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Trends and Transitions in Dutch Commercial Republicanism, 1600–1800

Ida Nijenhuis

The commercial republic the Dutch established during their struggle to gain independence from Spanish Habsburg rule featured prominently in early modern debates concerning what we nowadays call economics.* Elsewhere kings and princes dominated politics, economics and religion, but they (and their advisors) believed that the Dutch had created an economic “miracle”, notwithstanding the forbidding character of their territory. Finding solutions for “the limits nature seemed to have set to productivity” had made them into an example of human ingenuity.¹ Various French and English writers on matters concerning the state’s household, later labelled as political economists, tried to analyze Dutch economic success with a view to taking appropriate political measures for their own countries, generating economic principles in passing.² Historiography was for a long period attached to the notion that the Dutch, though regarded as the early modern creators of an economic miracle, did not play a significant role in these debates or in the creation of economic theory.³ Even the Dutch themselves believed they were a practice-ridden and theory-lacking nation. Adriaan Kluit (1735–1807), one of the founding fathers of Dutch academic economics, for instance, stated at the beginning of the nineteenth century that foreign authors criticized the Dutch for possessing more practical experience than theory; hence they did not use the general rules and principles that were also applicable to their country. Kluit lamented the fact

* This chapter combines and reviews my results from earlier published material mentioned in the footnotes.

- 1 Joyce Appleby, *Economic Thought and Ideology in Seventeenth-Century England* (Princeton: Princeton University Press, 1978), 77–78.
- 2 Ibid., 85; Lionel Rothkrug, *Opposition to Louis XIV: The Political and Social Origins of the French Enlightenment* (Princeton: Princeton University Press, 1965), 202; Jacob Soll, “Accounting for Government: Holland and the Rise of Political Economy in Seventeenth-Century Europe,” *Journal of Interdisciplinary History* 40 (2009): 215–38.
- 3 Though some acknowledged the singular influence the seventeenth-century brothers Johan and Pieter de la Court may have exerted. Ivo W. Wildenberg, *Johan & Pieter de la Court (1622–1660 & 1618–1685)*. *Bibliografie en receptiegeschiedenis* (Amsterdam: Holland Universiteits Pers, 1986), 52–56.

that his compatriots had not yet come up with what he called “a well-founded system.”⁴

However, due to the linguistic turn in historiography, “economic thought” in the early modern era was no longer the sole remit of economists, who were often inclined to pure “Dogmengeschichte” and concentrated on the genesis of economic analysis. In the wake of John Pocock’s epoch-making *Machiavellian Moment* (1975) and Istvan Hont’s groundbreaking publications on the interaction of politics and commerce, students of intellectual history, political scientists as well as historians, started to study political and economic ideas and concepts in their historical contexts.⁵ They did so with a sharp eye to those early modern authors who felt commerce had a fundamental impact on political society. This approach did not pass unnoticed in the Netherlands, where Wyger Velema was one of the first to apply Pocock’s method in an analysis of Elie Luzac’s writings on commerce, while I have used Hont’s studies in investigating Isaac de Pinto’s economic ideas.⁶ Other research from this perspective established that the Dutch Republic not only figured prominently as an interesting case study in the investigations of foreign writers into the wealth of nations, but also demonstrated how Dutch authors as dissimilar as Willem Usselincx (1567–1647), Hugo Grotius (1583–1645), his cousin and fellow-jurist Dirck Graswinckel (1601–66), the De la Court brothers (Johan 1622–60 and Pieter 1618–85), Hendrik Herman van den Heuvel (1732–85), to mention only a few, contributed to this field of enquiry. Indeed, from the late sixteenth century onwards several private and public agents in the Dutch Republic published broadsheets, tracts and treatises in an effort to influence political decisions

4 Ida J.A. Nijenhuis, “De ontwikkeling van het politiek-economische vrijheidsbegrip in de Republiek,” in *Vrijheid. Een geschiedenis van de vijftiende tot de twintigste eeuw*, ed. by E.O.G. Haitzma Mulier and W.R.E. Velema (Amsterdam: Amsterdam University Press, 1999), 236.

5 J.G.A. Pocock, *The Machiavellian Moment: Florentine Political Thought and the Atlantic Tradition* (Princeton: Princeton University Press, 1975). The enormous scholarly impact of this work can be deduced from “The Machiavellian Moment Turns Forty: Re-thinking J.G.A. Pocock’s Intellectual Legacy,” a special issue of *History of European Ideas* 43 (2017). Istvan Hont, *Jealousy of Trade: International Competition and the Nation-State in Historical Perspective* (Harvard: Harvard University Press, 2005) contains the definitive version of all the articles Hont published separately from 1983 onwards. In that year he published, together with Michael Ignatieff, “Needs and Justice in the *Wealth of Nations*,” in *Wealth and Virtue: The Shaping of Political Economy in the Scottish Enlightenment*, ed. by Istvan Hont and Michael Ignatieff (Cambridge: Cambridge University Press, 1983), 1–44. All other references to Hont will be to *Jealousy of Trade*.

6 W.R.E. Velema, “Homo Mercator in Holland. Elie Luzac en het achttiende-eeuwse debat over de koophandel,” *Bijdragen en Mededelingen betreffende de Geschiedenis der Nederlanden* 100 (1985): 427–44; I.J.A. Nijenhuis, *Een joodse filosofe. Isaac de Pinto (1717–1787) en de ontwikkeling van de politieke economie in de Europese Verlichting* (Amsterdam: NEHA, 1992).

on what nowadays would be called economic affairs. Nameless as well as well-known authors, often professionally linked to trade, industry or finance and frequently acting as officeholders, treated the *ars mercatoria* or practical trade knowledge and subjects like grain exports, the position of the Amsterdam exchange-bank, cloth production and foreign sales, fiscal measures, protection of industrial interests, the limited porto-franco, trade policies regarding either France or England, national debt, credit facilities, etcetera.

