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Making Sense of Financial Crises in the Netherlands: The Emotional Economy of Bubbles (1637–1987)

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Introduction: The Role of Emotions in Financial Sensemaking

What the devil is he doing? This question might have occurred to people at the Amsterdam stock exchange in 1720, bumping into a *New Year's Gift* pamphlet that presented a satyr as the "prince of stock jobbing" making love to goddess of money, Pecunia (Figure 10.1). Their courtship is explained: the Scottish "tail man"—obviously a reference to John Law, the presumed architect of the 1720 South Sea Bubble—has arrived from hell without money. With horse turds covered in rolled gold he has seduced nymph Pecunia, bewitching her calculating eyes. Through her love, a treasure of coins rains down upon the satyr. Sex between this investor prince and his money nymph is, financially, a very fertile affair. As the poem beneath the cartoon states, the affair attracts new "*lievelingen*" ("lovers," as well as amateurs) to the stock market, who will probably soon fall into despair. The anonymous engraver and poet of this cartoon thus presented the speculation wave of the 1720s in terms of emotions: love, sexual desire, hope, and despair drive the stock market forward. While the cartoon characters perform these economic emotions, the emotional economy of the reader probably entailed balancing curiosity and joy (satire) with concern.

How do societies cope with financial crises and what role do emotions play in these processes? The banking crisis of 2007–2008 and the consecutive Euro-crisis of 2010 caused a global outcry, followed by an intensive, ongoing sensemaking process. International news coverage, but also cartoons, movies, theater plays, infographics, tweets, and other cultural sources tried to explain the crisis, pondering the economic, political, social, and moral causes and consequences. Emotions ranged from excitement to anxiety, fear, rage, and shame. This is a historical phenomenon. Since Tulipmania in 1637, financial bubbles have been accompanied by cultural bubbles.

Figure 10.1 *Nieuw-Jaars Geschenk / Lauwmaand herdenking*, in *Het Groote Tafereel der Dwaasheid* (1720). Courtesy of Rijksmuseum Amsterdam, RP-P-OB-83.573.

In these sensemaking processes emotions played an important role. News articles, poems, plays, cartoons, and later also movies covered and commented upon what was happening in the stock market, describing market dynamics in terms of the passions: excited traders, wishes and hopes, irritable markets, greedy merchants in love with money, the sadness of the losers.

This chapter describes the sensemaking processes of financial bubbles, analyzing the role passions and feelings played in the stock market and how this was perceived by the public.[1] Our work aligns with the recent cultural-history approach to financial and business history, paying more attention to cultural sources to understand the role of narratives and sentiments in sensemaking processes.[2] We build on a growing body of literature that has broadened the scope of economic theory and the history of finance and business to the cultural realm. Since Schumpeter it has been acknowledged that capitalism is a highly dynamic system in which change is a constant and volatility is never very far away. Studies of the long history of financial manias have underlined that bubbles should not be perceived as independent, "freak" events, but as "evergreens," "natural" occurrences, symptomatic of the irrationality of (financial) markets.[3] Recent studies have focused on the devastating consequences of bubbles for different groups and sectors of society, viewing bubbles and the unruly emotions they were accompanied by in their social context and global connectivity.[4] Relatedly, the history of finance has taken more interest in media coverage of financial crises and other economic events, observing an increase in press coverage during such periods. Moreover, we subscribe to recent pleas to take a comparative and long-term approach (moving away from the emphasis on specific moments), as well as to broaden the scope beyond the question whether press coverage was correct or (un)critical.[5] Furthermore, recent studies showed that the cultural coverage of financial bubbles should not (solely)

1 Research for this chapter was conducted in the context of the project "Banking on Financial History," supported by the Dutch Research Council (NWO). A pilot paper was presented at the 23rd Annual EBHA Congress, Rotterdam, The Business History of Creativity, August 29 and 31, 2019. News is covered through https://17202020financialcrises.wordpress.com.

2 Per Hansen, "Business History: A Cultural and Narrative Approach." *Business History Review* 86, no. 4 (2012): 693–717; Ronald Kroeze and Jasmijn Vervloet, "A Life at the Company: Oral History and Sense Making." *Enterprise and Society* 20, no. 1 (2019): 33–46; Ronald Kroeze and Sjoerd Keulen. "Leading a Multinational is History in Practice: The Use of Invented Traditions and Narratives at AkzoNobel, Shell, Philips and ABN AMRO." *Business History* 55, no. 1 (2013): 1–23; Inger Leemans, "Verse Weavers and Paper Traders: Speculation in the Theatre," in *The Great Mirror of Folly: Finance, Culture, and the Crash of 1720*, ed. William N. Goetzmann, Catherine Labio, K. Geert Rouwenhorst, and Timothy G. Young, 175–190 (New Haven: Yale University Press, 2013).

3 Joseph Schumpeter, *Business Cycles: A Theoretical, Historical, and Statistical Analysis of the Capitalist Process* (New York: McGraw-Hill Book Comp, 1939); Robert Z. Aliber, and Charles P. Kindleberger, *Manias, Panics and Crashes: A History of Financial Crises* 7th edn (New York: Palgrave Macmillan, 2015); Marius van Nieuwkerk and Cherelt Kroeze, *Bubbles: Spraakmakende Financiële Crises uit de Geschiedenis* (Amsterdam: Sonsbeek Publishers, 2007); Cihan Bilginsoy, *A History of Financial Crises: Dreams and Follies of Expectations* (New York: Routledge, 2014); The concept of "bubbles" has long been a topic of debate in economic theory, see e.g. Eugene F. Fama, "Efficient Capital Markets: A Review of Theory and Empirical Work." *The Journal of Finance* 25, no. 2 (1970): 383–417; J. Tirole, "On the Possibility of Speculation under Rational Expectations." *Econometrica* 50 (1982): 1163–82; Robert J. Shiller, *Irrational Exuberance* (Princeton: Princeton University Press, 2000); Markus K. Brunnermeier, "Bubbles," in *The New Palgrave Dictionary of Economics*, ed. L. Blume and S. Durlaug, 578–82 (Oxford: Oxford University Press, 2007); Peter Garber, *Famous First Bubbles: The Fundamentals of Early Manias* (Cambridge, MA: MIT Press, 2000).

4 Carmen M. Reinhart and Kenneth S. Rogoff, *This Time is Different: Eight Centuries of Financial Folly* (Princeton: Princeton University Press, 2009); William Quinn and John D. Turner, *Boom and Bust: A Global History of Financial Bubbles* (Cambridge: Cambridge University Press, 2020); Anne L. Murphy, *The Origins of English Financial Markets: Investment and Speculation before the South Sea Bubble* (Cambridge: Cambridge University Press, 2009).

