

From Kuyper to Keynes

**The Anti-Revolutionary
Party Astray
on the Dirigiste Path**

Abraham Zeegers

By Way of Introduction

Zeegers and the Johannes
Althusius Stichting

Albert Gootjes

Following the war cabinets of Prime Minister Pieter Gerbrandy (Anti-Revolutionary Party, or ARP), Dutch politics saw more than a decade-and-a-half of coalitions whose core was formed by the Catholic People's Party (KVP) and the Labour Party (PvdA). Between 1948 and 1958, four consecutive cabinets were led by Prime Minister Willem Drees, who had helped establish the PvdA in 1946 via a merger of the Social Democratic Workers' Party (SDAP), the Free-Thinking Democratic League (VDB), and the Christian Democratic Union (CDU). Under Drees, Dutch politics saw social reform on a number of important issues.

The pamphlet *From Kuiper to Keynes: The Anti-Revolutionary Party Astray on the Dirigiste Path* must be situated with the background of the expanding socialist agenda under these “Roman/red” (i.e., Christian and social democrat) cabinets. Yet the author, the Amsterdam lawyer Dr. Abraham Zeegers (LL.M.), addresses a very specific point, as his purpose is not simply to attack socialism as such, but to sound the alarm at the onset of socialist influences within the ARP. In particular, he traces out how, in his opinion, the party has moved from the free-market economy favored by its founder Abraham Kuiper to the “dirigisme” (i.e., state intervention) of a command economy whose lines he traces back to the English economist John Maynard Keynes. Zeegers's writings are thus an example of the rising discontentment among members of the right-wing, neo-liberal¹ faction of the ARP (as well as the Christian Historical Union, or CHU) with the continuing expansion of socialist ideas of the time.

At the end of the brochure, Zeegers struggles with the options available to proponents of what he styles the “traditional” ARP views if they can no longer

have a place in the ARP. He immediately discards the idea of joining the ultra-conservative Reformed Political Party (SGP) due to its backwardness and provinciality. A second option is the Reformed Political Association (GPV), whose political stance Zeegers does find attractive, although he wonders whether the isolationist ecclesiology of its Reformed Churches (Liberated)—in Dutch, Gereformeerde Kerken vrijgemaakt (GKv)—will allow for the doors to be opened to those like him who are not members of the GKv. In the end, Zeegers struck out on a course of his own and became influential in the establishment of the new Christian Democrats Union, becoming its vice-chairman in 1967. Not to be confused with the Christian Democratic Union at the origins of Drees's Labour Party (see above), Zeegers's party was styled after the German *Christlich Demokratische Union* and emulated the latter's social and economic policy. This will come as no surprise to readers of *From Kuyper to Keynes*, as Zeegers expresses his admiration there for the successes of the post-WWII "social market economy" policy of Ludwig Wilhelm Erhard. During the two decades of its existence from 1964 to 1982, the major rallying point of Zeegers's Christian Democrats was to be the rejection of "dirigisme," that is, extensive state involvement in society.²

One of the features of twentieth-century Dutch "pillarized" society was the establishment of faith-based—or, perhaps more accurately, confession-based—political parties, newspapers, societies, and so forth. Zeegers's pillarization efforts were not restricted to his party, but extended to include the Johannes Althusius Stichting, which is identified in *From Kuyper to Keynes* as its publisher. Established on February 22, 1954, in Amsterdam and named after the German Protestant jurist and political philosopher Johannes Althusius (1557–1638),³ the Stichting's founding fathers included Zeegers, as well as Carel Gerretson (professor of colonial history at the University of Utrecht), Jan Prins (professor of non-Western sociology at the University of Leiden and the University of Utrecht), and the nobleman Witius de Savornin Lohman. Publishing a monthly periodical (*Tot vrijheid geroepen*) as well as a number of pamphlets in the same vein as *From Kuyper to Keynes*, the foundation's stated purpose was to counter the influence of the Labor Party, that is, "the stifling of society by the state and its organs."⁴ Zeegers also was to serve as the last chairman of the Stichting, and at its disestablishment in 1984 donated the foundation's archive to the Centre for Religious History (*Historisch Documentatiecentrum voor het Nederlands Protestantisme*) at the Free University of Amsterdam.⁵

Notes

1. For more on Dutch neoliberalism and the growing discontentment among the right-wing faction of the Anti-Revolutionary Party (and the Christian Historical Union), see Bram Mellink, “Neoliberalism Incorporated: Early Neoliberal Involvement in the Postwar Reconstruction: The Case Study of the Netherlands (1945–1958),” *European History Quarterly* 51 no. 1 (2021): 98–121. See also idem, “Towards the Centre: Early Neoliberals in the Netherlands and the Rise of the Welfare State, 1945–1958,” *Contemporary European History* 29 no. 1 (2019): 30–43.
2. For more on this small party, see the Documentatiecentrum Nederlandse Politieke Partijen (DNPP) repository at <https://dnpp.nl/pp/christen-democraten-unie-cdu/>.
3. Johannes Althusius was commonly claimed by Kuyper and cohorts as a historical source for the central notion of “sphere sovereignty.” See George Harinck, “I Look through My Window into Life: Kuyper’s Notion of Sphere Sovereignty (1870–1880),” *Journal of Markets & Morality* 23, no. 2 (2020): 265–84.
4. J. J. van den Berg, *Deining. Koers en karakter van de ARP ter discussie, 1956–1970* (PhD diss., Free University of Amsterdam, 1999), 88.
5. See George Harinck, ed., “Inventaris van het archief van de Stichting Johannes Althusius, de Persvereniging ‘Tot vrijheid geroepen’ en de Vereniging Schrift en Getuigenis (1957–1984),” Historisch Documentatiecentrum voor het Nederlands Protestantisme (1800–heden), Collectie nummer: 380 (1985), https://www.hdc.vu.nl/Images/380_Althusius_Stichting_tcm215-773307.pdf.

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Abraham Zeegers

Translated by Albert Gootjes

Hopefully, in the near future Keynes will be recognized, to use an expression from Jacob Burckhardt, as one of the greatest spiritual destroyers in history, like Rousseau and Marx.

~ Wilhelm Röpke,
“Jenseits von Angebot und Nachfrage,” 1958

The Anti-Revolutionary Party Astray on the Dirigiste Path

From time to time, Hotel Ittman in Nunspeet hosts conferences for Christian businessmen. Although I have never attended any one of these conferences, the reports I have read, together with the names of the speakers, have given me the strong impression that they not infrequently have a pink color to them. The proceedings always had a rather socialist and ethical hue to them, in a highly dirigiste sense.

Fortunately, there are no rules without exceptions, and I was genuinely pleased to discover, based at least on the brief report in *De werkgever* of May 8, 1958, that on this occasion the conference was somewhat more solid in nature. The speaker was Dr. W. F. van Gunsteren, who spoke on the topic of “Christian businessmen and politics.” In his address, the speaker, who is director of the Gusto Shipyard in Rotterdam, remarked that “in Germany there were proportionally less people than in the Netherlands who voted for Christian political parties. And yet, it is

us, and not the people in West Germany, who find ourselves under a much more socialist rule.”

“Slowing Down”

One can hardly imagine a more cutting indictment against Christian political parties in the Netherlands, at least in polite terms. It serves as confirmation for what I have repeatedly argued, namely that the Christian parties may keep waxing eloquently about how repulsive socialism is, but in reality, they have allowed themselves to be pressed into the service of the Labor Party [*Partij van de arbeid*, or *P.v.d.A.*], have no politics of their own, and are content just to slow things down. But the fact of the matter is that such slowing efforts actually help the Labor Party, since it would prefer not to have its platform implemented wholesale, recognizing that it would simply elicit too much resistance.

The Catholic People’s Party [*Katholieke Volkspartij*, or *K.V.P.*] is generally recognized as “the most progressive Catholic party of Europe,” as one socialist once put it in parliament—where “progressive” must be understood in the sense of “dirigiste.” But for the purposes of this article, I have nothing more to say about this party.

I prefer rather to turn the spotlight to the Anti-Revolutionary Party [*Anti-Revolutionaire Partij*, or *A.R.P.*]. My specific interest will be to consider, step by step, how it has gradually gone astray and ended up on the dirigiste path. To that end, I will compare the economic policies of the party platforms from 1946, 1948, 1952, and 1956.

I will begin in 1946, when parliamentary elections were held for the first time since the war.

I. Sectoral organization

The promotion of the formation of a sectoral organization, as the fruit of cooperation between free patrons’ and free laborers’ organizations.

This organization will be entrusted with the task of developing the policies required for labor and corporate life.

With the aid of these policies, both labor and corporate life will be advanced to higher development, with the goal of seeing to it that the labor circumstances meet the principles of justice and morality.

The government has the legal duty to secure the legal amenities required for this sectoral organization, and to exercise supervision and control over its activities. The government is to entrust the sectoral organization with the execution of the relevant legal regulations.

II. Socialization, command economy, and government-led sectoral organization

We reject:

- a. socialization, that is, the general, gradual abolition of private ownership in property and capital goods;
- b. command economy, by which we understand an economy under permanent government control;
- c. sectoral organization, if it is understood as an organization that is either purely governmental or else an extension of the government's administrative bodies, in particular as proposed in the current cabinet's preliminary draft for the law on sectoral organizations.

For the 1946 platform, we will content ourselves with this extensive quotation, and merely observe that it explicitly designates governmental guidance over economic life as being *temporary* in nature and overtly rejects dirigisme. We furthermore note the absence of the qualifier "under public law" for sectoral organization, which the Anti-Revolutionary Party as such does want, and that it, on the contrary, emphatically rejects the "Sectoral Organization Under Public Law"¹ [*Publieksrechtelijke bedrijfsorganisatie*, or *P.B.O.*] proposed at the time by minister [Hein] Vos. What the Anti-Revolutionary Party wants are *free* [sectoral] organizations.