Given this variety of authors, sources, and themes, it is not the intention of this chapter to create retrospectively a pantheon of brilliant Dutch proto-economists, but to identify constituting and changing elements in this plethora of Dutch thought and practice within the context of the early modern debate on classical versus commercial republicanism. Internationally this argument concentrated on the negative effects of expanding commerce on virtuous politics. Commerce, it was feared, would become a *raison d'état*.⁷ In the Dutch context, not the rise of commerce but rather the effects of its changing nature formed the heart of the argument. This discussion was strongly influenced by natural jurisprudence, the political-theological discourse of laws and what is right and wrong, which started in Holland with Grotius and revived through the German jurist Samuel Pufendorf (1632–94).⁸

From the perspective of natural law it was not republican political virtue that was pivotal, but the balance of needs and justice in society. Self-preservation, property, political stability, sociability and civilization developed into main topics within a European theory of modern society and its morals. In Britain, Adam Smith's economic concepts were generated by his legal and moral theories. Molded by Grotius's, Pufendorf's and John Locke's works on natural law and property, Smith in his *Wealth of Nations* (1776) set out to tackle the problem of justice in a modern i.e. commercial society. In doing so he explained the compatibility of staggering economic inequality and adequate subsistence for the wage earner within a free market system.⁹ In its preoccupation with both politics (the legitimate forms of government) and property (hence commerce and the mores of commercial society) natural law confronted a gap between theory and facts that notably in German universities was bridged by *Statistik*: the application of natural law to concrete socio-economic realities in specific countries.¹⁰

7 Hont, *Jealousy of Trade*, 186.

8 *Ibid.*, 159–84, for Pufendorf's role in the debate on commercial society.

9 *Ibid.*, 13–15; 389–403.

10 Keith Tribe, *Governing Economy: The Reformation of German Economic Discourse 1750–1840* (Cambridge: Cambridge University Press, 1988), 116. See for the development of

In the following, I will first discuss how civil liberty and free trade became the pillars of Dutch commercial republicanism during the seventeenth century. Subsequently I will show how the eighteenth-century debates on Dutch decline effected the commercial paradigm, dividing Dutch writers into those who accepted and defended the changed character of commerce, and those who did not. Finally, I will explain how *Statistik*, as a new kind of political science, contributed to the development of Dutch academic economics as well as the restatement and renewal of commercial republicanism.

1 Commercial Republicanism Meets Reason of State

Most early modern authors assumed that commerce prospered better in a republic, free from the arbitrary constraints princely rule might impose. A republican form of government suited trading states like Venice and the Dutch Republic, mercantile and maritime entities more resembling entrepôts than nations and with needs unlike those of large territorial states like France. From the 1580s until the revolutionary era of the late eighteenth century, the Dutch lived in such a republic. Soon Dutch economic success and political power became associated with the absence of constraint and coercion. Contemporaries defined Dutch liberty as consisting of independence, provincial autonomy, religious toleration, and a republican form of government. These four elements brought together “by accident, by unpredictable historical events,” combined to produce a thriving society and whenever one of these elements was at risk, warnings about the ruinous effects this might entail for its prosperity were a matter of course.¹¹ In this way, the nexus of commerce, liberty, and a republican state also became almost a truism to most authors concerned with matters of state and economy. References to Christian humanist values served to justify and support this salutary trinity. The God-fearing merchant outlined by Dirck Volckertsz. Coornhert (1522–90) in his *De Coopman* (The Merchant), for example, took care his soul was not endangered by love of gain, idleness,

Statistik in Germany Hans Erich Bödeker, “Das staatswissenschaftliche Fächersystem im 18. Jahrhundert,” in *Wissenschaften im Zeitalter der Aufklärung*, ed. by Rudolf Vierhaus (Göttingen: Vandenhoeck und Ruprecht, 1985), 142–62, and Gabriella Valera, “Statistik, Staatengeschichte, Geschichte im 18. Jahrhundert,” in *Aufklärung und Geschichte. Studien zur deutschen Geschichtswissenschaft im 18. Jahrhundert*, ed. by Hans Erich Bödeker et al. (Göttingen: Vandenhoeck und Ruprecht, 1986), 119–43.

¹¹ E.H. Kossmann, “Freedom in Seventeenth-Century Dutch Thought and Practice,” in *The Anglo-Dutch Moment: Essays on the Glorious Revolution and its World Impact*, ed. by Jonathan I. Israel (Cambridge: Cambridge University Press, 1991), 286 and 291–92.

untrustworthiness, and other sins. Of course, profit-directed, even fraudulent activities were widespread, causing critics to publish admonishing tracts that emphasized Christian humanist virtue. An exhaustive analysis of the correspondence of the Leiden merchant Andries van der Meulen (1591–1654) and his family has taught us how early modern Dutch traders adopted professional ethics that corresponded to Coornhert's profile but were realistic at the same time. Reputation among fellow-traders was vital and went far to define a firm's reliability, but the rule of law guaranteed basic security of property and person.¹² This civil liberty and free trade were the props of Dutch commercial republicanism. Economic liberty, though, did certainly not yet mean free competition or free labor – with the exception of Pieter de la Court's *Interest van Holland* (1662), principled attacks on guilds or protection by monopoly were absent in the seventeenth century.¹³

Classical republicanism emphasized liberty not as security by legislation but as the freedom to participate in politics, ideally embodied in the virtuous, independent citizen eager to give his life in the defense of his republic.¹⁴ Having won freedom from outside domination, Dutch republicanism did not give this aspect of political activity, of positive liberty, a prominent place. Political rectitude and religious purity were not paramount in Dutch political and economic behavior, as England's republicans were to experience during the 1650s: they erroneously presumed a natural ally in the Dutch, being fellow Protestants and

12 Ida Nijenhuis, "Trading Information: Willem Usselinx (1567–1647) in the Corridors of Power," in *Information and Power in History: Towards a Global Approach*, ed. by Ida Nijenhuis et al. (London: Routledge, 2020), 55–56.