5 Anya Schiffrin, "The Press and the Financial Crisis: A Review of the Literature." *Sociology Compass* 9, no. 8 (2015): 639–53; Julien Mercille, *The Political Economy and Media Coverage of the European Economic Crisis: The Case of Ireland* (New York: Routledge, 2015); Steve Schifferes and Richard Roberts, *The Media and Financial Crises* (London: Routledge, 2014).

be regarded as responses *after* the fact, but that they often played a significant role in bubble processes and should be considered essential sources for studying the dynamics of finance as an integral part of society.[6]

With regard to emotions, traditionally passions were considered to play an important role in sensemaking processes. However, for a long time, as also explained in the introduction to this volume, the history of business and science of financial bubbles have either ignored the passions, or described emotions in one-dimensional terms as *irrational*, highlighting the "madness of crowds" to draw a sharp line between the rational, efficient market and the heated passions of the "greater fool."[7] On the other side of the spectrum, historians of emotions have started to pay more attention to the economics of emotional culture. The concepts of emotional or affective economies are used to describe the variety and balancing of emotions in individuals (seeking for instance to balance hatred with joy), and communities (for instance with the "rise" of empathy in the eighteenth century, connected to the demise of honor as an essential emotion),[8] and to analyze the role emotions play in commercial practices, and in the history of capitalism.[9]

This chapter is informed by these developments, showing that cultural bubbles played an important role in financial processes through representation and analysis of the stock market as an emotional economy. We underline the proposal made in the introduction to this volume to remove the conceptual boundaries between rationality and sentiment. In former centuries emotions could be perceived as important components of assessment and action taking, and as essential (although sometimes too unruly) drivers of market behavior. For our research, we focus on the Netherlands, known for its vibrant stock market going back to the seventeenth century, offering an exemplary case and ample source-material. Moreover, we take a long-term approach (1637–1987), focusing on three case studies: the early modern bubbles (specifically 1720 and 1763), the crisis of 1929, and the crisis of 1987, considered among the most serious financial crises before 2008, but never studied in a comparative way with a focus on sensemaking. For the crises of the early modern period, we study a range of cultural sources, including cartoons, poems, theater plays, and pamphlets. For the twentieth-century crises, we focus on the dominant form of financial sensemaking: newspaper coverage. We show how journalists and the general public made sense of

6 Anne Goldgar, *Tulipmania: Money, Honor, and Knowledge in the Dutch Golden Age* (Chicago: University of Chicago Press, 2007); William N. Goetzmann, Catherine Labio, K. Geert Rouwenhorst, and Timothy G. Young, eds., *The Great Mirror of Folly: Finance, Culture, the Crash of 1720* (New Haven: Yale University Press, 2013); Arnaud Orain, *La politique du Merveilleux: une Autre Histoire du Système de Law (1695–1795*) (Paris: Fayard, 2018); Hansen, "Business History"; Florence Magnot-Ogilvy, "*Gagnons sans Savoir Comment: Représentations du Système de Law du XVIIIe Siècle à Nos Jours*" (Rennes: Presses Universitaires de Rennes, 2017); Inger Leemans, "The Amsterdam Stock Exchange as Affective Economy," in *Early modern Knowledge Societies as Affective Economies*, ed. Inger Leemans and Anne Goldgar, 303–30 (Abingdon: Routledge, 2021); Robert J. Shiller, *Narrative Economics. How Stories Go Viral and Drive Major Economic Events* (Cambridge, MA: National Bureau of Economic Research, 2017).

7 Charles Mackay, *Extraordinary Popular Delusions and the Madness of Crowds* (Oxford: Infinite Ideas Ltd., [1841] 2009).

8 Ute Frevert, *Emotions in History: Lost and Found* (Budapest: Central European University Press, 2011).

9 Inger Leemans and Anne Goldgar, *Early Modern Knowledge Societies as Affective Economies* (Abingdon: Routledge, 2021).

speculation and crises, and that emotions played an important role throughout the entire period, in a much more sophisticated way than traditional narratives of the "irrational" stock market suggest.

Cultural and Financial Bubbles in the Early Modern Dutch Republic

The Netherlands provides an interesting case study for the relationship between financial and cultural bubbles and the perception of stock trading in terms of emotional economy. After the invention of share trading in the Dutch Republic in the early seventeenth century, the stock market evolved rapidly, showing recurring instances of speculation and price fluctuations.[10] The Dutch financial market was relatively open, one in which citizens from different layers of society could participate. In the seventeenth and eighteenth century, thousands of people were involved in share trading.[11] This may help to explain the extraordinary public interest for share trading in the Dutch Republic.[12]

From the outset, the Dutch public and the press showed ample interest in the new financial developments. Not only did the Dutch press cover the world of trade through news articles, *plakkaten* (edicts), and listings of prices, it also produced a more general cultural coverage through engravings of the stock exchange building, cartoons of stock jobbers, and poems that praised the virtues of commerce. Sharp price fluctuations were often accompanied by series of pamphlets, in which traders, politicians, and other interested parties expressed their opinion about the matter.[13]

In 1688 the now famous "investor hand book" *Confusión de confusiones* was written by the Spanish-Jewish-Dutch author Joseph de la Vega.[14] De la Vega combined different knowledge domains—physics, theology, mythology, and meteorology—to grasp the natural laws of the stock market. Many "laws" De la Vega describes consider the passions analyzed as essential, albeit also disturbing, drivers of the stock

[10] Lodewijk Petram, *The World's First Stock Exchange* (New York: Columbia University Press, 2014); M. F. J. Smith, *Tijd-affaires in effecten aan de Amsterdamsche beurs* (Den Haag: Martinus Nijhoff, 1919); Ludwig Samuel, *Die Effektenspekulation im 17. und 18. Jahrhundert. Ein Beitrag zur Börsengeschichte* (Berlin: Spaeth & Linde, 1924); Jonathan I. Israel, *The Dutch Republic. Its Rise, Greatness and Fall, 1477–1806* (Oxford: Clarendon Press, 1995).

[11] On first issuing shares, the VOC joint stock company attracted 1,143 tenderers, who almost immediately started to sell their shares to third parties. The success of the undertaking (VOC shares rose from 180 points in 1630 to 470 in 1643 (more than 250 percent)) attracted new investors looking for a secure investment, or an easy gain. Petram, *The World's First Stock Exchange.*

[12] Extensive public interest in finance should be understood against the background of the booming Dutch creative industries, providing a fruitful ground for a diverse, constantly innovating cultural production. Claartje Rasterhoff, *Painting and Publishing as Cultural Industries: The Fabric of Creativity in the Dutch Republic, 1580–1800* (Amsterdam: Amsterdam University Press, 2017); Leemans, "Verse Weavers and Paper Traders."