The Turn

This brings us to 1948. By this time, the section on economics strikes a drastically different tone. We need to read it carefully, since it is here that the turn to the Labor Party takes place:

Relationship Between State and Society

The highest priority is to be the promotion of a governmental policy that vigorously upholds the distinction between state and society (government and corporate life), with a view to preventing state omnipotence and political particularism, since this is the most dangerous threat of our times.

The government must:

1. aid in creating the general conditions for social development and welfare, which also implies that it is to exercise a certain control over economic life.

2. take measures with a view to justice and order, safety and health, which clearly includes measures for corporate life.
3. effect provisions, in times of need and poverty, with profound implications for social and economic life, so as to ensure a most equitable distribution of the available goods.
4. pursue an international economic and commercial policy serving national welfare.

The recognition of and support for this governmental duty ought [according to the 1948 platform] to be accompanied by the rejection of socialization as a system or ideal, as well as the rejection of an economic system under general and permanent government control.

On the point of sectoral organization, the platform stipulates “the promotion of sectoral organization in agreement with the relevant conclusions adopted at the Meeting of Deputies of May 12, 1948.”

These conclusions express a desire for the creation of a Social-Economic Council and note a preference for the possibility of regulative authority, while still speaking merely of the “moral duty for each eligible party to organize.” The phrase “under public law” is once again absent in these conclusions.

Clear Marks

When we look at the 1948 platform, we see a clear difference from two years earlier. Most relevant is the statement that the government must exercise “a certain control over economic life.” However, it is regrettable that it did not further specify how this “certain control” ought to look, such that it can be taken any which way. How it would turn out was at that time still hidden with the gods, although anyone who had at least some knowledge of the map could guess at the outcome.

Therefore, while the platform considers some control desirable, it at the same time rejects a permanent command economy. This is strange, and so is the stated intention to grant regulative authority to sectoral organizations, albeit without the use of the phrase “under public law.” What the 1948 platform wants is to grant regulative authority to *free* sectoral organizations. But what seems to be forgotten here is that this is impossible, since every person is free to withdraw from that regulative authority by declining its *free* organization. That is, of course, the *freedom* offered by any *free* organization!

The 1948 platform already bears clear marks of the rising dirigiste current discernible in those years. In a certain sense, the 1948 platform, with the phrase “certain control,” already included the turn that was to manifest itself more clearly in the following years. These words, in principle, raised the barriers blocking the road to dirigisme. This will emerge with greater precision and clarity when we turn our attention to the state of affairs in 1952 and 1956.

Sectoral Organizations under Public Law

When the election year 1952 came in sight, those who looked and listened carefully could sense the impending impact *and* consequences of the theory of “a certain control,” which the government was supposed to exercise over economic life. After the sectoral organization act was brought into effect with votes from the Anti-Revolutionary Party, the Christian Historical Party [*Christelijk-Historische Unie*, or *C.H.U.*], and the People’s Party for Freedom and Democracy, the parties that had voted against it, proved to be no less enthusiastic about getting involved. On the contrary, they too claimed their part. And since sectoral organization under public law is an essential part of a command economy, their support for this system meant by definition that they had surrendered themselves. Initially, there had been fierce resistance against [Piet] Lieftinck, but gradually the claim could be heard that such policy was unavoidable and not really crazy after all, especially from the younger economists emerging due to the establishment of a faculty of economics at the Free University and the Christian social organizations that were attracting a growing number of officers. This was also the position held by Prof. [Jelle] Zijlstra, commonly recognized as a disciple of Lieftinck. Their sounds began to drown out the fulminations of Chr. van den Heuvel, at that time a member of parliament. What we did see was Prof. [Herman J.] Hellema’s cutting brochure against Lieftinck’s *De overheid neemt en geeft* [Eng. *The Government Takes and Gives*], but it found little support. On the contrary, Hellema was reprimanded in a feature article in *Trouw* for choosing to publish his work with *De Vaderlandse Kring* [Eng. *The Patriotic Circle*].

Reconciliation with Dirigisme

You could sense the decline in resistance against the government and its in-dubitable Roman/red² signature. It was in 1950, on the occasion of the general observations on the federal budget for that year, that Prof. [Anne] Anema, to everyone’s surprise, extended a conciliatory hand to the cabinet. We vividly recall the bewilderment at this gesture. A highly placed speaker recounted to us how, wherever he came, he was confronted with that issue of the *Trouw* in which

Anema's gesture was described with large letters on the front page. Efforts were made to reassure the Anti-Revolutionaries [with words such as these]:

Let's stay sober, there's nothing to be worried about. It was a private gesture from Prof. Anema, and he did not consult with the party leaders ahead of time. Anema is the kind of man who every so often strikes out on his own path. But Anema had added that the Anti-Revolutionaries would only cooperate insofar as their principles could be maintained. In any case, there no longer was any reason to remain in the opposition. The Indonesia affair had been settled. It's too bad that things turned out this way, but once done, it can no longer be undone.

People increasingly began to reconcile themselves with dirigisme, in which context we must point in particular to the questionable role played by the Christian National Trade Union Federation [*Christelijk Nationaal Vakbond*, or *C.N.V.*]. The storm largely subsided. Yet some remained dissatisfied.

Then, late in 1951, I wrote a booklet entitled "In de greep van het Dirigisme" [Eng. *In the Clutches of Dirigisme*], with the goal of averting the disaster that would follow from Anti-Revolutionary participation in the government coalition. The brochure was trashed by some, for whom this remains customary, while the majority just gave it the silent treatment. The latter response convinced me that the cause had already been lost, and that the Anti-Revolutionary Party would end up joining the government coalition after the elections of 1952. I warned several prominent figures, whom it would not be fitting to name here and now, but they could and would not believe me. The only remaining option was to wait. As late as Easter 1952, I warned a very high-ranking member of parliament that within six months he, by his parliamentary function, would number among the pillars of the Roman-red government. He refused to believe me, and said: "I don't see any reason to accept what you are saying."

However, the way people in Anti-Revolutionary circles danced at the results of the vote on the parliamentary candidacy lists ought to have given pause for reflection. But simply no one saw it.

Coalition Partner

In the elections, the Anti-Revolutionary Party lost two seats, which many explained as a consequence of having sat idly on the sidelines. And Dr. [Sieuwert] Bruins Slot's first response to the election was to lash out at [Charles] Welter, whose success he clearly resented. Not long before, Welter, together with a number of prominent Anti-Revolutionaries in "Rijkseenheid,"³ had defended the maintenance of the kingdom⁴ and opposed the policy of the Roman-red coalition.

But now the Anti-Revolutionary Party was about to join the ruling coalition, and the Platform of Action had already been drawn up accordingly. Article 3 rejects the accumulation of economic and political power by the government, and promotes the requisite space for personal responsibility and freedom. That, then, was the one side. Quoted verbatim, the platform text reads:

It is up to the government to aid in the creation of the general conditions for social development and welfare. These include:

1. stimulating increased production and industrialization, and limiting the harmful effects of rising and falling economic conjuncture, from which it follows that the government must exercise a certain control over economic life;
2. assuming regulatory authority for a monetary policy that is to aim at the restoration and maintenance of monetary balance, so as to secure maximal stability in currency value (healthy money);
3. respecting and protecting private property, and making provisions to oppose the abuse of that property and to foster the accumulation of property for those who participate in production.

A little further down, the platform rejects not only socialization, but also “the view that the government must exercise control over [NL. *dirigeren*] economic life on a general and permanent basis (by means of a governmental command economy).”

Prepared in Quiet

These words were undoubtedly chosen most carefully, and can be explained in a way reassuring to both dirigistes and anti-dirigistes. However, our specific interest is for what the text says regarding responsibility for monetary policy. It speaks about “*maximal stability in currency value*,” words that may have a solid ring to them but are actually highly subject to interpretation. For it proved possible, without betraying the platform and this specific passage, to put into effect a policy that was unmistakably inflationist, as people now—that is, since a short time ago—finally admit.

In his brochure *Katholieke politiek* [Eng. *Catholic Policy*], Prof. [Carl] Romme, the prototypical [proponent] of a form of government interference that is neither one thing nor the other, expressed his appreciation for the [Anti-Revolutionary] Platform of Action. And in our understanding, many socialists—within the moderate right wing of the old liberal democrats—would have no problem with

it, provided that they be allowed to interpret the section from the Platform of Action quoted above as they see fit.

Once the cabinet had been formed, the General Assembly of the Anti-Revolutionary Party met in Utrecht on September 24, 1952. On this occasion, members fiercely criticized the party's decision to participate in the coalition government. According to the press report, Prof. [Pieter Sjoerds] Gerbrandy noted, among other things, that the financial and economic policy clearly demonstrates how our nation finds itself in a state of revolution, pointing to the fact that it is marked by fixed inflation, government-controlled credit policy, and bureaucracy. This pattern, so Prof. Gerbrandy added, perfectly suits *De weg naar Vrijheid* [Eng. *The Way to Freedom*]⁵—that is, the red plan, whose telling subtitle reads: “A Socialist Perspective.” The Anti-Revolutionary Party [he continued] has a long history of not only opposing the Indonesia policy but also often powerfully resisting such social-economic policy. But now, to everyone's amazement, the party has decided to support a cabinet that is determined to continue the pre-election policy!

Prof. [Johan] Mekkes for his part noted that the turn has been prepared in quiet by the party leadership ever since 1950, when the [Anti-Revolutionary] Indonesia policy was depicted as isolationist. He and others had the sense that all of this is more the work of the “party elite” than that of the party as a whole. Socialism, so Prof. Mekkes continued, attacks the very foundations of our constitution, even if that constitution is *formally* left intact. Prof. [S. U.] Zuidema then argued that the Anti-Revolutionary Party's membership feels uncomfortable and no longer knows what to expect. Will the unpublished platform of [Willem] Drees and [Louis] Beel run aground on the intransigence of the Anti-Revolutionary ministers?