13 Published during the so-called First Stadtholderless Era (1650–72), when most provinces, including Holland, did not appoint a stadtholder and Grand Pensionary Johan de Witt (1625–72) dominated Dutch politics. The book was reprinted in 1669 as *Aanwysing der heilsame politieke gronden en maximen van de Republike van Holland en West-Vriesland*. Wildenberg, *Johan & Pieter de la Court*, 40 ff. De la Court wanted to liquidate guilds and monopolies in order to facilitate the export of goods from the province of Holland, but the local commercial elite held on to the primacy of the staple market and its regulations. He also attacked the regulation of production conditions by the guilds and the regulation of product specification and quality by the so-called halls. In his view, this type of control interfered with trade by influencing demand and profits in a detrimental way. Nijenhuis, "Het politiek-economische vrijheidsbegrip in de Republiek," 244–45. Arthur Weststeijn, *Commercial Republicanism in the Dutch Golden Age: The Political Thought of Johan & Pieter de la Court* (Leiden: Brill, 2012), 224–41.

14 David Wootton, "Introduction: The Republican Tradition: From Commonwealth to Common Sense," in *Republicanism, Liberty, and Commercial Society 1649–1776*, ed. by David Wootton (ed.) (Stanford: Stanford University Press, 1994), 16–17.

patriots.¹⁵ Mainstream commercial republicanism in the Dutch Republic combined civil and civic liberty in a quite modern state, which featured, according to the English observer William Temple (1628–99), a certain amount of social equality amongst its citizens. Protection from arbitrary and armed power by law was essential to the inhabitants of the Dutch Republic, and trust in the government was a consequence of both public and private security.¹⁶

During the second half of the seventeenth century, the Dutch gradually lost their lead in international trade to competing monarchies, which realized that commerce was essential to their self-preservation. Growing rivalry made them adopt trade as a reason of state.¹⁷ The most principled Dutch answer to this challenge came from the De la Court brothers who, with Spinoza, have been characterized as the exceptional and eclectic Dutch representatives of classical republicanism, in part because they favored a non-expansionist commercial republic to be defended by a citizen army.¹⁸ In his *Interest van Holland*, Pieter de la Court argued that an aristocracy of merchants would make for the welfare of all whereas government by one supreme head (a monarch or a stadtholder) would lead only to undue preferences and riches for himself, his courtiers and soldiers. According to De la Court, the interest of republican rulers was to procure rich and populous cities, which explains why republics prospered far more in commerce, arts and industry than monarchies and exceeded them in power and population. True republican liberty, in short, encouraged

15 Steven Pincus, *Protestantism and Patriotism: Ideologies and the Making of English Foreign Policy, 1650–1668* (Cambridge: Cambridge University Press, 1996), 90: “It was the perceived ideological and religious lassitude of the Dutch, not the ineluctable law of supply and demand, which made the Dutch into dangerous economic rivals.”

16 Raimund Ottow, *Markt – Republik – Tugend. Probleme gesellschaftlicher Modernisierung im britischen politischen Denken 1670–1790* (Berlin: Akademie Verlag, 1996), 105–09 and Hont, *Jealousy of Trade*, 194–201. Temple wrote his *Observations upon the United Provinces of the Netherlands* (1673) after he had been England’s ambassador to the Dutch Republic. The work was translated into Dutch and French several times. See also Ida J.A. Nijenhuis, “Shining Comet, Falling Meteor’: Reflections on the Dutch Republic as a Commercial Power during the Second Stadholderless Era,” in *Anthonie Heinsius and the Dutch Republic 1688–1720: Politics, War, and Finance*, ed. by Jan A.F. de Jongste and Augustus J. Veenendaal, Jr. (The Hague: Institute of Netherlands History, 2002), 115–17; and idem, “Republican Risks: Commerce and Agriculture in the Dutch Republic,” in *The Republican Alternative: The Netherlands and Switzerland Compared*, ed. by André Holenstein, Thomas Maissen, and Maarten Prak (Amsterdam, 2008), 266–67.

17 Rothkrug, *Opposition to Louis XIV*, 354–55; Hont, *Jealousy of Trade*, 23–24.

18 Eco Haitsma Mulier, “A Controversial Republican: Dutch Views on Machiavelli in the Seventeenth and Eighteenth Centuries,” in *Machiavelli and Republicanism*, ed. by Gisela Bock, Quentin Skinner and Maurizio Viroli (Cambridge: Cambridge University Press, 1993), 256–57; Weststeijn, *Commercial Republicanism*, 16–20.

wealth and numbers. Merchant rulers were clear about their goals: they sought their own interest by promoting freedom in trade and industry, and because mercantile prosperity could not benefit a few without benefiting all, their private interest led to public welfare instead of corruption.¹⁹

This beneficial mixture of private and public interests would not occur if commerce became a reason of state, turning commerce, as Jean Baptiste Colbert (1619–83) put it, into “perpetual combat” or, in the words of his contemporary Josiah Child (1630–99), “a kind of warfare.”²⁰ According to De la Court and other, less radical Dutch republicans, “the conquering spirit was one of the main and one of the most disastrous characteristics of monarchies.”²¹ Monarchical longing for territorial aggrandizement resulted in wars of ambition, which jeopardized trade. Therefore, commercial republics must be peaceful without being pacifistic, fighting wars only with a view to maintaining state power. This principle implied comprehensive freedom of trade, “not as an abstract economic formula or a lofty ideal to spread in the world, but as a necessary element of national prosperity, as the pivot of Holland’s reason of state in the burgeoning arena of international competition.”²²

2 Commercial Republicanism Meets Decline

The radical republicanism of the De la Court brothers did not halt the changes in the nature of commerce nor counter the very real decline of Holland as a specialized commercial state amongst competing territorial states. Worried comments increased and in due time led to a reassessment of Dutch commercial republicanism. During the second half of the eighteenth century, when the Dutch became increasingly obsessed with the loss of political and economic prominence, they tried to analyze their situation using the insights of French,

19 De la Court, *Aanwysing der heilsame gronden*, 6–7, 45. Nijenhuis, “Shining Comet,” 120.

20 Albert O. Hirschman, *The Passions and the Interests: Political Arguments for Capitalism before Its Triumph* (Princeton: Princeton University Press, 1977), 79; Nijenhuis, *Een joodse philosophe*, 90.