[13] For example, N. Muys van Holy, *Relaes en Contradictie op de motiven, om het kopen en verkoopen van Oost- en West-Indise actien, die niet getransporteert werden … te bezwaeren met een Impost* (Amsterdam, S.l., s.n., s.a. [1687]).

[14] Smith, *Joseph Penso de la Vega*; Jonathan I. Israel, "Een merkwaardig literair werk en de Amsterdamse effectenmarkt in 1688: Joseph Penso de la Vega's Confusión de confusiones." *De zeventiende eeuw* 6 (1990): 159–64.

market. Trading is regarded as a system of affective checks and balances.[15] No wonder that the 1720s cartoons—like the one reproduced at the beginning of this chapter (Figure 10.1)—picked up on the idea of love and lust as commercial driving forces.

Bulbs, Wind Trade, and Bankruptcies

Although the three most famous early modern crises—1636/37, 1720, and 1763—can be viewed as financial bubbles showing heightened trade activity, a steep price rice and sudden collapse, they were actually quite different in nature. The Tulipmania bubble was based on the trade in goods (tulips) sold through term contracts.[16] The trade scene was limited to a few Dutch cities. The "Windhandel" (Wind Trade, the "Dutch South Sea Bubble") of 1720 was part of an international wave of financial speculation, with Paris and London as the major centers. It was primarily a "paper trade": speculation in shares and derivatives of joint stock companies. In the Netherlands, option trading seems to have gained momentum from the 1650s onward. Because options were cheaper than shares, more people could participate, causing much anxiety with the public: who were all these people, trying to get rich overnight?[17] To add to this, the phenomenon of mushroom companies dealing in fairly new financial products, such as insurances, caused anxieties and concerns.[18] Like the 1720 crisis, 1763 was a transnational phenomenon occurring specifically through the interlinking markets of Holland, Hamburg, and Berlin. This crisis was partly based on financial innovations that provided new opportunities for market development, but also encompassed risks. The crisis of 1763 was focused more on banking, triggered by political events (the Seven Years' War), credit shortage, weak balance sheets, and the contagious effects of failing banks.

The impact of the three crises also varied. Tulipmania and the 1720 Windhandel seem to have had a limited economic impact. Most rich merchants and skilled craftsmen could take a blow.[19] The banking crisis of 1763, however, had a high impact

[15] De la Vega discussed the "caresses" of Fortuna, seeing prudent traders get caught by traders heated by desire, like the wife of Potifar who threw herself upon Joseph: "Shares indicate evil lust, for those who have begun to enjoy her favors, cannot untangle themselves from her embrace."

[16] Goldgar, *Tulipmania*; Garber, *Famous First Bubbles*; Arie Ruysch, *De tulpenhandel of de dwaasheid der 17e eeuw* (Middelburg: J. C. & W. Altorffer, 1846); Earl A. Thompson, "The Tulipmania: Fact or artifact?" *Public Choice* 130, no. 1–2 (2007): 99–114; Rik G. P. Frehen, William N. Goetzmann, and K. Geert Rouwenhorst, "New Evidence on the First Financial Bubble," NBER Working Paper No. 15332 (Cambridge, MA: National Bureau of Economic Research, 2009); Joost Jonker and Oscar Gelderblom, "Mirroring Different Follies. The Character of the 1720 Speculation in the Dutch Republic," in *The Great Mirror of Folly: Finance, Culture, and the Crash of 1720*, ed. William N. Goetzmann, Catherine Labio, K. Geert Rouwenhorst, and Timothy G. Young, 121–40 (New Haven: Yale University Press, 2013).

[17] For an overview of the techniques in use in Amsterdam in the seventeenth century, and a glossary of terms, see Petram, *The World's First Stock Exchange*; Inger Leemans and Wouter de Vries, "Why Wind? How the Concept of Wind Trade Came to Embody Speculation in the Dutch Republic." *Journal of Modern History* 94 (2022).

[18] Christiaan Hendrik Slechte, *"Een noodlottig jaar voor veel zotte en wijze": de Rotterdamse windhandel van 1720* (Den Haag: Martinus Nijhoff, 1982); Frehen, Goetzmann, and Rouwenhorst, "New Evidence on the First Financial Bubble."

[19] For 1720, no convincing evidence exists for a profound bubble crisis with a marked rise in bankruptcies of the established firms and merchant families. Gelderblom and Jonker, "Mirroring Different Follies."

on the Dutch economy. Some major trade houses went bankrupt, drawing smaller firms with them in the fall. The episode was also instrumental in the waning position of Holland as an international center of finance.[20]

Although their structure and impact differed, all three financial bubbles were accompanied by waves of media attention, which were so significant that we could call them cultural bubbles. The largest cultural bubble in terms of *quantity* was clearly 1720. Tulipmania and 1763 each produced around forty pamphlets.[21] In 1720 the cultural production skyrocketed. The famous compilation of jobber broadsheets, *The Great Mirror of Folly* (1720), holds around seventy-five cartoons, and several letters and songs, testifying to the quantity of the cultural response: the public apparently needed guidance in keeping up with the number of publications on the topic.[22] In the meantime, the Amsterdam theater had attracted a sizable number of visitors (merchants, policy makers, and the general public) by staging stock jobbing plays. In total ten stock jobbing plays were performed.[23]

The *diversity* in the reactions to all three crises is stunning: consolation letters, mock share price lists, catechisms, burial scenes for stock jobbers, theater plays (farces, tragedies, and allegorical plays), bawdy songs, paintings, cartoons, emblems, logos, satirical dialogues. Again, 1720 produced the most diverse output, inventing new visual concepts, stock jobbing plays, bubble playing cards, porcelain plates with mocking stock jobber scenes, and a stream of cartoons with clever combinations of image and text. The 1763 bubble continued this line of production with cartoons, theater plays, and a series of satirical letters, bundled in a compilation: a marketing strategy the printers learned from *The Great Mirror of Folly*.[24]

In 1763, we begin to see rising newspaper coverage. In 1720 newspapers mostly limited their coverage to factual news and (occasionally) price lists. In 1763, national and regional newspapers wrote more comprehensively about the world of finance, adding leaflets with satirical texts.[28] A couple of years after the crisis, a journal *De Koopman* [The Merchant] was founded, specifically for business news coverage. In the nineteenth century, the serial press would become dominant in covering the world of finance. By the twentieth century, newspapers covered financial news on a daily basis. Although financial journalism seemed to become more factual and objective, emotions were never far away in times of crises.

20 Isabel Schnabel and Hyun Song Shin, *Foreshadowing LTCM: The Crisis of 1763* (Mannheim: Universitätsbibliothek Mannheim, 2002). However, the Amsterdam notary archives do bear witness to dozens of complaints from nonprofessional investors (some of them women) who tried to recover their money from trades they had engaged in in Holland, England, and France.