Behind the Colijnian⁵ Façade

The response offered by Dr. [Jan] Schouten was already very weak. He directed his reproaches at *Elsevier*, *De Telegraaf*, *Burgerrecht*, and the publishing house of the Vaderlandse Kring,⁶ although they had nothing to do with this [internal] party affair. It also touched on the recent brochure *Het scheefgezakte huis* [Eng. *The Crumbling House*], written by the architect [Ben] Ingwersen. According to Dr. Schouten, “No one has made a convincing case, on the basis of the speech from the throne or the annual budget, that this is a socialist cabinet”—which, of course, actually says nothing positive about the Anti-Revolutionary ministers appointed weeks earlier, since it is common knowledge that the budget, for example, is drawn up and decided upon much earlier, and not just in the weeks between the swearing-in of a new cabinet and the speech from the throne.

Dr. Schouten ended with the following remark: “Let us all get to it and pick up our work again with enthusiasm, so that many of the complaints will disappear.”

These words might have been intended as good advice, but they clearly reveal that he, the [Anti-Revolutionary] party leader, failed to remove the fundamental insight that had come to light at this meeting, but initially, due to “a certain control” to which the Christian press had been somewhat subjected, was kept from newspaper subscribers—although it should be noted that the *Trouw*, to its honor, rectified the situation within a matter of days.

Later on, we will see how things turned out for the rest. For now, we only wish to point out how Prof. Gerbrandy’s own words reveal how little he, a gifted statesman, was aware that, while the Colijnian façade had been left standing (as a monument, one might say), the building behind it had slowly but surely been torn down, and a new building was being erected in the architectural style of [Marinus] Ruppert and with the “architectonic criticism” of Prof. [Gaius] de Gaay Fortman.

If this escaped the notice of Gerbrandy, what could one with any right expect from the Anti-Revolutionary Party’s [general] membership?

Rights and Freedom in a Fix

It would be fascinating to consider in depth how dirigiste views generally came to grow firm roots in the Anti-Revolutionary Party beginning in 1952, when it joined the cabinet. The new generation saw its chance and was determined to use it. It was courageously aided in this by the older members, who had harbored different sentiments throughout their entire lives, but now readily changed their tune as it suited them, to avoid at all costs being labelled as conservative or liberal.⁷ Suddenly the right thing to do—amongst ourselves, not in public—was to reject Colijn’s policy as entirely unsound, and to claim that we now find ourselves in a new, very complex society in which God has given us a new task. Many went so far in this, in both speech and writing, that their statements could hardly be distinguished with the naked eye from those of tried-and-true socialists.

Anyone looking for such statements would be wise not to limit himself to the writings of the National Federation of Christian Trade Unions, but to consider also the remarks made in the circles of Christian middle-class people, farmers, and gardeners, and especially the Alliance of Protestant Christian Employers [*Verbond van Protestants Christelijke Werkgevers*], which in 1948, in the person of its president, fiercely resisted the proposed law on Sectoral Organization Under Public Law (not to be confused with the Vos draft).

We cannot address any of these matters in the present context. We will also skip over the Christian Social Conference [*Christelijke Sociale Conferentie*] of November 1952, which featured a number of renowned socialists as speakers,

to the complete surprise of the *Fries Dagblad*, which for that reason sounded the alarm.

Rather, we will for the present restrict ourselves to three publications of undeniable authority, thus anticipating the reproach of those who would otherwise claim that we really had to *do our utmost* to find such unfortunate statements which in themselves can, of course, be found anywhere.

Motivated Concern

We will take our starting point in a report from the Committee on the *Anti-Revolutionary Party's Platform of Principles and General Policy*, dated July 22, 1955.

We found one point of difference in article 4. Against the majority of the committee, Prof. Mekkes proposed the inclusion of the phrase that the government is called "*to protect civil freedom.*" He furthermore wanted to see an emphasis on the character of governmental authority as being *under public law*. He was motivated in this by his great concern regarding the development toward "a kind of federal alliance of groups that are primarily responsible for securing the satisfaction of economic needs and are to that end to be entrusted with the power that at present the state alone possesses. This trajectory, therefore, in line with the old socialist ideal, places the just use of weapons—in other words, their use in service of public interest—outside of itself, and by that very fact surrenders the freedom of individual citizens to the tyranny of the groups that wield economic power."

How relevant and justified Mekkes's remarks were is evident from what follows next. For, a little further down in the report, we find a new article, which reads: "The law is to leave room for regulation by corporate life in organizations under both private and public law, of its own issues and interests, but must at the same time see to it that the government has sufficient means at its disposal to fend off activities of corporate life that conflict with common interest." This is a very vague and, for that reason, dangerous formulation. Think only of all the evil that has been committed with an appeal to common interest. And what, after all, is common interest? Surely it includes also the good protection of the rights and freedoms of individual citizens!

So too the section on finances surrenders an annually balanced budget to revenues and expenses balanced *on the long term*. As for taxes, we read that they "first of all" ought "to supply the government's financial needs." No mention is made of a secondary purpose. We may assume that it is for redistribution; as Lieftinck would say, the government takes and the government gives.

Vagueness

The spring of 1956 saw the release of the Platform of Action for the parliamentary elections later that year.

The Anti-Revolutionary Party's view of the time summarized the task of the state in the following three points:

1. *a healthy monetary policy as a basis for an effective conjuncture policy which promotes employment in times of recession and moderates the tension in times of high conjuncture;*
2. *the achievement of fair competition;*
3. *the pursuit of a morally responsible income situation, in particular through social policies.*

In the commentary, we read that a cartel policy must be put into effect to protect consumers from unfair prices. A little further down, the text says that price increases must be resisted. If the business community proves incapable of achieving this, the government has the duty to step in.

We note that there is a whole lot that may be subsumed under these points, precisely because they are so vague. A painful oversight is the absence of a powerful stance against inflation, even though this has been a persistent issue ever since the war, certainly also during minister Zijlstra's first term of office. One possible understanding of a healthy monetary policy follows the line of [Anne] Vondeling, who—like his fellow socialists within *and outside of* the Labor Party—fiercely opposes inflation, but *when it comes to the crunch* sacrifices the retention of currency value for overemployment.

With respect to fair competition, one would have liked to see a similarly powerful stance in a country such as ours, which abounds with price fixing agreements. Nowhere do we read that there is no place in a market economy for cartels; instead, the platform calls for a so-called "*positive cartel policy*." And when it speaks of "*a morally responsible income situation*," this could be taken to mean that the state is to use all kinds of—and very unfortunate—coercive measures in redistribution.

In regard to price increases, the platform would have done better to address the causes of such increase, such as excessive taxation and currency depreciation, rather than overemployment and insufficient competition.

Social Market Economy

The third work deserving of our attention in this context is the brochure entitled *Overheid en economisch leven* [Eng. *Government and Economic Life*], which contains economic observations written at the request of the Central Committee of the Advisory Board of the Anti-Revolutionary Party—quite a mouthful, although we are still left not knowing anything about its author.

The brochure is impressive indeed, and, although perhaps not written by minister Zijlstra, still breathes his air.

It first of all attacks liberalism, which insists on free competition and free price formation in the market. What we regret is the use of the term *liberalism* rather than *market economy*. For not all “liberals” in the sense in which this term is used in the context of Dutch politics⁸ are proponents of a market economy. One could think here of the Union of Dutch Employers [*Verbond van Nederlandse Wergevers*], whose perspective is at least as dirigiste as that of the Union of Protestant Christian Employers [*Verbond van Protestants Christelijke Werkgevers*], and in whose membership the writer of the brochure will be able to find countless Sectoral Organization Under Public Law-enthusiasts. This emerges clearly from the response in the liberal newspapers to the Teldersstichting’s report on Sectoral Organization Under Public Law. Why not just speak of the *market economy*? Why label those who out of pure Christian conviction scorn dirigisme and favor a market economy as “liberals”? Why did no one have the courage to throw this term at [Ludwig] Erhard at the Congress of Christian Democrats held in Scheveningen, where he in a magnificent oration, which we will address later on, proclaimed the ideas of a social market economy?

Invalid Objections

What were the objections?

In the first place, that there are all kinds of concentrations of power in the market. This is true, and yet that danger manifests itself in particular when the government stimulates this development through Sectoral Organization Under Public Law on the side of the employers and overemployment on the side of the employees. Accordingly, one can hardly draw up an argument against the operation of market forces from the fact that it is primarily attacked by power concentrations of which the government can hardly wash its hands in innocence.

Accordingly, a social market economy calls for emphatic action *against* the formation of such powers. What minister Zijlstra did do in those days in his address on neoliberalism was to make more or less a mockery of [Walter] Eucken’s proposal for the establishment of a Monopoly Office (German: *Monopolamt*), al-

though the undersigned would counter that this idea is less far-fetched than Zijlstra supposed at the time, and moreover, that he would prefer to be a doorkeeper to the Monopoly Office than to be the president of a government-initiated General Ledger for the Improvement of Housing, as it was initiated by the government and as such falls under the responsibility of minister Zijlstra, and whose goal is to disadvantage home owners. It is an institute that is out of tune with the ideal of a “morally responsible income formation”!

This brings us to the second point, namely that the brochure says that it is *not at all certain that the distribution of income resulting from free price formation is more acceptable in every respect, especially on the ethical level*. That is indeed true, just as free choice of spouse has not just produced ideal marriages. But the misery would be even greater if the state were to butt in and stimulate responsible choice of spouse, for instance by way of special permits.

The same holds true for income distribution. The government has been trying to achieve equitable distribution ever since the Liberation [of 1945]. Given literally every single group’s complaint that it has been severely disadvantaged, the attempt to achieve equity does not seem to come easy, not even when numerous statistics and eminent scholars are available. One might recall here that notorious issue of the proposed wage increase of 5 or 6 percent, where it emerged that the scholars enlisted by the trade unions, which insisted on a 6 percent increase, had made a miscalculation, as became clear when the matter was thoroughly studied anew by three wise men, with assistance from several econometricians.

As an aside, it should be noted that unreported wages, which still have not been mastered now and which the new CBA for the construction sector will do nothing to change (unless it is adjusted accordingly), ought to keep every dirigiste from trumpeting equitable income distribution all too loudly. Here we could think, for example, of the salaries of KLM pilots, which leave us powerless.