21 E.H. Kossmann, “Dutch Republicanism,” in *Political Thought in the Dutch Republic: Three Studies* (Amsterdam: KNAW, 2000), 167–93: 181.

22 Jan Hartman and Arthur Weststeijn, “An Empire of Trade: Commercial Reason of State in Seventeenth-Century Holland,” in *Political Economy of Empire in the Early Modern World*, ed. by Pernille Røge and Sophus Reinert (Basingstoke: Palgrave MacMillan, 2013), 25. Hiram Catton, *Politics of Progress: Origins and Development of the Commercial Republic, 1600–1835* (Gainesville: University Press of Florida, 1988), 242–43.

English, and German Enlightenment authors.²³ They discussed, for instance, the writings of Montesquieu and others on luxury, on the loss of republican virtue in commercial societies, not within the current international context of the debate on the (moral) consequences of economic modernization, but from their own perspective of decline in wealth and power.²⁴ Though this change in context never resulted in a fundamental condemnation of commerce as a source of wealth and power, it did mean a transition into another mode of commercial republicanism. While during the seventeenth century, liberty, trade acumen, and mercantile prowess were specifically associated with the strength and preservation of the United Provinces as an independent republic, during the eighteenth century the agreeable and civilizing effects of commerce on society were praised. Liberty was not only the precondition for commerce, but also its consequence. Simon Stijl (1731–1804), for example, still described commerce as the cornerstone of the Dutch state, but, like David Hume, he also defined it as the source and advancement of (civil) liberty, at the same time promoting refinement in arts and sciences as well as industrious activity in other branches of economy.²⁵ Likewise, in his contribution to a 1771 prize contest of the Holland Academy of Sciences, Adriaan Rogge (1732–1806) was as convinced as Luzac in his *Hollands Rijkdom* (Holland's Wealth) of the close relationship between commerce and a comfortable, pleasant i.e. happy life.²⁶

What, then, were the main issues eighteenth-century Dutch authors confronted when they discussed the troubled state of the commercial Republic? Primarily, one notices a continuation of the Christian humanist tradition featuring many complaints dealing with the loss of the ancient mercantile virtues of frugality, trustworthiness, and industry that built the Republic. Though it had its intellectual origins in the Dutch Republic, Bernard Mandeville's notorious maxim "private vice, public virtue" did not meet with a favorable reception there.²⁷ Dutch authors in general were more inclined to call attention to

23 W.W. Mijnhardt, *Tot Heil van 't Menschdom. Culturele genootschappen in Nederland, 1750–1815* (Amsterdam: Rodopi, 1987), 113–15; Nijenhuis, *Een joodse filosofie*, 96–97.

24 Nijenhuis, *Een joodse filosofie*, 104–112; W.R.E. Velema, "Republican Readings of Montesquieu: *The Spirit of the Laws* in the Dutch Republic", *History of Political Thought* 18, no. 1 (1997): 50–57.

25 S. Stijl, *De opkomst en bloei van de Republiek der Vereenigde Nederlanden* (Amsterdam: Petrus Conradi, 1774), 401–03.

26 Adriaan Rogge, "Antwoord op de vraag: Welke is de grond van Hollandsch koophandel?," *Verhandelingen uitgegeeven door de Hollandsche Maatschappij*, vol. XVI (Haarlem: J. Bosch, 1775), 163–65; Elie Luzac, *Hollands Rijkdom*, IV vols. (Leiden: Luzac en Van Damme, 1780–83), I, 146–47.

27 Bernard Mandeville, *Fable of the Bees: or, Private Vices, Publick Benefits* (London: J. Roberts, 1714). See Rudi Verburg, "The Dutch Background of Bernard Mandeville's Thought:

the damaging public repercussions of individual vices. From their perspective commerce seemed to change because of the immoral behavior of the people involved. The true mercantile virtues expressed in the “commerce d’oeconomie” (transit trade) appeared to be replaced by idleness, a penchant for conspicuous consumption, and a propensity to earn easy money by speculation, by overextending credit, and by tolerating a foreign-owned national debt. Montesquieu’s widely read and much discussed *The Spirit of the Laws* encouraged this line of thought by warning against the corrupting influences of luxury, stating that “les républiques finissent par le luxe.” In his view, a commercial republic could survive only when the spirit of commerce continued to rule, entrenching the habits of frugality, restraint, and hard work.²⁸

This became one of the central issues dividing Dutch writers into those who did and those who did not accept the modern aspects of the commercial republic. To the former, including De Pinto and Luzac, nothing was wrong with luxury, credit, and debt, as long as liberty and property were secure and merchants kept doing their jobs. Even no real threat was expected from (growing) material inequality, according to Montesquieu a result of the system of commerce that caused the inevitable loss of political virtue in commercial republics. Their opponents, however, especially contributors to periodicals like *De Koopman* (The Merchant), *De Borger* (The Citizen), and *De Denker* (The Thinker), associated luxury with idle, voluptuous *rentiers* buying foreign goods with money invested in foreign funds, who thereby weakened the republic. Luxury was frequently criticized as the phenomenon that caused depopulation (because people tended to postpone marriage), trade deficits, bankruptcy, and other state-injuring practices. Furthermore, sumptuousness could be profitable only when luxury goods were produced in the country in which they were consumed, i.e. in quite another type of economy. In general, these authors associated luxury consumption with growing poverty. From their perspective, moral regeneration and political measures should counter all the effects of this loss of ancient mercantile virtues.²⁹

This fascination with decline and recovery can already be observed around the turn of the eighteenth century. The *Korte schets van ’s lands welwezen door de laatste vrede* (1714), a pamphlet celebrating the end of the costly War of the Spanish Succession, restated De la Court’s arguments for freedom of trade

Escaping the Procrustean Bed of Neo-Augustinianism,” *Erasmus Journal for Philosophy and Economics* 9 (2016): 32–61.