21 Frans Mensonides, http://www.fransmensonides.nl/tulp/; Posthumus 1926, Krelage 1942, Goldgar, *Tulipmania*.

22 In 1721 a new compilation with a different selection was put on the market: *Verzameling tot waarschouwinge voor de nakomelinge*.

23 Some of these plays were also included in the *Great Mirror of Folly*. Inger Leemans, "'New Plays Resemble Bubbles, We Must Own': Staging the Stock Market—1719/1720," in *Pieter Langendijk's Quincampoix, or the Wind Traders and Harlequin Stock Jobber*, ed. Joyce Goggin and Frans De Bruyn, 181–203 (Liverpool: University of Liverpool Press, 2020).

24 [Anonymus], *Het Wissel- en Wondertoneel, van den Jaare 1763. Of Verzameling der Geschriften, Welke over de Veelvuldige Bankroeten zyn in 't Licht gekomen* (S.l.: s.n., 1763); Sautijn Kluit, *De Amsterdamsche Beurs*.

The Affective Roadmap of Financial Bubbles

These early modern cultural bubbles should not be regarded as "comments after the fact." Historians have shown that the Tulipmania pamphlets started before the peak of the financial bubble.[25] Also, the cartoons and texts did more than satirize and shout out in dismay. They were, for instance, actively involved in heightening trader enthusiasm. They did so by explaining the complex elements of stock jobbing in lay terms (for instance in a song in a theater play), so new players could enter the game. The public was kept informed by new print runs of updated cartoons.[26] The famous Bernard Picart print *Monument consacré à la postérité en mémoire de la folie incroyable de la XX. année du XVIII. siècle* (Figure 10.2) went through several print runs, adapting the information contained. At a certain point, mushrooms appeared, with the names of the new joint stock companies. The text named these mushrooms "*bubbels*."[27] Thus, the cartoon helped the public understand the new concept of mushroom companies,

Figure 10.2 Mushrooms ("Bubbels") with the names of Dutch joint stock companies. The short poem calls out to people to curb their enthusiasm and desire. Detail of Bernard Picart, *Monument consacré à la postérité en mémoire de la folie incroyable de la XX. année du XVIII. siècle*. Rijksmuseum Amsterdam, RP-P-1908–2355.

25 Goldgar, *Tulipmania*.

26 Two cartoons *The Wind Sellers Paid in Wind* and *The Wind Buyers Paid in Wind* are very similar, but the first print presented a list of twenty-one joint stock companies that people could invest in, the second version updated the list to twenty-seven companies.

27 Rijksmuseum Amsterdam RP-P-OB-51.222.

indicating that these joint stock companies could grow through the "*lust en drift*" (enthusiasm and desire) of the traders.

The cartoon, showing an exited, mixed, international crowd, men and women, of different social classes and cultural backgrounds, is a display of market tensions and unruly emotions, seeking to depict the affects that drive the traders (Figure 10.3a–e). It is important to note that emotions are depicted as embodied: we read them from

Figure 10.3a–e The emotional economy of the 1720 Wind Trade. Details of Bernard Picart, *Monument consacré à la postérité en mémoire de la folie incroyable de la XX. année du XVIII. siècle*. Rijksmuseum Amsterdam, RP-P-1908–2355.

facial expressions, signs and bodily movements. Investors raise their hands in hope and expectation; embracing others intimately. Again, trading and love making seem to be connected. The heightened passions spiral out of control, leading to agony, despair, and pure rage.

This analysis of the stock market in terms of emotions continued in the crisis of 1763. Then, theater plays were a more dominant medium than cartoons for cultural sensemaking.[28] These plays presented a fine-grained understanding of trading as an emotional process, displaying certain patterns. First, the severity of the crisis was "measured" in terms of its emotional impact: merchants are in tears, households are in disarray, widows and orphans (who relied on charity and a prosperous economy) in despair, the stock exchange weeps, Mercury complains. The plays described how self-interest, which was considered to be a positive market driver as long as it was controlled and socially embedded,[29] could develop into a more passionate desire. This desire was still an impulse with market value, as it could help to prevent volatility spiraling out of control into lust (with more sexual undertones), greed, and vulturine excesses (stopping at nothing to get personal profit).[30] Elsewhere, traders—specifically their families—moved from a mild state of worry, to a more dejected state, described in terms of weight on the soul, and expressed through exclamations (*och! ach!*), and sighing. Here, denial stops the characters from facing the truth (*ik twyfel daar ook aan, ik kan het naauwelyks gelooven*—I doubt it, can hardly believe it), but will probably be followed by depression and despair.[31] The level of (de)pression was used to show the state of the market and the awareness of what is going on.[32] We could continue, describing the transition from being moved to sadness, from concern to alarm, wonder to joy, anxiety to fear, fright, and shock, expressed through the shaking, freezing and collapsing of the body. The texts provide an emotional "roadmap" to provide the general public with means how to "read" the market. While this perception of emotions as important drivers of financial processes and crises might have been discredited in the dominant economic theories of the nineteenth and twentieth centuries, it would find new interest, as the bubbles of 1929 and 1987 show.

Affective Reactions to the 1929 Crisis and Its Aftermath

The crash that hit the New York stock exchange in October 1929 made a deep and lasting impression on public memory. Pictures of mobs frantically trying to enter the Stock Exchange, of stockbrokers and jobbers on the floor watching the prices tumbling in despair, and the myth of traders committing suicide by jumping from skyscrapers, all testify to the serious and broad wave of emotions this crash caused.[33] After years of economic euphoria, on October 24 the rise of stock prices came to a sudden halt. Trade

28 Some examples: [Anonymous], *De Duizend Vreezen, of De eerlykheid onder de voeten: Blyspel der Bankroetiers* (S.l.: s.n., 1763); [Anonymous], *De Makelaar of het ontmomde wisselcongres. Kamerspel* (S.l.: s.n., 1763); [Anonymous, "A.B.C.D."], *De Bankbreeker door List. Kamerspel* ("Cuilenborg": "Fop Fopper," 1763); Cornelis van Hoogeveen, *De misleide Kooplieden, of De gewaende rijkaerts: Blijspel* (Leiden: Cornelis van Hoogeveen, 1763).

29 Inger Leemans, "Commercial Desires in a Web of Interest," in *Historicizing Self-Interest in the Modern Atlantic World: A Plea for Ego?*, ed. Christine Zabel, 141–63 (Abingdon: Routledge, 2021).

30 One play describes a merchant "die zeer gierig en schraapzuchtig was, en niemand verschoonde als hy hem trektrekken kon."

31 "O Droevige tyd! wie drommel kan men hedendaags vertrouwen? ydereen bedriegt me, ik weet geen raad och, och, ik ben een bedorve Man!"