Money, so it is furthermore claimed, has had a disruptive effect on price formation. Even if we assume this to be true, the currency devaluation inherent to dirigisme has an even more disruptive effect. The brochure also calls for the ups-and-downs of conjuncture to be tempered. This is a noble ideal, which we will address below. However, the government must be on guard lest it make the crises even more critical by a shortsighted policy adapted to union demands. This danger is more than just hypothetical.

The Task of the Government

But how far may government intervention extend? The government [as the brochure states] must limit itself to the strategic points. But if the [German] occupation has taught us anything, it is that those who control the strategic points,

control everything. What the author of the brochure has in mind are monetary measures, as well as measures of economic and wage policy, and tax measures. That is quite a lot. The policy is to be marked by a judicious “methodical-ness.” The government is moreover to apply an employment policy and a budget policy, the latter in particular in relation to the conjuncture policy it is to maintain. It must also fix the currency exchange rates, and control interest rate levels and capital creation through the banking system.

In spite of all the issues we have already addressed up to now, we still have not touched on policies relating to agriculture, cartels, housing, and rent. If the government feels hindered by the indirect nature of its intervention in the strategic points, it may go so far as to effect direct measures, such as a price freeze or fixed margins.

Nevertheless, [the brochure] insists that the mechanism of price formation will remain intact, and that the only effects will be on the circumstances under which that mechanism operates. A little further down we read “that freedom in economic life will in the future be experienced and realized in a different way than last century.” There is an increasing number of organizations, and, given the very real possibility that they may lose sight of common interest and excessively pursue their own interests (where we might even ask, what else are they for?), the government should be able to intervene.

One wonders whether it would be better for the government to prevent all such organizing activity, for instance by not sanctioning it, as with Sectoral Organization Under Public Law. But, we suspect, some might object that this would harm employment among bureaucrats.

Democracy at Risk

It is regrettable that the author of *Overheid en economisch leven* did not manage to address the question of how he would manage all these things *on the legal level*—or, to put it another way, how, assuming for the sake of argument that so much dirigisme would not lead to economic chaos, he can keep from surrendering democracy.

Of course, one option would be to depict democracy as an outdated conservative or “liberal” viewpoint.⁹ This is not what the author did, but we still lament the fact that he failed to tell us in any way what such a system would do to the reality of a parliamentary democracy, to a juridical power based on right and equity, and, last but not least, to the freedom of citizens.

This is a question that ought to be particularly relevant to a true anti-revolutionary, at least if he is a Groenian.

The Source of the New Views

At this point, we face the question of the source for all these newfangled views, which currently abound in the circles of the Anti-Revolutionary Party, the Christian Historical Union, and in particular the Christian National Trade Union Federation. Do we owe them to a new encounter with the biblical message or to renewed reflection on the gospel teaching? While this is what many people think, they are probably not familiar with the platform of the pre-war Christian-Democratic Union, from which we will quote several passages:

According to that platform, the Christian-Democratic Union holds the view

that the leading factors in the economic system under which we live yield consequences that are unacceptable on the basis of what it, in its statement of principles, posits as a requirement for society. For this reason, it pursues a form of society in which production and consumption are measured by the sufficient satisfaction of need. It insists on input from laborers for the institution and development of a sectoral organization, where necessary preceded by the binding statement of a collective bargaining agreement. In order to realize the democratic view which it defends as a consequence of its statement of principles, [the Christian-Democratic Union] pursues new organs with legislative power.

The right of property must be transformed, “such that the principle of community comes to better expression through it.”

On the social level, one of the things the Christian-Democratic Union wants is a noncontributory state pension, which ideal comes very close to the current General Old Age Pensions Act [*Algemene Ouderdomswet*, or A.O.W.]. What it also wants is expansion of mandatory insurance. On the point of tax policy, the Christian-Democratic Union would like to pursue “a highly progressive tax system” and “state supervision on the banking system,” as well as “the abolition of bank confidentiality before the tax authorities.”

The 1937 election platform appeals for “measures to regulate production and distribution, so as to put them into the service of the community”; “legal regulations for lowering the pressure on rent, lease, and interest”; [and] “the promotion of the construction of good living accommodations, in particular through building projects led by local governments and housing associations.”¹⁰

The “Concrete Situation”

These sounds may have struck an odd chord in Christian circles of the time, but by now they have a familiar ring to them. In the Christian-Democratic Union’s statement of principles, we still read that it wants to be the organization of those who confess that they find themselves “in a world in which the individualist principle of ‘each man for himself’ conflicts irreconcilably with this word of God” (i.e., Matt. 22:37–30), which “proclaims ‘all people for all people,’ [and the organization of those] who unite to witness in this world, in word and deed, of what they, in the concrete situation of the present day, see as God’s demands for social, international, and colonial issues.”

That phrase “concrete situation” is a sound we recognize, and it immediately offers us an “allusion” to the Barthian background to all of this.

The progress that the Christian-Democratic Union’s economic and social views have made undoubtedly has a close relationship to the progress that “Break-through” ideas have made in the Christian Historical Union, less so in the Christian National Trade Union Federation, and, even less so albeit still unmistakably present, in the circle of the Anti-Revolutionary Party. It was Barth who rejected principles and creation ordinances in exchange for “the command of the hour” (*das Gebot der Stunde*), for a decision in “the concrete situation,” and for a heavy emphasis on solidarity with and responsibility for one’s fellow man, but these same sounds can now be heard everywhere in the circles we just mentioned. The term *principles* has increasingly fallen into disuse, the phrase “concrete situation” has been adopted unthinkingly by many, and the very titles of books and radio addresses betray the extent to which people view matters on the level of man and fellow man, of human value, human responsibility, humanity, and so forth. All of this is often based on what is in itself an undeniably biblical notion, namely that of fellow human beings as image-bearers of God, although that notion actually seems to be more suited against, than for, dirigisme.

The Theories of Keynes

To this [Barthian] influence, we must add the influences coming from the World Council of Churches, which has seen increasing influence from communistic (Hromadka) and semisoft (Foster Dulles) ideas. (Mayor Warnaar from Waddinxveen did well to point this out in a series of three articles published in *Patrimonium* in 1955.) The reports of the World Council of Churches bear clear traces of this, and have become a veritable goldmine for socialist economists and ethicists.

Finally, we can also mention the “Moral Re-Armament,” whose members also include [Gamal Abdel] Nasser!¹¹ Just like the World Council of Churches, Moral Re-Armament likewise confesses “guilt” for things to which it has no relation, and on behalf of people who have never and could never have called for such confession, for the very simple reason that these men and women passed away centuries ago. Among the socialists (Goedhart and De Kadt), it has been described, not unfittingly, as a form of intellectual masochism and exhibitionism. Some of these things can be accounted for, at least in part, by the observation that they take place in recreational areas whose choice is readily explained from the perspective of tourism.

As far as the economic and social perspectives of the Christian-Democratic Union are concerned, the very first name we ought to mention here as a possible source is the late *Lord Keynes*. An English conservative who was deeply moved by the great unemployment of the 1930s, Keynes in 1936 presented a radical program whose essence was to entrust the government with the task of securing full employment, with little concern for the financial consequences. Keynes was willing to accept a certain degree of inflation. His primary solution was not the execution of large public projects, for which he, as an English conservative, had little interest because it had the potential to promote socialism, and that was the last thing he wanted. No, there was to be more money available among the people, and consumption was to be stimulated, for which Keynes assigned an important role to psychological factors.

In evaluating Keynes’s highly questionable theories, we ought to recall that they were intended for a time of depression, unemployment, and excessive savings.

Yet the unfortunate thing is that after the war, people also started applying Keynes’s views in the Netherlands, at a time when there was no unemployment, when things were booming, and when people did *not* save. But a truly Keynesian move in these post-war years would have been to secure, first of all, the formation of capital by high levels of savings.

To achieve that, the policy should *not* have been one of income equalization, since it places money that would otherwise have been saved into the consumptive sphere. During the good years, also the government should have put savings aside for the bad years, but no one did so. Instead of creating reserves in boomtimes, they created shortfalls. And then, when the recession came, taxes had to be *increased*, entirely in departure from what Keynes had taught.

In a recent work, Röpke observed that it was Keynes who sowed the seeds for the inflation we are seeing everywhere around us. By the time of his passing in 1945, Keynes was spared the burden of seeing *this* application of his view with *these* results. There is no doubt that this is not what Keynes, who on multiple

occasions described inflation as a communist tool for overthrowing the existing foundation of society, ever intended or expected.

Lord Beveridge

The second man we must name in this context is the English liberal *Lord Beveridge*, who is sometimes called the father of the English welfare state. He pursued full employment, and in that pursuit did not shrink back from socialization. In England, too, there are strange liberals! Just like Keynes, he worried little about the potential of currency devaluation.

Beveridge, however, learned from his mistakes. From an interview with the *Sunday Dispatch* from July 20, 1957, we learn that he, by now an old man of the age of seventy-eight, has gone back to work. He had saved for his retirement, but due to currency devaluation, of which he can now speak from his own experience, he had to start working again to pay the bills. In his autobiography, he wrote: “we have not solved two of the problems to which full employment in a free society gives rise—how to preserve the value of our money against endless rise of costs, wages and prices, and how without fear of unemployment to secure the maximum of output.”¹²

This policy, which revolves around full employment, lies at the foundation of Dutch post-war politics. *It* was the reason for the large-scale denatured prices. *It* is where we must look for “justification” of the profound dirigiste measures right across the board.

Residential Construction and Taxes

The employment policy also proved decisive for the policy on *residential construction* and *rental homes*. Residential construction has largely been a question of social housing construction—that is, construction projects of the government and of housing associations that work entirely with government funds and are entirely unrelated to private initiative (see table 1). The socialist plan *De weg naar vrijheid* [Eng. *The Road to Freedom*] heartily recommends residential construction through housing associations. The rental rates for existing as well as new homes are not—regardless of how high the latter might be—at market levels. Someone might counter that the government could not allow the rents for existing homes to remain unregulated. While we grant that, this still does not give the government any right to have no concern whatsoever for how the situation would be in a reasonably balanced housing market. The same applies, in fact, to ground leases, which are still at pre-war levels, meaning—given the currency devaluation—that they have actually declined by 65 percent. The government’s rental policy has only meant an increase in demand for living space

and thus an increase in housing shortages. After all, low prices—in this case, rental rates—increase demand.