28 Velema, “Republican Readings of Montesquieu,” 56.

29 Ida Nijenhuis, “De weelde als deugd?,” *Documentatieblad Werkgroep Achttiende Eeuw* 24, no. 1 (1992): 45–56.

and production, predicting the recovery of Dutch primacy in trade now that the republic was experiencing another era of true liberty after the death of Stadtholder William III (1650–1702).³⁰ However, as in De la Court's case, this treatise met with a lukewarm response. Increasingly, eighteenth-century writings, instead of urging the necessity of more political and economic liberty, concentrated on the causes of economic decline and loss of power and analyzed them mainly in terms of growing foreign competition. Counteracting the loss of moral fiber was one way to deal with the Dutch predicament. Political action, especially applying protective measures to disarm foreign competition, became the other recommendation. Calling for political measures, of course, involved the question who was supposed to take them within the republican constitution, gradually leading to a controversy between reformist Patriots and conservative Orangists in which national wealth became more and more politicized.

Especially during and after the short stadtholderate of William IV (1747–51) publications pursuing explanations for the “Dutch condition” abounded. In analyzing the sources of Dutch commerce, many authors would use as a model the *Verhandeling over den Koophandel* (“Treatise on Commerce”) of 1751, which was reprinted amongst others in the already-mentioned *De Koopman*, a journal devoted to trade and finance, in 1771.³¹ This treatise accompanied the then well-known “Proposition for a limited porto-franco,” a proposal aimed at facilitating trade within the staple market system, drawn up by several members of Holland's commercial elite. It classified the origins of Dutch commercial prosperity as natural, moral, and accidental or external in nature. Necessity (the lack of adequate resources) and the location of the country had forced the Dutch to become industrious, frugal, and inventive. They had joined in a polity that secured civil and religious liberty, property, and peace. These combined elements built a flourishing commercial state. Prudent statecraft through what was called mild (republican) government had sustained it for a long time, but now prosperity and power could no longer be taken for granted. The natural origins of prosperity, like the moral ingredients of success – meaning religious tolerance, civil liberty, security of property, equality before the law, and loyalty with respect to alliances – were still operative. However, as the external setting had changed dramatically, the effects of increasing international competition had to be counteracted by implementing the measures suggested in the “Proposition.”

30 True liberty was associated with Johan de Witt and the First Stadtholderless Era. After the death of William III in 1702, another stadtholderless era began and lasted until 1747.

31 Ida Nijenhuis, “For the Sake of the Republic: The Dutch Translation of Forbonnais's *Elémens du Commerce*,” *History of European Ideas* 40, no. 8 (2014): 1204–06.

William IV was expected to carry out these reforms, but he did not fulfil the role the *Verhandeling over den Koophandel* wanted him to play. After his untimely death in 1751, economic recovery failed to occur and many Dutchmen continued to worry about the dwindling international position of the Republic. During the 1770s, the valuation of commerce became the central issue in the debates and publications of the so-called Economic Society. This branch of the Holland Academy of Sciences was founded in 1777 on the wave of public concern with the state of the Republic.³² According to a substantial number of people in the Economic Society, the Dutch economy was off balance due to a lasting preferential treatment of trade that hampered the necessary development of domestic manufactures. This ominous situation, bringing about widespread poverty, could not be altered as long as a towncentered, commerceorientated and degenerate regent class dominated the political scene. The representatives of this argument did not challenge the republican setup but recommended more support for industry and agriculture as well as economic patriotism. Wearing homemanufactured clothes was promoted together with better education for officeholders and moral regeneration of the ruling class.

However, soon some of the Economic Patriots realized that reform had to be accomplished not in cooperation but in competition, perhaps even in conflict, with the established regime.³³ Some of them, as we shall see below, drifted into the more radical Patriot movement of the 1780s to end up in the political experiments of the Batavian Republic. Progressively, then, more attention was paid to the political system as a major factor in the analyses of the decline of Dutch power and prosperity. It became important to associate commerce and liberty with a “politically correct” republican history. The Patriot tax officer Cornelis Zillesen (1735–1826) used the allegedly free and democratic Batavians to play the decisive part in his representation of the genesis of Dutch commerce.³⁴ Orangists like Luzac and Kluit, on the other hand, attributed the pioneering

32 The Economic Society was founded in imitation of the Society instituted in London for the encouragement of Arts, Manufactures and Commerce. J. Bierens de Haan, *Van Oeconomische Tak tot Nederlandsche Maatschappij voor Nijverheid en Handel 1777–1952* (Haarlem: H.D. Tjeenk Willink, 1952), 5; Koen Stapelbroek, “The Haarlem 1771 Prize Essay on the Restoration of Dutch Trade and the Economic Branch of the Holland Society of Sciences,” in *The Rise of Economic Societies in the Eighteenth Century*, ed. by Koen Stapelbroek and Jani Marjanen (Basingstoke: Palgrave MacMillan, 2012), 257–84.