32 "Ik geloof aan u zugten dat gy 't al zoo goed weet als ik."

33 Galbraith stated that it was uninformed and greedy speculators that caused this crisis. J. K. Galbraith, *The Great Crash, 1929* (Boston, MA: Houghton Mifflin Harcourt, 2009).

was running so fast the ticker could not catch up and traders panicked on what was called "Black Thursday." When, after the weekend, the five largest US banks made clear that they would not back up the prices by buying stocks, the stock market crashed on "Black Tuesday," October 29.[34] Symbolically these days of grave crisis on the market were referred to with the color of death, bereavement, and mourning. In the months that followed the crisis spread to Europe. For several years, economic activity declined worldwide and unemployment peaked everywhere.

Because the Dutch economy was strongly connected to international trade and finance, it did not take long for the crisis to hit the Netherlands.[35] On the Amsterdam stock exchange, prices reacted strongly. Although they had hardly profited from the boom in the US, stock prices were nevertheless dragged down in the months after the crash in the New York, which was widely commented on in Dutch newspapers and was compared to preceding events that shocked the markets.

Indicating the Atmosphere at the Stock Market

In the 1920s, Dutch newspapers could build on a long tradition of financial specialism in which newspapers provided information on the movements of the financial market. However, in general, reporting on finance was still rather detached, limited to factual information. The same was true for the first stages of the crisis in 1929. Most Dutch newspapers, especially those connected to the world of finance and business like *Nieuwe Rotterdamsche Courant*, *Algemeen Handelsblad*, and *De Telegraaf*, limited themselves to factual reports in which the calmness of the Amsterdam market was stressed. For international news the journalists mostly relied on press releases of international offices. Only a small number of newspapers had reporters in international markets, and it was only when these reporters started to cover the events in New York and London that descriptions became more vivid.

In the first days of the crisis in New York, Dutch news coverage expressed relative calm. This is not surprising because the London and Amsterdam stock exchanges were not immediately impacted after Black Thursday. On Monday October 28, four days after Wall Street had been closed, the London correspondent of the Dutch newspaper *De Telegraaf* wrote: "the force that ended the prolonged boom at Wall Street has not for a second deafened the London exchange."[36] The London market even seemed somewhat proud that the crisis was triggered by the British decision to raise the interest on discount loans. This decision, according to Dutch journalist in London, was seen as the direct cause for "the burst of the bubble that was blown up too far by speculation."[37] In fact, this was the only example of a newspaper referring to the crisis as a "bubble."

[34] Gordon Thomas and Max Morgan Witts, *The Day the Bubble Burst: A Social History of the Wall Street Crash of 1929* (New York: Open Road Integrated Media, 2014); Ali Kabiri, *The Great Crash: A Reconciliation of Theory and Evidence* (Basingstoke: Palgrave Macmillan, 2014); Maury Klein, "The Stock Market Crash of 1929." *Business History Review* 75, no. 2 (2001): 325–51.

[35] For an overview of the development of the Dutch financial sector in this period see J. L. van Zanden, "Old Rules, New Conditions, 1914–1940," in *A Financial History of the Netherlands*, ed. Marjolein 't Hart, Joost Jonker, and Jan Luiten van Zanden, 142–51 (Cambridge: Cambridge University Press, 1997).

[36] *De Telegraaf*, October 28, 1929.

[37] Ibid. ("het uiteenspatten van de te ver opgeblazen speculatie-zeepbel").

This term, and similar expressions such as the Dutch word *windhandel*, were apparently earmarked for more distant crises, such as Tulipmania or the South Sea Bubble. Even more remarkably, words like "crash" only occurred in a couple of articles, and "bankruptcy" was only used when foreign cases of swindle or falsehood were covered.

However, as in the early modern period, a meteorological metaphor was used to measure the pressure of the stock market. In 1927 the newspaper *De Telegraaf* innovated in its financial news coverage with the *Beursbarometer* (Figure 10.4a–b), published as a weekly infographic to analyze the atmosphere of the stock market. The barometer captured the prices for goods (e.g., tobacco, textiles, rubber), sectors (e.g., shipping, oil, banks), and countries (e.g., America). Stable or rising prices were listed as "Firm," "Very firm," or "In demand." When they went down, the market was described as "Divided," "Weak," or "Under pressure." "Depressed" was the most negative indication on this weatherglass. There were no categories for "Disappointing," "At a loss," or "Sell!" nor did the barometer have a scale for the panic with which the stock market met in October 1929.

The barometer was not only inaccurate, it was also quite slow in capturing the pressure of the stock market. While a barometer is expected to predict the weather, the Beursbarometer actually took quite some time to adapt to changing market conditions. Two days after Black Tuesday, the Dutch barometer still indicated that the American motor company Ford, and business sectors such as oil and margarine were "firm" and "in demand." It was only after nearly two weeks that the barometer started to show

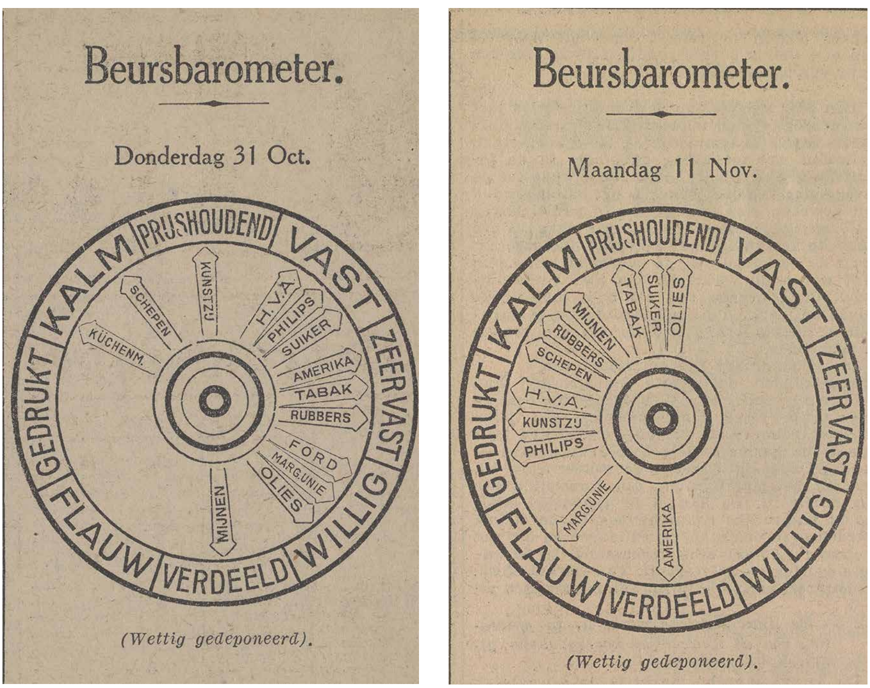

Figure 10.4a–b The "Beursbarometer," a weekly infographic used to take the atmosphere of the stock market, published in *De Telegraaf*, October 31 and November 11, 1929.

that stock prices were not performing optimally and "America" was listed as "divided." However, important sectors of the Dutch economy such as tobacco, oil, and sugar still were "Firm"; only margarine was listed as "Faint." While in 1720, the stock market was depicted as stormy, in 1929, for some time the barometer kept listing the financial atmosphere as "Firm," "Steady," or—at worst—"Faint."