Table 1
Number of Completed Residences by Commissioner

Year	Social Housing			Private	Total
	National Government	Local Government	Housing Associations		
1930/39	58	1,153	3,107	37,710	42,028
1947	778	3,592	2,210	2,663	9,243
1948	1,245	17,599	11,824	5,723	36,391
1949	1,209	17,110	14,120	10,352	42,791
1950	985	17,508	12,280	16,527	47,300
1951	813	24,310	16,039	17,504	58,666
1952	839	18,728	14,638	20,396	54,601
1953	788	20,810	18,413	19,586	59,597
1954	601	20,695	21,115	26,076	68,487
1955	496	16,932	41,911	28,480	60,819
1956	672	15,132	18,882	33,598	68,284
1957	564	23,539	23,569	40,725	88,397

**Figures Taken from the *Statistisch Zakboek 1957*
Produced by Statistics Netherlands**

Following the example of Keynes, the *retention of currency value* was sacrificed to employment. One wage round followed the other, to a point where everyone lost track. The low point was reached with the “welfare wage round” of 1956, which Prof. [Pieter] Oud quite rightly dubbed the “election wage round,” since it was effected right before the parliamentary elections. Right after the elections had taken place, people began to pull painful faces and the sunny optimism of election times turned into the somber pessimism marking the budget debates of the fall of 1956. It is hard to imagine that the government and labor union managers failed to see the coming storm. This would mean that they granted—or, more accurately, approved—the election wage round against their better judgment. But if they had *not* seen it, we should be asking ourselves where they got the courage to make their plans and prognoses with so little sight (or *insight*).

The core of the problems was that they *on the one hand* did not want to allow wages to rise excessively with a view to international competition, but *on the other hand* also wanted to effect a powerful improvement in the position of employees. The “solution” they found was to enforce a policy of strict wage control, stricter in fact than in any other country to the west of the Iron Curtain (nowhere else do

we find maximum wages as we have them in the Netherlands), and furthermore to accommodate employees with a number of subsidies intended to make life cheaper. The artificial suppression of rental rates might be viewed as a kind of subsidy, but it came at the expense of the home owners, and then there was also the subsidy on basic life commodities, which was paid for by the consumers and from taxes. The only result was artificial prices. And, in order for these prices to be sustained, a bureaucracy was required that itself devoured millions.

In spite of this, it still proved impossible to keep wages in check, and full employment came at the price of *undeclared wages*. The Christian-social organizations stood powerless, as testified by a report that may have been well-intended, but was worthless on the practical level. The synod of the Reformed Churches, which had been petitioned by classis Bergum to pronounce itself on undeclared wages, refused to make such a pronouncement, claiming that the recession had meant an end to them—although this proved to be in flagrant conflict with reality, as emerged from a press conference organized by minister [Ko] Suurhoff shortly after the synod.

The state expenditures only continued to rise, and in 1957 taxes reached a record high of more than 8 billion guilders, which is more than 29 percent of the gross domestic income—far above the 25 percent customarily retained as the maximum. And these percentages do not even include the costs for the expensive Sectoral Organization Under Public Law (see table 2).

Table 2
Tax Revenues

Year	Income Tax and Wealth Tax	Value Added Tax	Total
1950	2,569	2,938	5,507
1951	2,938	2,770	5,708
1952	3,654	2,620	6,274
1953	3,321	2,769	6,090
1954	3,223	3,108	6,331
1955	3,375	3,254	6,629
1956	4,315	3,421	7,736
1957	4,676	3,499	8,175

Figures from *Statistics Netherlands*

Currency Devaluation

Apart from the rising taxes, we must mention also the persistent *devaluation of the guilder*. One statistic alone ought to suffice to show the level of inflation experienced here in the Netherlands.

In the period from 1939 to January 1948, the purchasing power of the guilder declined by 36 percent. Some might say that this was due to the war. Indeed, but what gives reason for pause is the fact that this decline in purchasing power continued thereafter. In the period from January 1948 to December 1956, the decline was 30 percent. In the period from *mid-1956* to the end of 1957, the cost of living increased by 14 percent, which once again implies inflation. It should be remarked that the greater part of this increase can be explained by salary compensations, which were deemed necessary due to the introduction of the General Old Age Pensions Act and the rent increase for employees, regardless of their income (see table 3).

Table 3
Price Index Figures

Where the 2nd half 1938/1st half of 1939 = 100	
1939	100
1947	199
1948	206
1949	219
1950	239
1951	262
1952	262
1953	263
1954	275
1955	281
1956	282
1957	312 [300]

The figure in brackets does not include the effects of the General Old Age Pensions Act enacted on January 1, 1957.

Bewildering Policy

There is not a single party or group that does not roundly condemn inflation. One could even put together an anthology with the boldest statements, the one even fiercer than the other. Our heart has been captured by the phrase used by the socialist Dr. C. J. Dippel, who branded it “persistent, anonymous robbery.”

An honorable mention is in place for the Executive Board of the Dutch Central Bank, and in particular to Dr. [Marius] Holtrop and Prof. [Suardus] Posthuma.

In an address held in Brussels on November 30, 1956, the latter wistfully remarked:

It is the Central Bank's somewhat tragic lot in the battle for the value of currency to stand in isolation almost all the time. The big stakeholders of society consistently express their support for currency stability, at least in theory. However, they always show a slightly greater concern for other, more pressing interests. Some are interested in favorable employment conditions and high employment, others in high levels of business activity and high export, and all together in low taxes and cheap credit.

This is indeed the way it is, and the main culprits can be identified in the organizations of employers, farmers, and gardeners, as well as retailers who do good business when people have a lot of money available, as well as laborers. They no doubt all act in good faith, but insofar as their policy stimulates inflation, they collectively disadvantage those compatriots who cannot adjust their incomes to the decreasing purchasing power of the guilder. But that is the very crux of the matter, for if the latter had been able to [adjust their incomes accordingly], inflation would have been of no use. And who are those poor souls? They are the groups of forgotten people, who nevertheless always come to mind first when costs must be defrayed.

Since the sectoral organizations have gained a decisive influence in the Dutch Banking Association through the nationalization of the Dutch Central Bank (as I had explicitly warned in 1947, in "Anti-Revolutionary Politics"), and responsibility has come to rest exclusively with the government; the bank, owing to a lack of independent authority, no longer has the ability to protect our currency.

The bank thus finds itself under pressure from the government, while the government is dependent on the sectoral organizations for its monetary policy. Do they then hold the upper hand? To a large extent, yes. Under pressure from the trade unions, the government has yielded repeatedly to wage rounds that were higher than the rise in productivity warranted. The result was inflation. The price for absurdly high employment, which in the end even began to bore minister Suurhoff (as witnessed by his address on the occasion of the turn of the year 1957/1958), was *inflation*.

Every wage round was proposed with scholarly backing. No matter how much the wages increased, there still was "deficit." The fact of the matter is that we in the Netherlands, like in so many other countries, have made the step to what the English economist [John] Hicks called "the trade union currency."

What makes the post-war policy so shameful is that the increased productivity has not benefited the *entire* population in terms of low prices, but that the bona fide organizations have claimed them for themselves and for their membership. The measures against inflation were not taken until employment was at risk. We should be very careful here. The resistance was not offered against inflation itself, but against the consequences of inflation *for employment*. But this is an argument of *opportunity*, not of *principle*.

Inflation is deserving of the harshest moral condemnation. Since money functions as the measure of value, it literally falls under the commandment “You shall not steal,” which, according to the Heidelberg Catechism, means that God understands as stealing also “all wicked schemes and devices by which we defraud our neighbor, whether by force or by show of right, false weights and measures, deceptive merchandising, counterfeit money, usury, or any means forbidden by God.”¹³

Is it not astonishing that also Christian organizations apply a monetary policy based on robbery, which they nevertheless elegantly dub “morally responsible income distribution”? And is it not equally astonishing that when Dr. P. Siebesma of Leeuwarden requested the General Synod of the Reformed Churches to pronounce itself on this notorious violation of the eighth commandment, the synod claimed that no suitable language was available? Apparently it was not ready—as with its “position” on unreported wages—to call to order the Christian organizations it so heartily recommends. Nor was it ready to bear witness against the government.

The Anti-Revolutionary Policy Struck in the Jugular

There is a fundamental difference between Keynes’s ideas and the Anti-Revolutionary Party’s traditional views on the limits to the task of the state. In fact, they are diametrically opposed. Article 12 of the Anti-Revolutionary *Statement of Principles*, which is still in effect, insists “on a balance between revenues and expenses, not through an unnecessary increase in the nation’s burdens, nor through cutbacks in necessary expenses, but through restrictions on state interference, such that private initiative may be able to come to powerful development.”

Abraham Kuyper defended the same view in *Our Program* (1879) with the following words:

(1) Limit your meddling by the state.

Reduce the sum of what the government needs to the smallest size possible by leaving to private persons and corporations whatever they are at all willing to take in hand.

This principle clearly commends itself as the starting point for all financial administration. For by meddling with what does not strictly belong to the task of government you diminish the respect your high office should inspire. By carrying on in such a meddlesome fashion you will inevitably come into conflict with people's love of freedom. Worse, by getting your subjects accustomed to the idea that government does everything for them you frustrate the release of their energy, you arrest their development, and your own foolish practice is the cause of their physical and moral decline.¹⁴

This is not just any statement from Kuyper, in whom, as the affair surrounding the Christian-Democratic Union before the war has taught us, every heretic can find his verse.¹⁵ On the contrary, he retained this view nearly forty years later, when his extensive commentary on the *Statement of Principles* appeared under the title *Antirevolutionaire staatkunde* (1945) [Eng. *Anti-Revolutionary Politics*]. In his discussion of the chapter on "Finances," Kuyper wrote that he could keep things brief, "*because we still defend the main lines of our position relating to this most important question as we sketched it out in Our Program.*" Twenty years later, Colijn still fully followed suit.