33 Mijnhardt, *Tot Heil van 't Menschdom*, 106 ff.; Bierens de Haan, *Oeconomische Tak*, 37.

34 Cornelis Zillesen, “Antwoord op de vraag: Welke is de grond van Hollandsch koophandel?” *Verhandelingen uitgegeeven door de Hollandsche Maatschappij*, vol. xvi (Haarlem: J. Bosch, 1775), 323 ff.

role to the medieval counts, a prefiguration of the stadtholder's performance.³⁵ To the Orangists, both wealth and the moral state of the republic were to be guaranteed by a mixed constitution with an active stadtholder. Whereas Zillesen – after the fall of the Republic – severely criticized the federal constitution for its damaging effect on prosperity as well as the stadtholders for their pro-English policy which resulted in wars with disastrous consequences for trade, Luzac chided the partisans of “true liberty” for their anti-Orangist position. He strongly disapproved of De la Court's defense of an aristocratic republic led by merchants. According to Luzac, the nature of their trade, focused on profit, made merchants incapable of serving the public interest, which ought to be left to qualified statesmen. The best form of government leads a commonwealth to the apex of prosperity and prevents its downfall. The *regnum mixtum* of the Dutch Republic met these requirements most beautifully and therefore should not be tampered with.³⁶

3 Commercial Republicanism Meets *Statistik*

These reactions to the Republic's loss of political and commercial primacy were accompanied by and linked with a call for better education of the Dutch youth and future officeholders. In 1775, the spiritual father of the Economic Society, Van den Heuvel, published a prize essay on the foundations of Dutch commerce and on the causes of its decline in which he scolded the inadequate training of the young in the universities.³⁷ They should not only be reading law but also be instructed in “true politics, the art of making a people happy.” This

35 Luzac, *Hollands Rijkdom*, I, 1 and *passim*; A. Kluit, *Iets over den laatsten Engelschen oorlog met de Republiek, en iets over Nederlands koophandel, deszelfs bloei, verval en middelen tot herstel* (Amsterdam: Wouter Brave, 1794), 254.

36 Cornelis Zillesen, *Wysgeerig onderzoek wegens Neerlands opkomst, bloei en welvaard; het daarop gevolgd verval, en wat de nog overgeblevene middelen van herstel zijn* (Amsterdam: Johannes Allart, 1796), 138–41, 150–51, 220. Luzac, *Hollands Rijkdom*, III, 125–30, 150, 176–77, 189–90; IV, 414; Velema, *Enlightenment and Conservatism in the Dutch Republic: The Political Thought of Elie Luzac (1725–1796)* (Assen: Van Gorcum, 1993), 122, 140–43.

37 H.H. van den Heuvel, “Antwoord op de vraag: Welke is de grond van Hollandsch koophandel?” *Verhandelingen uitgegeeven door de Hollandsche Maatschappij*, vol. XVI (Haarlem: J. Bosch, 1775), 42, 72. See Nijenhuis, “For the Sake of the Republic,” 1207–11. Van den Heuvel was, of course, neither the first nor the last person to criticize the Dutch academic performance in the eighteenth century. In the early 1730s the journalist Justus van Effen (1684–1735) complained in his *Hollandsche Spectator* about the academic title becoming a status symbol acquired with little effort by dissolute youngsters who had better be trained in the practice of trade. To him this conduct was an ominous sign of the changing times.

could be done by following the foreign example of teaching in the vernacular the facts relevant to the household and the prosperity of a country. Van den Heuvel was probably thinking of “German-made” *Statistik*, the quasi-empirical science of states that evolved from the seventeenth-century political-historical courses in *prudentia civilis*.³⁸

In order to realize this educational project, the Dutch hired several German professors. The Dutch *Statistik* tradition started with Everardus Otto (1686–1756), who left the University of Duisburg to become a professor of public, civil and feudal law in Utrecht from 1720 to 1739. His *Primae lineae notitiae rerum publicarum* (Jena, 1728), a statistical compendium of Germany, Great Britain, France, Spain, Portugal, and the Netherlands inspired by Pufendorf’s history of European states, had considerable impact on Dutch academic curricula in public law.³⁹ From 1763 onwards, Friedrich Wilhelm Pestel (1724–1805) from Rinteln continued to comment on the Dutch section of Otto’s compendium at Leiden University, but he added to it considerably, stressing political aspects and using politico-historical sources. This resulted in his *Commentarii de Republica Batava* (Leiden, 1782) which in its combination of Thomasian natural law with a factual approach to the Dutch state signalled the transition to a specifically Dutch *statistiek*.⁴⁰ As a true follower of Thomasius, Pestel looked for a correlation between a state’s *Kräfte* and society’s *Glücksgüter*. The happiest state was one “in which goods that can be obtained through human diligence are least lacking, and where the number of such people who are unhappy by themselves or without being able to help themselves is very small.” A government established and promoted the happiness of the community by administering the powers of the state, which were defined by nature but could be improved by man: “The strengths of a state are not strengths if they are not directed well.”⁴¹ Managing the state was like running a machine, though a very special one, because every state had its own unique qualities, which forbade *Nachahmung*, imitation.⁴² Legislation, form of government and the moral fiber of the ruled all contributed to the vitality of the state. One of the

38 C.J.H. Jansen, “Het achttiende-eeuwse onderwijs in de statistiek aan de juridische faculteiten van de Republiek der Verenigde Nederlanden,” *Tijdschrift voor Rechtsgeschiedenis* 58 (1990): 116–17; Gerhard Oestreich, *Neostoicism and the Early Modern State* (Cambridge: Cambridge University Press, 1982), 155–65; Valera, “Statistik, Staatengeschichte,” 120–21.

39 Jansen, “Het achttiende-eeuwse onderwijs,” 113 ff.

40 I will refer to the German edition that was published as *Vollständige Nachrichten von der Republik Holland aus authentischen Quellen gesammelt* (Berlin: Verlag der Buchhandlung der Realschule, 1784).

