted an audience of students, academics and policy officials, illustrates the neoliberals' faith in the power of expertise, above all that of economists. The Dutch neoliberals therefore invited the internationally

[93] I. De Haan, *Politieke reconstructie. Een nieuw begin in de politieke geschiedenis* (Utrecht: inaugural address, 2004), 22.

renowned neoliberal economist Wilhelm Röpke from Germany and organized press coverage, brochures and radio interviews. In these initiatives, economic education and the dissemination of political views went hand in hand – so much so that the pursuit of academic economic knowledge and the realization of the neoliberal programme became difficult to separate.

Finally, although the neoliberals aimed to exert influence over others, they were not immune to reciprocal influence. The restoration of the Christian democratic centre in Dutch politics had a profound effect on the early neoliberals. Gradually drifting away from their Hayekian views, they increasingly relied on a hybrid fusion of corporatism, neoliberalism and certain Christian cultural values so as to cooperate with right-wing pro-market advocates within the three mainstream Christian democratic parties. While the neoliberals thus created manoeuvring space for neoliberal policy interventions, they could not implement these interventions themselves, and the pro-market measures that found their way into the Dutch industrialization agenda did so as part of a larger policy synthesis that also accommodated Christian democratic and (to a lesser extent) social democratic needs.

The incorporation of previously overlooked neoliberal ideas in a policy synthesis pushed by a coalition of social democrats and Christian democrats is remarkable. It also raises the question of where early neoliberal influence can be found elsewhere in Europe if national institutions, interests and intellectual networks are more fully considered. Isolated findings in the existing literature demonstrate that Hayek had become an intellectual star by the late 1940s, that Röpke delivered lectures across Western Europe and that even some Spanish economists under Franco were familiar with German ordoliberal thought.[94] The time has come to leave the main road from Mont Pèlerin and to explore the paths branching out from its forks and junctions.

Acknowledgements

I would like to thank Ewald Engelen, Ido de Haan, Merijn Oudenampsen, Naomi Woltring and the editors and reviewers for their helpful comments and suggestions.

Funding

The author(s) disclosed receipt of the following financial support for the research, authorship, and/or publication of this article: This work was supported by the Netherlands Organisation for Scientific Research (NWO) under grant 360-52-200.

ORCID iD

Bram Mellink https://orcid.org/0000-0002-1992-8090

[94] Burgin, *The Great Persuasion*, 87–9; Ban, *Ruling Ideas*, 108–9.

Author Biography

Bram Mellink is an assistant professor at the University of Amsterdam and a postdoctoral researcher at Utrecht University. He investigates the role of ideas in politics and their translation into policy. His current research focuses on the influence of the early neoliberal movement in Western Europe on Dutch policy debates on welfare politics between 1945 and 1975.