The Traditional Line Reversed

F. W. Dirker (M.A.), who wrote an important piece on this question in February 1958 for the monthly *Anti-Revolutionaire Staatkunde*, explicitly establishes that there is a strong convergence on this point between the liberal economist N. G. Pierson and Kuyper and Colijn. He furthermore correctly insists that the Keynesian views as they have been applied also in the Netherlands are in many respects diametrically opposed to the views in place before 1936, including those of Kuyper and Colijn.

Here, on *this* decisive point, the traditional trajectory has been reversed. And as a result, Anti-Revolutionary policy has been struck in the jugular. It has ended up on the dirigiste track and will get irretrievably stuck there.

The divide governing the politics of today is one between market economy and dirigisme. This divide runs right through the Catholic People's Party, the Anti-Revolutionary Party, the Christian Historical Union, and the People's Party for Freedom and Democracy, and perhaps also the Labor Party, in the sense that support for a market economy can also be found among its members. The divide may appear to be *economic* in nature, or at least a divide of [economic] *interests*, but in reality it is not. Nor is it a divide between employers and employees, since dirigisme's supporters also include employers. It is also not a divide between rich and poor, as if the rich stand to gain by a market economy and the poor by

dirigisme. The poor emphatically do not benefit from dirigisme, while some of the rich derive great profit from it.

Violation of Constitutional Freedoms

Rather, the question of *market economy* versus *dirigisme* represents a phase in the age-old struggle for freedom, which in the last century was focused on the issue of schools, but today concerns this particular divide.

In this context, I would like to call for attention to a rather unpolished statement that Keynes himself made in his preface to the German translation of *General Theory*, when he noted that his theory was better suited to circumstances in a totalitarian state than a democracy. Keynes was certainly right in this. Experience teaches us time and again that dirigisme does *and unfailingly will* violate constitutional freedoms. A frequently heard complaint is that parliament, for truly important matters, is offered—take it or leave it—compromises hammered out [ahead of time] under difficult circumstances and behind the closed doors of the Sectoral Organization Under Public Law. The real place for our economic and social policies is no longer inside the two chambers of the States General, but outside of it. Repeated complaints are sounded about the way the government lumps all kinds of unrelated matters together in order to get parliament somehow to pass proposals that the majority actually does not want. An example that comes to mind is the proposed rental legislation of 1955, and the bargaining involved to get it passed. The right of amendment has likewise come to find itself in a pinch, as amendments are repeatedly being declared inadmissible. The autonomy of the local government only exists on paper.

Not Rights, but Favors

Another common complaint concerns the way rights have been exchanged for favors. Executive authority has reached unprecedented levels of power, and pleas have already been made for the implementation of new taxes and the adjustment of tax rates apart from parliament. Others attack the very roots of the autonomy of judicial authority, being so bold as to write that judges ought to think of themselves more as “associate directors.” There is decreasing room for public criticism of government policy, among other reasons because one of the consequences of a dirigiste system is that many people depend on the state and, due to that dependence, are—rightly or wrongly—hesitant to assume the risks incurred by criticism. To this we must add the growing demand of permits even before people have begun to take any initiative, to which they are getting so accustomed that we have encountered multiple occasions where, when we

told someone who wanted to embark on a certain initiative that they could do so without a permit, they looked at us in disbelief and exclaimed: “But that can’t be! Surely we need a permit?” As such, we are well on the road to a police state, where no one is allowed to do anything without a special permit—in contrast to a republic, where everyone is allowed to do anything as long as it is not forbidden, as [Carel] Gerretson once aptly put it. More or less the same conclusion was reached by C. H. F. Polak, professor at Leiden, who noted in his inaugural address *Ordering en rechtsstraat* [Eng. *Regulation and Democracy*] that “the increasing resemblance between forms of governance in countries under democratic and dictatorial rule is worrisome.”

It should be noted that the enormous expansion of the government’s jurisdiction has not been accompanied by proportional growth in the legal protection of its citizens. Sectoral Organization Under Public Law has not simplified the matter but rather made it more acute, since the sectoral boards lack a representative body. The reality therefore is that the members have no say at all, and that the only freedom they have is the freedom of payment. They cannot even choose their own board, since that is done by the government, after an internal tug-of-war sometimes lasting months. In turning to the regulative authority, we must note that the first regulation typically covers the issue of fees. That these fees are high is clear from the fact that even the top organ of Sectoral Organization Under Public Law recently saw the need to warn against the fee policy.

The reality appears to be that the boards of sectoral bodies go much further in levying taxes on their sectoral members than, for example, the government does on its subjects, as the Social and Economic Council observed in a recent memo, delicately adding that it gives the impression that their primary concern is the collection of fees. The measure and freedom with which the organs of Sectoral Organization Under Public Law “levy taxes” emerges clearly from the fact that they, in these childhood years, require no less than *f58* million per year.

The second regulation typically has the intention of preventing new establishments. It forbids anyone to exercise the craft in question. No one is allowed to buy and sell, to handle and process (to use the regulators’ jargon), without a permit. Those who are already established need no permit, since that is what they are sectoral colleagues for. Newcomers *can get* a permit, but there is usually *no* obligation to *grant* a permit. At times, there are strict—no, impossible!—conditions in place, from which people can receive partial or full dispensation. The important thing is therefore to stay friends with the directors who hold all power. The result is, of course, a loathsome, nepotistic culture!

Such a culture is characteristic of states in which the people have lost their rights, which they *just might* be able to exchange for favors and permits.

Well-Known Theses

The totalitarian background of dirigisme as I have sketched it above emerged clearly at the meeting of the *Vereniging voor de Staathuishoudkunde* [Eng. Society for Economics] held on November 16, 1940 (note the date!). On this occasion, the national-socialist Dr. [Henri Johan] Von Brucken Fock (LL. M.) defended a number of theses defending a command economy—a term he emphatically used—which he described as follows:

There must be proportional provision of reasonable needs. To that end we need a reasonable—that is, a socially and economically warranted—price, lest, in the interest of demanding an excessive price, less available labor power is engaged than would have been the case had a reasonable price been demanded. That cannot be secured by a price resulting from the free dynamic of supply and demand. This is why the government in a command economy must exercise control over prices and incomes. This control is understood as the authority to exercise direct influence on the level of prices and services, including currency availability. The government must direct the economy, using the self-governing activity of a regulated corporate life.

In our estimation, these views could be “sold” today as progressive-Christian, provided that they are “packaged” in the right way.

This was no isolated discourse. After all, the notorious national-socialist Gottfried Feder, known for his *Brechung der Zinsknechtschaft* [Eng. “Breaking the Shackles of Interest”¹⁶] (which ought to make us think of our failed low rent policy), claimed that money is what the state declares to be money, thereby opening the doors wide to inflation, which indeed followed. And has Röpke not taught us that foreign currency control—which he quite aptly defined as the maintenance of a false exchange rate—is, on account of government coercion, a matter of pure collectivism and indispensable for dirigisme? The fact that we are still stuck with the 1945 *Deviezenbesluit* [Eng. Foreign Exchange Control Decree¹⁷] is proof of this.

Democracy in Decline

The less significant the appropriate and traditional organs of democracy become, the more power the pressure groups obtain. What we are seeing is a growing network of organs, which dominate society. We are moving from a democracy to an organocracy. In these organs, it is the advocacy groups that hold sway. This situation threatens the very life of our democracy, as Kuyper already warned in 1895 in his *Democratische klippen*. These groups have “their” people in parliament, where they ratify what they themselves have already agreed to

behind closed doors. The key is to make these groups as powerful as possible. The result is a veritable fury of organizations with their accompanying membership drives, as we also find them in Calvinist circles. Our Christian social organizations need to be very careful. Of course, everything is directed to the honor of God, and it is not our intention to call this into question. But think especially of what A. F. de Savornin Lohman wrote in his brochure *De scheidslijn* (1922) [Eng. *The Dividing Line*], which is still worth reading:

Let us not forget that when what we think we are doing *to the honor of God* coincides with what we ourselves want, we are not immune to self-deception—as, for example, when the Roman Catholic clergy condemned heretics to be burned at the stake *to the honor of God*, these persecutions were at the same time intended to safeguard their world dominion.

Concretely this means that whenever Christian entrepreneurs or employees unite because they think it will allow them to better serve their interests, they are not acting out of an ideal. Even if such an organization has a Christian foundation, it is *in itself* no more Christian than any of the other six hundred cartels existing in the Netherlands.

If people think it necessary to promote their interests by plundering third parties (e.g., forgotten groups), stimulating inflation or supporting inflationists, hindering newcomers (franchise policy), or defaming clients (dairy processors), they are acting in a decidedly *unchristian* manner. It is troubling when Christian organizations begin to act as [political] entrepreneurs, for instance by operating an insurance company or placing themselves in the service of housing socialization. For in this way, people allow themselves to become advocates of certain interests on the ground of their Christian identity, and, in conflict with what the gospel teaches us, their confession of the kingship of Christ becomes profitable to them. Anyone who is even somewhat familiar with the situation in the Netherlands will know that these are not purely hypothetical examples.

The politicization and materialization of Christian organizations is another one of the evil fruits of dirigisme. The organizations are constantly growing in power and increasingly “equipped,” but the gap between the directors, who are the only ones able to oversee matters, and the members, who just blindly follow along, is only growing. In these organizations as well, democracy is in decline, even if everything is *formally* still in order. The dictatorial element in dirigisme continues to eat away at things. There is even an ecclesiastical dirigisme, which is no less out of sync with the Reformational notion of freedom than political dirigisme is.

Christian Liberalism

In a concluding section, we want to draw up a program that can help us out of this misery, regardless of how difficult it may be, given the destruction already effected.