41 Pestel, *Vollständige Nachrichten*, 1–4, 234.

42 *Ibid.*, 347.

most important *Glücksgüter* of Dutch society in Pestel's view was its political and philosophical liberty, prospering in a mixed republican system and held together by a stadtholder. Defined from a negative angle this liberty meant the ability "to live as one wishes without offending others." Moreover, because the greatest happiness did not equal the greatest liberty, legislation, dictated by utility, created comfort and pleasure for both the inferior and the superior orders of society.⁴³

Looking at the actual situation of the Dutch Republic, Pestel refused to conclude that the Republic was in decline. Using analytical tools from German *Statistik*, he distinguished between *nothwendige* and *verhältnismässige* or intrinsic and relative powers within the Republic.⁴⁴ Though Pestel did refer to the irreversible cycle of rise and fall in human affairs, he was rather down-to-earth in stating that nothing was wrong with the Republic intrinsically. The state of things had changed because of the activities of other countries, but no one could deny that the Dutch were still unsurpassed in the field of finance and in the exploitation of monopolies.⁴⁵

In 1778, fifteen years after Pestel's arrival in Leiden, Adriaan Kluit was appointed at the same university as a "professor Antiquitatum et Historiae imprimis diplomaticae Belgii Foederati." In his pioneering lectures on Dutch constitutional history, Kluit already used to digress on the state of Dutch commerce, past and present. Kluit's intellectual shift to *statistiek* came when he and Pestel, avowed Orangists, were both forced to leave their posts at the outbreak of the Batavian Revolution in 1795. During the period of his dismissal, Kluit buried himself in the available literature on *statistiek*, and he started private tuition on that subject in 1797. After his return to the academic chair in 1802, he continued this instruction in public and in the Dutch language. Kluit's diligent furtherance of the discipline was rewarded in 1806, a few months before his death, when the university board conferred upon him an additional appointment as "professor statistices."⁴⁶

As mentioned in the introduction of this chapter, Kluit expressed his frustration at the lack of system and method in matters of state and economy. He did so by comparing the poor Dutch effort with the thriving *Statistik* discipline in German universities. His lecture course "*statistiek* or *staathuishoudkunde*"

43 Ibid., 95–98, 239–47.

44 Ibid., 189–90.

45 Incidentally, he also mentioned the high price of raw materials and of labor as causes of the lower sales of some products: *ibid.*, 192, 197–99.

46 On Kluit's career see Ida Nijenhuis, "Captured by the Commercial Paradigm: Physiocracy going Dutch," in *The Economic Turn: Recasting Political Economy in Enlightenment Europe*, ed. by Steven L. Kaplan and Sophus A. Reinert (London: Anthem Press, 2019), 635–36 and the literature mentioned there.

was modeled after both the *Statistik* program as developed by Otto's intellectual heirs G. Achenwall and A.L. von Schlözer in Göttingen and J.H.G. von Justi's cameralistic *Staatswirtschaft*. Like Achenwall and Schlözer, Kluit defined *statistiek* as a science separated from history, politics, and public law, examining the household of a country in all its elements. *Statistiek* should locate a nation's historical and actual (economic) strengths in order to elaborate their efficacy for the future.⁴⁷ In the complicated Dutch case, the *regnum mixtum* should take care of the state's household and through legislation influence the security, happiness, and well-being of its members. To meet their obligations in this respect, officeholders should acquire a thorough knowledge of their nation's physical and moral state by being taught *statistiek*.⁴⁸

Consistent with *statistiek* principles, both Pestel and Kluit described the history and actual state of the Dutch constitutional body, the country's climate, territory, population, and its various means of existence. In comparison, Kluit treated the household more at length than Pestel, whose focal point was the political dimension of *statistiek*. Both were convinced of the continuous importance of commerce since agriculture could never be a primary source of existence.⁴⁹ Both emphasized the positive results of mild government on trade because of its protection of liberty, property, and peace.⁵⁰ Like his German colleague, Kluit related Dutch mercantile decline to increasing foreign competition. In both his lectures and his para-academic publications, he propagated the implementation of all kinds of solutions put forward by Van den Heuvel cum suis, partly repeated by Luzac in his *Hollands Rijkdom*.⁵¹ However, as far as moral and political regeneration was concerned, before 1795 Kluit emphatically defended the stadtholder and Holland's commercial elite against Patriot accusations by advocating the *regnum mixtum*, arguing that coercive measures were futile and censuring the political opposition of the 1780s.⁵² Only after the fall of the Republic, did Kluit admit to imperfections in its constitution, but even then he withheld any negative judgment on the stadtholderate and he still condemned the political dissension of the 1780s.⁵³

47 Kluit's definitions of *statistiek* in his lecture notes, Library Leiden University (LLU), BPL 2789 (1806–1807) 3; BPL 2681 (1803) "Voorreede"; BPL 1844 (I–III) I, "Inleiding"; LTK 944 (I–VI) I, 83–88.

48 LLU, LTK 944, I, 102–03, 109–10, 257, 286.

49 LLU, BPL 2789 (1806–1807) 141–46, 235.

50 Pestel, *Vollständige Nachrichten*, 195–97, 234, 538, 641–42, 660. Kluit, LLU, LTK 944, I, 334; IV, 451.

51 Kluit, *Iets over den laatsten Engelschen oorlog*, 337 ff. Pestel, *Vollständige Nachrichten*, 197, mentions the activities of the Economic Society.

52 Kluit, *Iets over den laatsten Engelschen oorlog*, 350, 354.

53 LLU, LTK 944, V, 63; BPL 2789, 65.

Up to this point, Dutch discussions of the connection between state and economy prioritized the state over the economy, but a shift announced itself in the work of Dirk Hoola van Nooten (1747–1808). Though he shared their principles of liberty and security, this Leiden law graduate differed from the aforementioned *statistiek* adherents in propagating not more but less government involvement in economic affairs. Hoola van Nooten entered local politics in Schoonhoven, participated in the local department of the Economic Society, and translated several key works on commerce, including Adam Smith's *Wealth of Nations*.⁵⁴ In the lengthy introduction to his edition of Smith, he partly acted as his master's voice: after the errors of mercantilism and the exaggerated ideas of the Physiocrats, statecraft now could profit from *oeconomie politique* or, in Hoola van Nooten's words, the political science of the household. This system prescribed restraint in a sovereign's dealings regarding the wealth of a nation. The sovereign should enable the greatest number of products to reach the greatest number of people and desist from anything that could diminish goods and their enjoyment. Freedom should be the guiding principle: the world as a marketplace in which every nation, every private person would be allowed to buy and sell goods competing only in quality and price. In fact, the tasks of the ruler were confined to securing the property and liberty of the citizen and to supplying an adequate infrastructure.⁵⁵ Private and national wealth procured and sustained by land and labor, would be the happy result of this free market system.⁵⁶