A Delayed Debacle on the Stock Exchange

While most Dutch newspapers were displaying calm weather, both for the international and national markets, this positive mood was not shared by all. The social-democratic newspaper *Het Volk* [The People], for instance, wrote in its headlines on October 30, 1929: "Death bell tolls for Damrak." The Damrak, home of the Amsterdam stock exchange, was, according to this paper, not the safe haven of the financial world the Dutch press projected. According to *Het Volk*, the Damrak was in shock at the news of the debacle of New York, and traders were panicking. The reporter gave a vivid description of traders anxiously waiting at the entrance of the stock exchange for the opening hour. Inside, on the bourse floor, they were busily gesticulating, chewing their cigarettes, with stunned faces, their eyes bewildered. The spacious hall of the stock exchange was filled with people

> running, yelling and tossing about, no one walking calmly. They pop out of a telephone box and start to yell as if they had a terrible accident. At once others gather around and for one moment they seem to start fighting, their screams resounding in the building. Suddenly as if they were naughty boys, caught by a police officer, they run off and ten meters away a new uproar begins. People shout and roar like madmen.[38]

This description of panic at the exchange might be caused partly by the fact this reporter was not experienced with the usual habits of trade. But his description of the chaotic scenes at the stock exchange formed a clear exception to the largely detached news coverage in these hectic days. Most Dutch newspapers copied press releases from the German Reuters office on declining stock prices, rising unemployment, insolvent banks, and even suicides in New York. The situation was mostly described in a rather quiet way: London was in a "weak mood," Amsterdam took a "firm position," and exchange rates were "offering resistance" when the stock exchange opened.[39] While the general reaction in Amsterdam, according to most newspapers, seemed to be rather composed, the events on Wall Street were tracked with awe and disbelief. The crash was considered to be "excessive" and Wall Street seemed to be "completely demoralized."[40] It was only when the crisis continued, that newspapers started to express more concerns. On November 10 the *Nieuwe Rotterdamsche Courant* depicted the events as "days of huge catastrophe," with prices that were "incessantly crumbling." Nearly two weeks after Black Tuesday, the newspaper concluded that it had been "a debacle."[41]

38 *Het Volk*, October 30, 1929.
39 *Algemeen Handelsblad*, October 30, 1929.
40 Ibid.
41 *Nieuwe Rotterdamsche Courant*, November 10, 1929.

The newspapers then also started to look for preceding crises that might give more context. In a historical overview of historical financial crises, published by *Algemeen Handelsblad*, the South Sea Bubble was given a prominent role. The 1720s crisis, known for its bubble companies, was described as caused by "excessive speculation" and "spoilage of means."[42] *De Telegraaf* referred to 1720 to remind the public that there had been severe crises before. The article also relived some of the older terminology and imagery, such as the early modern expression: he (a stock jobber) is "on the bankruptcy wagon to Vianen" (traders who used to flee to the free city of Vianen, to avoid bankruptcy and settling debts).[43] The 1720s saying "Wind is the beginning, wind is the end" was printed in this article along with one of the old cartoons of the *Great Mirror of Folly* (Figure 10.5).

Figure 10.5 Reprint in *De Telegraaf* (November 6, 1929) of the 1720s cartoon "Wind is the beginning, wind is the end," originally printed in *The Great Mirror of Folly* (1720).

[42] *Algemeen Handelsblad*, November 3, 1929.

[43] *De Telegraaf*, November 6, 1929. Citations in Dutch: "Op den bankroetierswagen naar Vianen"; "Wind is 't begin, wind is 't end."

Dutch newspapers in general perceived the crisis as caused by excessive speculation on the American stock exchange. Already on October 29 *Algemeen Handelsblad* pointed to the banks in the US being happy to finance every expansion in industry and in that way contributing to heavy inflation. This became even more dangerous because most of the stocks were bought by the public with borrowed money. A minor decrease of the prices could thus cause a panic on the stock market, forcing many to sell their shares. A week later, chief editor Heldring published his explanation of what had gone wrong.[44] Heldring, descendant of a famous family with roots in banking and business, pointed out the crisis was *not* caused by speculation. Speculation, in his view, was an essential element of the stock market. It was the "people that threw themselves on the market recklessly" that caused the crisis. They did not take the necessary precautions, but were "led by the spirit of the gambling table."[45] This was an old and well-known trope also used, as we saw, in earlier crisis. In the eighteenth century, stereotyping others as speculators, gamblers, and courtiers was a powerful way of stigmatizing people as unreliable, while at the same time enhancing the standing and integrity of the author.[46]

This morally tainted message was echoed the same day in a Roman Catholic newspaper. It explained the crisis by emphasizing psychological factors: a growing number of people were seduced to take risk by the rising prices on the stock market, and by the appealing stories of high gains. People did not listen to warnings, and when the prices started to go down, panicked easily, and were forced to sell, in order to pay their debts.[47] This explanation led to scapegoating the inexperienced, rent-seeking speculators in the US who gave the boom on Wall Street its unprecedented swing.[48] They were facilitated in their speculative behavior by banks and other financial institutions which had extended their credits. Consequently, the financiers also were to be shamefaced for the crisis. However, although most newspapers agreed that it was the amateur speculators who caused the crash, these gamblers were also seen as the victims of the crisis.

Thus, it was only after it became clear that Amsterdam would also be hit hard, and the market would not recover shortly, that the press started to look for causes. As in previous crises, this resulted in "emotional othering," mocking rent-seeking amateurs who were seduced and outplayed by greedy bankers. The wave of emotional sensemaking, however, seems to have been relatively short lived, and quite limited to the newspapers. As Anbeek has shown, both the 1929 crash and the economic crisis which followed, causing enormous unemployment and social stress in the Netherlands, hardly echoed in novels or other literary texts.[49]

[44] The article was not signed but it was probably written by the chief editor A. Heldring himself.

[45] *Algemeen Handelsblad*, November 4, 1929.