That program will be a free program, in which we raise the banner of *Christian liberalism*. Let no one be frightened by this phrase; Kuyper used it in the work with the telling title: *Het Calvinisme, oorsprong en waarborg onzer constitutionele vrijheden* [Eng. *Calvinism: Source and Stronghold of Our Constitutional Freedoms*]. It is in *this* sense that we are using the term *liberal* here.¹⁸ As such, it has nothing to do with left-wing progressivism. In his aforementioned brochure, Savornin Lohman already noted that it is not right that many consider free competition an outgrowth of progressive liberalism.

In formulating our own positive views, we have been fully informed by the following words in *De Standaard* of October 18, 1923, which could have been written for today:

The current circumstances clearly show the truth of the foundations of Anti-Revolutionary policy, which, by virtue of its principle honoring the rights of the individual, has persistently resisted state interference and state omnipotence and come to the defense of societal rights and private initiative. And it is important also for the Anti-Revolutionary Party itself to return to them and to take them seriously.

Spiritual, Political, and Economic Freedom: An Indivisible Whole

Now that we intend to sketch out in a few lines how one might arrive at a constructive platform which, unlike dirigisme, is acceptable in respecting the freedom of the individual and the individual sphere, no one ought to expect a Kuyperian program in the sense that every point could be accompanied by a reference to Kuyper. That would be an impossibility, since Kuyper never had to deal with the problems we currently face. What can and must be acknowledged, however, is that our platform is infinitely more amenable to the Reformational ideal of freedom than the current policy is.

Restoring Property to Its Position of Honor

My point of departure is that spiritual freedom, political freedom, and economic freedom represent an indivisible whole. There are many who do want spiritual and political freedom, but no economic freedom. Yet experience teaches us that this is impossible. *Anyone who strikes at the root of economic freedom, must first pass through the destruction of political freedom and finally end with the downfall of spiritual freedom.*

Table 4
Cost of Living and Retail Prices by Country (1937 = 100)

Country	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957
Cost of Living											
GRD	-	-	160	150	161	165	161	161	165	169	171
Switzerland	158	163	161	159	166	171	169	171	173	175	178
US	156	167	165	167	180	183	185	185	185	189	194
Sweden	151	157	159	161	188	202	204	206	212	222	231
England	161	175	180	184	202	220	227	232	241	255	261
NL	197	203	216	237	261	263	263	274	279	284	300
Belgium	328	380	400	364	400	400	400	404	404	416	428
France	843	1,405	1,616	1,803	2,108	2,365	2,365	2,342	2,365	2,412	2,482
Retail Prices											
GRD ¹⁹	-	196	189	185	220	224	217	213	220	224	228
Switzerland	169	176	167	164	184	179	172	174	174	178	181
US	173	186	176	184	204	198	196	196	196	204	210
Sweden	174	187	187	200	256	272	256	254	264	277	282
England	176	203	212	242	294	303	303	306	315	327	339
NL	248	259	269	300	369	359	348	348	352	362	369
Belgium	327	326	342	358	435	412	385	381	388	396	408
France	1,101	1,905	2,143	2,321	2,976	3,125	2,976	2,917	2,917	3,036	3,214

Sources: "International Financial Statistics," published by the *International Monetary Fund*; and "General Statistics," published by the *Organization for European Economic Cooperation*.

Economic freedom is largely stimulated by the restoration of private property. This ought to be remembered by all those who erode freedom, whether they appeal to Marx or the Bible(!). Property makes free, although there must also be the power of disposal over property. Property is the right of disposal. A situation where person A is the formal owner of a property but the state its actual boss makes a mockery of property and implies a tormenting and rancorous situation for the owner who has been deprived of the essence of his property in this way. Such situations are encountered in the housing sector in particular, as owners can only live in their own houses with a government permit, which is often very difficult to get, while attempts have even been made to prohibit rental, meaning that the owners lose not only the right of disposal over their houses, but also the right of disposal over a part of the revenue from them.

Healthy Money

Moving on to monetary policy, all available resources ought to be used to combat inflation—not so much in word, as many are already doing, but in actual deed. Everyone ought to be aware that anyone who asks for more than he could get on the market and thereby circumvents the operation of the market is actually causing inflation, or, in other words, robbing his fellow citizens. The Dutch church would do well to concern itself less with the future of New Guinea, which is a purely political question of which—with very few exceptions—even theologians have no clue, and to mobilize itself rather against the violation of the eighth commandment by inflationists. In battling inflation, we once again find ourselves on the good old Anti-Revolutionary line.

Has anyone forgotten how persistent Colijn was in his pursuit for healthy money, specifically with a view to defending the interests of the little people? He did so without even having seen what the French professor Jacques Rueff has shown us, namely that unhealthy money leads to totalitarian policy.

Another consequence of inflation is that it actually renders international cooperation impossible. If the European market wants to avoid degenerating into trans-national dirigisme, the first thing it must do is to halt inflationist financing as quickly as possible.

Demand and Supply

In regard to employment, it is indeed desirable to raise it to the highest possible level—or, more accurately, to create the conditions for high demand of labor to arise along natural lines. The artificial suppression of unemployment, in which context we ought to think especially of the inflationist financing of labor projects,

must be discarded as fundamentally objectionable and ineffective, since such employment is by nature not sustainable.

The general pricing policy, as well as the rental policy, are to be based on the operation of the law of demand and supply, which does not allow itself to be outwitted, at least not on a permanent basis. And when it does get outwitted, black markets emerge, whether for unreported income, or employment, currency, housing, property, or what have you. All those who try to outwit the law of demand and supply should realize that they, by that very fact, are becoming responsible for all the chaos that will necessarily follow.

A recent example comes to us from France, where petrol rations have been introduced for foreigners—the only result being a lively trade in ration stamps at all petrol stations, in which even the most respectable people participate without any qualm.

Another necessity will be a revision of corporate law, albeit not in the spirit of Ruppert and, in his footsteps, the Anti-Revolutionary Party. He is of the opinion that employees have too little input in limited companies. But the fact of the matter is that they have a lot of influence. The group that is in dire need of fortification is actually that of the capital providers, and in particular the shareholders, who are commonly treated as little more than unsecured creditors. At a recent event, shareholders were jokingly referred to as those who are stupid enough to lend their money to others and bold enough to ask for dividends. The common treatment of shareholders contrasts starkly with the generosity in which many directors, trustees, and staff indulge.

Clearly, if the position of shareholders is further weakened rather than strengthened, venture capital will be even more difficult to obtain, with all the resulting dire consequences for employment.

Rental Homes and Residential Construction

We would be remiss not to mention rental and housing policy. In this area, nearly every imaginable folly has been applied. The first step was the freezing of rental rates to prewar levels, which were themselves already low. Factually, this meant a lowering of rents by 50 percent. As such, two follies were committed. In the first place, it meant increased demand on the scarcest commodity, which is living space. For if you sell a product below the market price, demand will only grow, and this is what indeed happened. The second folly of such indecent treatment of home owners was that all people of sound mind, except for the most gullible wretches or incorrigible optimists, were scared off from investing their money in houses. After minister [Herman] Witte had argued for years that it was entirely possible to proceed on an unhealthy financial basis since the number

of houses to be built was determined by the number of available laborers and since money played a minor role, as time passed His Excellency proved to have underestimated the law of demand and supply. All of a sudden, things were tight. And the prime minister, who suddenly remembered the law of demand and supply, tried to lure citizens to sign up for housing loans with an interest rate of 6 percent. While the government may have shipped off the home owners whose money it had blocked with a 3 percent interest rate, it had them too in its power.

As a result, we find ourselves in a situation where many houses stand vacant because they are considered too expensive. Those who could afford to live in them do not, since they pay low rent in an old house and would be fools to move to a new house that is both smaller and more expensive.

But let us leave it at that. What has happened here is so foolish and unjust, and so clearly revelatory of the effects of dirigisme, that Dutch rental policy has earned international fame and could serve as a textbook example for every basic economic manual of what happens when the law of demand and supply is replaced with folly.

Being Truly Social

Social policy ought to aim at addressing the real needs. As the prosperity level increases, the number of those who receive some form of community support ought not to grow, as is currently happening, but to decline. We once more need to learn to see it as a shameful impertinence when a person who needs no support still presents himself at a government office to collect money, which his fellow citizens, who are worse off than he is, have made for him. It is simply repugnant when child support is made available to those who have an employee income or are self-employed and can support their families adequately or even royally.

Such redistribution ought to be treated with the greatest reserve. Somewhere—where exactly it was, we no longer remember, but perhaps in Goudriaan or Josephus Jitta—we once read a fitting story about redistribution. It was about a mother who poured milk into her children's bowls. When she looked at the result, she was not satisfied because the milk had inadvertently not been shared fairly. So she redistributed it. After she spent significant time pouring (that is, redistributing), the situation was as follows: there still were inequalities, [and] the child who now had the most actually had less than the child who had initially had the least, and the table was “soaked” with milk. Indeed, redistribution does not come cheap. In our society, the proud buildings where the redistributors do their work and which virtually dominate the city skyline—West Amsterdam is currently seeing the construction of a joint administrative office building costing no less than 28 million guilders—and the hundreds of people who work in

them and, in doing so, accumulate additional costs, play the role of the soaked table in the parable above.

When it comes to taxes, they must be lowered drastically through a cut in state expenditures. We need to break with the foolish idea that the state can give its citizens anything with money other than that which it has first taken away from them.

The state, so Colijn once said, is as poor as a church mouse. Of its own, it has nothing. The money at its disposal must first come from *your* pockets.

Wages and Productivity

In regard to wage policy, compensation will have to be established more according to performance than has been the case up to now. The denatured labor market, where many receive much more than they would in a free labor market, is one of the most significant nests of inflation. Wage increases are great, but they should not come because the labor unions are pressuring for a general wage increase, but because of increased productivity. It is only then that rising wages also mean greater welfare. Otherwise, any wage increase will soon be reflected in price increases, which have the effect of nullifying that increase for those with an employee income and moreover place the forgotten groups at an even greater disadvantage.