4 Conclusion

Hoola van Nooten's translation of the *Wealth of Nations* was published as late as 1796 and covered only the first ten chapters of book I. The rest of the translation did not appear due to a lack of interest.⁵⁷ Kluit knew Smith's *Wealth of Nations*, but he did not appreciate the Smithian interpretation of wealth and

54 Details on Hoola van Nooten in Nijenhuis, "For the Sake of the Republic," 1214–15 and Nijenhuis, "Captured by the commercial paradigm," 646–48, and the literature mentioned there.

55 *Naspeuringen over de natuur en oorzaken van den rijkdom der volkeren naar het Engelsch van den Heere Adam Smith door Dirk Hoola van Nooten*, vol. 1 (Amsterdam: Wouter Brave, 1796) xl, xlvi–xlvi.

56 *Naspeuringen*, xxviii–xxix, 53–54 note k.

57 In his introduction to the Dutch translation of F. Gentz's *Essai sur l'état actuel de l'administration des finances et de la richesse de la GrandeBretagne* (Haarlem: J.L. Augustini, 1802), xiii, Kluit expressed his hope that Gentz would meet with a more favorable reception.

prosperity.⁵⁸ Most likely, the statistical perspective prohibited him and others from looking beyond the description of a country's assets. *Statistiek* has been defined as an Orangist discipline, well suited to prove the merits of the ancient constitution i.e. of a kind of *regnum mixtum* with the stadtholder as the head of state. Indeed, most professors teaching *statistiek* were Orangists.⁵⁹ However, this does not mean that (economic) Patriots had no use for *statistiek* in principle. Apart from Van den Heuvel, Cornelis de Rhoer (1751–1821), who taught history and law at the University of Harderwijk, Johan Swildens (1746–1809), appointed in in 1797 as a professor of natural and public law at the University of Franeker, and Johannes Goldberg (1763–1828), the first director of economic affairs in the Batavian Republic, are proof to the contrary.⁶⁰

Statistiek was a discipline capable of describing all sectors of the Dutch economy, dealing with trade as well as industry and agriculture and envisioning something like national wealth. The step towards economic analysis in terms of production, competition, market, and economic growth had yet to be made, but first, authors had to liberate themselves from the commercial paradigm. In a thorough overview of the eighteenth-century teaching of *statistiek* in the Dutch law faculties, its increasing occupation with economic topics is noted but remains unexplained.⁶¹ Obviously, after the input of economic patriotism in the 1770s, *statistiek* became *the* academic attempt to come to terms with the changes in both state and economy. Kluit repeated Van den Heuvel's recommendation to teach *statistiek* in the universities and explicitly classified this as a means to counter decline.⁶² *Statistiek* continued first and foremost the

Similar remarks by H.W. Tydeman, *Theorie der Statistiek of Staats-kunde. Naar het Hoogduitsch van Aug. Ludw. von Schlözer* (Groningen: Wjibe Wouters, 1814²), 169.

- 58 Kluit refers to the Dutch translation amongst other in LLU, LTK 944 I, 101, 294; II, 304; III, 204, 220; VI, 13–14, 34. BPL 2789 (1806–1807) 64, 145, 216–17, 230, 54*, 65*–66*, 218*, 240*.
- 59 A.Th. van Deursen, "Geschiedenis en toekomstverwachting. Het onderwijs in de statistiek aan de universiteiten van de achttiende eeuw," in *Geschiedschrijving in Nederland*, ed. by P.A.M. Geurts and A.E.M. Janssen, vol. II (Den Haag: Martinus Nijhoff, 1981), 113, 122–23; E.O.G. Haitsma Mullier, "Between Humanism and Enlightenment: the Dutch Writing of History," in *The Dutch Republic in the Eighteenth Century: Decline, Enlightenment, and Revolution*, ed. by Margaret C. Jacob and Wijnand W. Mijnhardt (Ithaca and London: Cornell University Press, 1992), 179–80. Apart from Pestel and Kluit, Van Deursen points out M. Tydeman, J. de Rhoer and H. Tollius as Orangist professors.
- 60 See on Swildens the contribution of Niek van Sas in this volume. See on Goldberg W.M. Zappey, *De economische en politieke werkzaamheden van Johannes Goldberg* (Alphen aan de Rijn: Samson, 1967). C.W. de Rhoer was elected to the National Assembly in 1796; Joris Oddens, *Pioniers in schaduwbeeld. Het eerste parlement van Nederland 1796–1798* (Nijmegen: Vantilt, 2012) 118–19, 189–91.
- 61 Jansen, "Het achttiende-eeuwse onderwijs," 127.
- 62 Kluit, *Jets over den laatsten Engelschen oorlog*, 350–51.

time-honored principles of Dutch commercial republicanism. By describing not only commerce but every economic sector, by prescribing the treasured principles of the rule of law, and by emphasizing institutional safeguards and commercial sociability, *statistiek* ideally suited the needs of the Republic in crisis. It could be relevant for both republics and monarchies and therefore had its attractions for either Orangists or Patriots. Decline had made them question the soundness of the commercial paradigm, seriously tested by the transnational jealousy of trade, but in the end it survived as the core of a more balanced national political economy. Well into the nineteenth century, when belief in the need for public intervention had subsided, the transition took place to what has become known as classical political economy and academic economics. However, during the last decades of the Republic, neither Physiocrats nor Adam Smith held satisfactory solutions to the Dutch predicament.