[46] Koji Yamamoto, *Taming Capitalism Before Its Triumph: Public Service, Distrust and Projecting in Early Modern England* (Oxford: Oxford University Press, 2018); Stefan Condorelli and Daniel Menning, *Boom, Bust, and Beyond: New Perspectives on the 1720 Stock Market Bubble* (Berlin; Boston: De Gruyter Oldenbourg, 2019).

[47] *Het Centrum*, November 4, 1929.

[48] *De Telegraaf*, October 28, 1929: "de kleine volstrekt onervaren en speculant die een ongekenden omvang aan den boom in Wallstreet heeft gegeven."

[49] Anbeek concludes that the scarce literature depicting these frugal years did not become part of the canon of Dutch literature. Only the gloomily titled *In de schaduwen van morgen* [In the shadows of tomorrow], by the historian Johan Huizinga, caught the spirit of the times. It sold widely and was translated into several languages. The crisis did inspire artists, such as painter Carel Willink, to depict the world in a gloomy and threatening atmosphere. Ton Anbeek, "Doemdenken in de Jaren Dertig. De Crisis in de Nederlandse Literatuur." *De Spectator* 22 (1993): 249–59.

Black Monday: The Crisis of 1987

The crisis of 1987 encompassed an immense and sudden drop in stock prices on October 19, 1987 ("Black Monday"), and in the days thereafter.[50] In financial history studies, 1987 is generally described as having the characteristics of a bubble, the years before witnessing a sharp increase in stock prices,[51] part of a longer history of "ups and downs, bubbles and busts, manias and panics, shocks and crashes."[52] The crisis of 1987 witnessed collapse in multiple markets, testifying to the fact that share trading had become ever more of a global phenomenon.[53] Other specificities relate to the macro level, especially how the growing trade deficit of the US, in particular with Japan and West Germany, pushed interest rates and lowered trust in the value of the dollar, making money more scarce and more expensive, creating distrust in the potential of the economy and undermining trust in the stock market. This "psychological factor" is often contrasted with the highly technical and supposedly "impersonal" character of the stock market, accelerated through the use of computers and algorithms.[54] At the time, the risk-hedging algorithm called "portfolio insurance" was rather new but had become popular rapidly. It was promoted as insurance against expected future drops in prices: when markets started to decline, the algorithm required selling assets to prevent losses. So, in 1987, once prices started to drop, investors "automatically" began selling stocks on a massive scale, as they all made use of portfolio insurance strategies.[55]

In Dutch newspapers, the events of 1987 were widely debated in an urge to make sense of this "shock," "drama," "bubble," and "crisis," but—strikingly—1987 has received little attention from historians so far.[56] The following analysis of 1987 confirms findings established above, supporting claims that a long-term analysis shows how emotions and narratives play recurrent roles in sensemaking in financial crises.

"Self-Evident" Fundamentals versus "Irresponsible" Passions?

In the Netherlands the stock price started to drop late on Monday October 19, 1987. The next day, the Dutch stock market was in full crisis. "Rational" explanations informed by American press coverage were dominant at first in clarifying the crisis. Newspapers listed macro developments, with much emphasis on the US, suggesting "things were different there," as in 1929. They pointed at the panic caused by the increase of interest

[50] Niall Ferguson, *The Ascent of Money: A Financial History of the World* (New York: Penguin Press, 2008), 165.

[51] Aliber and Kindleberger, *Manias, Panics and Crashes*, 18; Aliber and Kindleberger do not regard 1987 as a real bubble, for it was too "small" and the recovery too soon.

[52] Ferguson, *The Ascent of Money*, 342.

[53] Aliber and Kindleberger, *Manias, Panics and Crashes*, 44.

[54] Ibid.

[55] See Berekeley Haas, https://newsroom.haas.berkeley.edu/prof-emeritus-mark-rubinstein-financial-engineering-pioneer-passes-away/ (Accessed October 2022).

[56] "Experiment wijst uit: onervaren handelaren schuld aan beurscrisis," *Trouw*, November 20, 1987. 1987 is not mentioned at all in the overview of the development of the Dutch financial sector in this period by Jaap Barendregt and Hans Visser, "Towards a New Maturity, 1940–1990," in *Financial History of the Netherlands*, ed. Marjolein 't Hart, Joost Jonker, and Jan Luiten van Zanden, 152–94 (Cambridge: Cambridge University Press, 1997).

rates in the US, failed attempts to reduce the US trade deficit, and the Iran–Iraq war (1980–1988), which raised concerns about the oil supply. These problems of supposedly predominant American origins had "dragged Amsterdam down" too.[57]

Besides American and macro developments, the psychological and passionate behavior of traders, including in Amsterdam, was seen as a cause. "Crash is Result of Psychological Factors. Words Can't Describe What is Happening," as one newspaper noted on October 21.[58] Computers contributed to the psychological stress as they "haunted" traders and seemed to have taken over the floor.[59] The unexpected role of algorithms in trading, as well as the psyche and passions of the trader were contrasted with the presumed predictability and rationality of the economic fundamentals and statistics. As one financial expert claimed, there was no material basis for the huge drop in prices, as the "economic fundamentals" looked good. But as one newspaper stated, "as psychological arguments play an important role next to economic arguments, it is difficult to predict how serious the consequences will be."[60]

This difference was further emphasized by suggesting that institutional financial specialists, such as banks, operated on facts ("the fundamentals") while amateurs and, especially, traders acted upon irrational passions. The response of traders was often characterized in the media as one of "panic," that showed they were "nervous," resulting in "bloodshed," emotions traders also used for self-description. "It was yelling … it was one big mess," according to trader Arie van Os in an interview looking back on 1987. It was shocking for him that fourteen billion guilders were lost on the Dutch stock market, that many computers crashed because of the volume of transactions, that the screens could not provide up-to-date trade information, and that there was a delay of two hours to take care of every order.[61] But Van Os also stressed that inexperienced, "hot-tempered" traders and irresponsible "cowboys" on the Dutch trading market had aggravated the crisis.[62] Another Dutch newspaper, referring to American research, suggested that it was young inexperienced traders who had "panicked," while more experienced traders could fall back on their knowledge of past events.[63]

At first sight, it seemed as if indeed everyone was panicked immediately and made no efforts to calm down. However, those active on the stock exchange also expressed how they tried to stay "calm." After the first shock, small improvements in stock prices were embraced as signs that things were not too bad after all. But when the stocks continued to drop, even those who had tried not to panic suffered dramatic losses and had to sell. The picture that accompanied the article portrayed three traders in different dramatic positions and the caption stated: "Desperation ('wanhoop'), joy ('vreugde') and despair

57 "Beurskrach Wall Street sleurt Amsterdam mee," *De Volkskrant*, October 20, 1987.

58 "Crash is het resultaat van psychologische factoren. Woorden kunnen niet beschrijven wat er gebeurt," *Nieuwsblad van het Noorden*, October 21, 1987.

59 *De Volkskrant*, October 20, 1987.

60 "Dit is klap waar markt op zat te wachten," *Nederlands Dagblad*, October 21, 1987. The analysis of psychological arguments was based on comments provided by AMRO-bank.

61 *Andere Tijden*, https://anderetijden.nl/aflevering/534/De-beurskrach-van-1987 [accessed September 21, 2022].

62 Interviews with former Dutch traders: *Andere Tijden*; See also Ferguson, *The Ascent of Money*, 165.

63 "Experiment wijst uit: onervaren handelaren schuld aan beurscrisis," *Trouw*, November 20, 1987.


Het Vrije Volk extra

ZATERDAG 14 NOVEMBER PAGINA 17

Rotterdamse studenten op beurs ervaring rijker

'Na de krach wilden we een kroeg beginnen'

Vooral de kleine beleggers zijn vorige maand het slachtoffer geworden van de beurscrisis. De mensen die in de hausse van de afgelopen jaren hun zuurverdiende spaarcentjes van de bank hebben gehaald om er opties en aandelen voor te kopen. In clubjes of onafhankelijk hebben zij zich laten verleiden door de berichten over grote winstmogelijkheden op de beurs. Maar toen tijdens de snelle ineenstorting van de koersen puntje bij paaltje kwam, bleken juist zij niet op tijd te kunnen reageren. De kleine belegger werd in de paniek van het moment vaak verkeerd geïnformeerd, kon de situatie niet op zijn waarde schatten en miste de 'ingangen' op de beurs om op tijd te kunnen verkopen. Twee leden van de studenten beleggingsvereniging BEURS vertellen over hun eigen ervaringen.

Paulus de Wilt, voorzitter van de Rotterdamse studenten-beleggingsclub BEURS: „We zagen twintigduizend gulden in rook opgaan."

Wanhoop, vreugde en vertwijfeling wisselden elkaar de afgelopen weken in hoog tempo af op de effectenbeurs. En het zal nog wel even duren voor de nagelbijter kan overstappen op een schaartje. (Foto's AP)

Figure 10.6 Emotions at the stock exchange (from left to right): "Desperation ('wanhoop'), joy ('vreugde') and despair ('vertwijfeling')." "Rotterdamse studenten op beurs ervaring rijker." "Na de krach wilden we een kroeg beginnen." *Het Vrije Volk*, November 14, 1987.

('vertwijfeling') have alternated in recent weeks on the stock exchange. And it will be some time before the nail-biter can switch to a pair of scissors"[64] (Figure 10.6). As in the early modern period, the emotion analysis of the trade floor focuses on stages of emotional anxiety, taking the temperature of the stock market through the affective responses of the investors.

Taking Lessons From the Past: The "Hit" That Could Be Expected?

Another way contemporaries tried to make sense of what happened was by taking lessons from the past. Whereas in 1929 people referred to the seventeenth-century crisis, in 1987 Dutch newspapers made ample comparison between 1987 and 1929. A reader in an open letter in the Dutch daily *Trouw* stated: "the panic of the last few days reminded us all of the panic of 1929."[65] Initially, the stock price drop in 1987 was perceived as even more devastating than in 1929, but soon the analogy served to restore trust and optimism.[66] After several weeks the Dutch minister of Finance, Onno Ruding, in public debates and interviews, tried to (further) calm investors, traders, politicians, and the Dutch public by arguing that Black Monday 1987 was not as severe as 1929.

But there were other differences between the twentieth-century crises. In September 1986 an article in a Dutch daily on the American stock market had

64 "Rotterdamse studenten op beurs ervaring rijker." "Na de krach wilden we een kroeg beginnen." *Het Vrije Volk*, November 14, 1987.

65 *Trouw*, October 24, 1987.

66 "Woorden schieten bijna tekort." *Nederlands Dagblad*, October 21, 1987.

warned that computerization in combination with "rumour" (*geruchten*) could easily "scare" (*doen schrikken*) traders, make them "nervous" (*nerveus*), and cause them to massively sell their stocks. This was "not the only paradox" the newspaper noticed. For example, good economic forecasts that one would expect to lead to optimism on the trading floor, strikingly caused stress as analysists and traders feared inflation and thus decline. Although the article started by optimistically stressing the great improvements since 1929, its conclusion expressed uncertainty: "Indeed, it is a double paradox and something is not right. What exactly is wrong and what relations can be established between the paradoxes mentioned and the program trade, the future will have to tell."[67]

This narrative that "something had been wrong for long" was recalled once the crisis broke out. For example, on October 21, a representative of the Dutch AMRO-bank argued: this was "the hit the market had expected"—the increase in stock prices just could not continue.[68] Emotional othering remained a powerful strategy of sensemaking.

Conclusion

Emotions played a major role in sensemaking processes around financial bubbles in the Netherlands, and in a more subtle way than the one-dimensional depictions of financial crises as irrational behavior might suggest. By taking a long-term approach to the Dutch case, we uncovered recurring trends and differences. Major financial crises were accompanied by sensemaking processes, cultural bubbles that, just as the financial bubbles themselves, varied in intensity, duration, and diversity. There is no one-on-one relationship between the two: for instance, while the economic impact of 1720 seems to have been limited, the cultural outcry was extensive, while for 1929 it seems to have been the opposite. Over the run of the centuries the media diversity of cultural bubbles was limited, with newspapers becoming dominant instruments of sensemaking in the twentieth century.

We found that emotions played an important role in the recurrent scripts and imaginaries of cultural bubbles over the centuries. To describe processes of sensemaking through emotion narratives we used the concept of "emotional economies," highlighting the fact that emotions were often perceived not as disconnected from the market, but as essential driving forces. Describing the stock trade as an emotional realm helped the general public relate to the phenomenon and understand its dynamics. This could be done in binary oppositions (emotional othering of "the greater fool"), or through more fine-grained emotion scales and imaginative "infographics," such as the *Beursbarometer*, used to measure pressure on the market.

The rise of economics as an academic discipline pushed the passions out of the ideal of the efficient market. This dominant economic model also impacted public interpretations. We see this in the 1929 crash, when emotions were mostly perceived

[67] "Beurs houdt beter koers dan in 1929." *Algemeen Dagblad*, September 20, 1986.
[68] "Dit is klap waar markt op zat te wachten." *Nederlands Dagblad*, October 21, 1987.

as disturbances to the market, and journalists reported calm weather as long as possible. Interestingly, it seems to have been the 1987 crash, when computers and algorithm trading started to interact with human trading, that revived a more nuanced interpretation of the market as an emotional economy. Hence, this chapter has underlined the fruitfulness of taking a long-term perspective with a focus on emotions when researching stock markets in their cultural-historical context.

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