Capital Formation and Competition

With respect to capital formation, the state's primary task is a negative one, although it is actually quite positive in nature. For its task is to avoid each and everything that might get in the way of capital formation.

The government needs to be an example of frugality. By promoting compensation according to performance, the people who put in an extra effort should also be able to form capital. If, by ending the policy of inflation, artificially low rent, and high taxes (which is likewise another form of inflation), the government furthermore manages to create a climate in which savings once again make sense and become appealing, it will already have taken a big step.

The restoration of free competition is of essential importance for the program we are promoting here. Rules are a possibility and some are indeed needed, but under no circumstances should their goal be to undermine competition, but rather to promote it. Power struggles therefore ought to stay, or more accurately, to be restored to honor. The government must adopt a very critical stance on cartels and on other forms of manufacturers' agreements. As a rule they ought to be prohibited, especially when they in practice prove to be *obligatory* cartels

that everyone has to join. Those who are involved may provide proof that their agreement serves general interest, and, if they succeed in doing so, they should be given an exemption from the general prohibition. So too a public registry of cartels ought to be established for all the cartels that have received an exemption. We support such a prohibition on cartels due to their disruptive effect on the market, and because they lead to private dirigisme as well as all kinds of unsavory practices, including the hiring of traitors and snitches.

There is, for example, an organization—which is bona fide, of course—that, in its crusade on those who do not submit themselves to the cartel, have enlisted the services of a former policeman who in wartimes delivered good patriots over into the hands of the SD and the SS!

In all that talk and endless chatter about the “serving role” of sectoral life, what needs to be emphasized above all is that sectoral life has a serving role toward the client-king.

This, then, is in a nutshell and very fragmentarily the program we have supported ever since 1945, as we had envisioned it very clearly even before we had heard of the German Protestant statesman Prof. Erhard. We first developed these ideas in an address given before the Provincial Committee of Anti-Revolutionary electoral associations in Groningen on February 12, 1949. In a concluding section, we would like to say a thing or two about the potential application of these views, and in the process also address the criticism which Prof. Zijlstra voiced in 1951, during a speech he gave to the Association of Protestant Christian Employers at the school of economics which promotes these things.

The Need for a “Conservative Revolution”

In that 1951 address to the Association of Protestant Christian Employers, Prof. Zijlstra argued that neoliberalism—although, in our opinion, he would have done better to use the term *social market economy*, since *neoliberalism* elicits associations with liberalism and public schools, which are of course issues that have nothing to do with this economic program—is simply impossible. In this system, [so he argued,] theory and reality have been confused in a nearly fatal way. The realization of this program is very difficult to conceptualize, and the amount of government intervention needed to achieve it has been underestimated. That was [his] first set of objections. The reality is, however, that these same objections could be applied to dirigisme with infinitely more right. For who is it that works with laboratory models that fail in practice? It is the dirigists who, by their wage policy, interest policy, agricultural policy, rent policy, construction policy, monetary policy, funding policy, tax policy, and social policy have either

been brought to a complete standstill or are digging themselves ever deeper into the bureaucratic mud. Such bureaucratic mire is particularly evident in so-called social policy, understood here in the sense of care policy, and in particular the hospital funds.

Too Theoretical?

When even socialist circles are lamenting the bureaucratic chaos related to housing (in which context I am thinking specifically of the expert opinion of [Wijnand] Scheerens, the former socialist member of the Amsterdam city council), we should pause to think.

No one less than Ruppert has sounded the failure of the reigning wage policy. The funeral oration for the low-interest policy was pronounced by Dr. Drees himself, when he announced his 6 percent home construction loans. The agricultural policy—it, too, established in a most scholarly fashion—has become one big, laughable fiasco.

Given the present situation in the Netherlands, could anyone claim with any right that a system which takes its points of departure in sober reality and can point to astonishing results that for the time being still has not been achieved by our policy makers and dirigistes—think only of the statistics on inflation—is too theoretical?

“Antiquities” That Retain Their Value

Yes, [so one might object,] but free competition is *impossible*. “Philips,” as Prof. Zijlstra says, “does not get its prices set to it from an anonymous market.” We would counsel Philips—and the people there no doubt are wise enough without anyone having to inform management—to pay little attention to that anonymous market, and to make sure that Japan—think of those tiny radios—does not push it out of the market. Of course, such situations are also not unfamiliar in the toy industry.

“This system demands so much government intervention,” minister Zijlstra continues. But never as much as *his* system does. For those who want to bypass the market already need an army of bureaucrats just to accomplish that, as experience teaches us. Natural price formation, precisely because it is natural, requires much less government intervention than unnatural price formation, and, precisely because it is unnatural, no effort is spared—but with extremely disappointing success—to try and push it through.

When the proponents of a social market economy draw a distinction between conforming (permissible) and nonconforming (nonpermissible) governmental

intervention, Prof. Zijlstra calls it—without any further proof—“impracticable.” But the reality is that the difference can be clearly illustrated and understood with a little bit of effort. The rent freeze that minister Zijlstra helped to effect, for example, is most definitely nonconforming. The same is true for price stabilization and low rent policies. Dirigiste wage policy is likewise nonconforming. This is so because they all attack the very core of the market. Policies regarding location, business hours, product quality control, and numerous other forms of government intervention that already existed before the First World War are in essence all conforming, although they can be applied in a nonconforming way. However, the situation must be considered case by case. And, when in doubt, one ought to abstain, in line with the apostolic admonition.²⁰

Prof. Zijlstra’s next objection is that we basically stand internally defenseless in the face of conjuncture. This objection thus tables the issue of conjuncture policy. It is a riveting matter, which we can only address briefly in this context—albeit longer than minister Zijlstra did in his address.

But in order to test the justice of this reproach, let us first consider the possibility of conjuncture policy within a dirigiste system. In this context, we have at our disposal an unbiased and equally knowledgeable witness in the president of the Central Bank of the Netherlands, Dr. Holtrop. Recently, in a brief address given before the *Vereniging voor de Staathuishoudkunde* [Eng. *Royal Dutch Economics Association*] on November 23, 1957, he clearly demonstrated that neither fiscal policy nor monetary policy can prevent a certain conjunctural movement, and that the most they can do is to aid in tempering it. Dr. Holtrop was very critical of the government for being, in its expenditure policy, subject to the same inflationary infection which it ought to be fighting in others.

We therefore do well to temper our expectations regarding the possibility of a conjuncture policy without inflation. We human beings have not been given power to govern rain and drought, health and sickness, riches and poverty, and fruitful and barren years. And all who think they can control conjuncture are simply hubristic. Crises cannot be prevented, but only mitigated to some extent. The results will be more successful if the money is healthier. Inflation exacerbates crises.

That this does not need to lead to passivity, not even within a social market economy perspective, was demonstrated by Erhard with the conjuncture program he presented two years ago, which included such things as tax benefits for savings (in contrast with what is happening here in the Netherlands), increased immigration of foreign laborers, restrictions on [mortgage] payoff (which is being promoted in the Netherlands again, with a view to stimulating welfare), and a reduction on import duties. All of these measures are conforming.

In the question period following his address, Prof. Zijlstra noted that employees would not accept the unemployment resulting in a social market economy. But the fact of the matter is that, in spite of an influx of millions of refugees, unemployment in West Germany is hovering around two percent.

Let us listen to Prof. Zijlstra one final time: “Neo-liberalism is still in its laboratory phase. It is still far from being sufficiently ripe to serve as a foundation for practical policy. The theoretical problems involved have simply not been analyzed sufficiently to date. It is therefore not ripe enough for election speeches, etc., yet.”

When Prof. Zijlstra made this statement in 1951, he could be forgiven to some extent. But that he repeated it unchanged in 1957 is a total mystery to us.

For in 1948, Erhard performed a trial with such a free economy, in which he had placed his unshakeable faith. At a time when the free economy had generally, with the odd exception, been resigned to the museum of antiquities, Erhard had the courage to have a go with it in a country like West Germany, which at the time found itself in the most unfavorable of circumstances.

Christian Economy

On June 20, 1948, West Germany underwent monetary reform. The value of money was newly established, and inflation was brought to an end. Erhard was to be heard on the radio, with the approval of the three allied High Commissioners. He had shown them an address with a variety of general remarks, but without real content. We can imagine how that might have looked. But once he took his place behind the microphone, Erhard, to everyone’s great surprise, sounded an entirely different note: *All rations are to be abolished, with the exception of some foodstuffs. There will be only one coupon, namely the newly sanitized German Mark. People can use it to purchase anything.*

These were Erhard’s words at a time when it had been calculated that Germans, at the rate of production of the time, could purchase one plate every five years, one pair of shoes every twelve years, one dress shirt every eighteen years, one pair of socks every twenty-nine years, and one suit every century. Production was that low.

Everyone was of the opinion that the deregulation of all prices in such a situation would have resulted in immense price increases. Raymond Cartier, who has written on these matters, tells us that after the radio address, one of the High Commissioners told Erhard, “My experts say that what you have just done is lunacy.” To which Erhard replied, “My experts say the same.”

Anyone who now, ten years later, looks objectively at what has been achieved in West Germany will stand amazed. National income has risen from 74 billion in

1950 to 158 billion in 1957, and the weekly wages of a West German industrial laborer have risen from 16 to 101 German Marks. Taxes were high for a long time, even very high, but Erhard is determined to lower them. He hates high taxes and the first tax cuts have already been tabled. There is lot of construction in West Germany, and inflation has been kept reasonably in check.

The claim that this policy would be “impossible to sell” to the laborers is a pale-faced lie. Socialism has been unable to gain a footing in West Germany, since the laborers know that Erhard’s policy is a good one, and that he will not shrink back from the employers, since they are not all pleased with his market economy and with the war he is waging on the cartels. But that does not seem to faze him. His primary concern is not the interests of the employers, nor that of the employees, but the interests of the consumers. I still remember Erhard saying, in an address before the Protestant labor association of the Christian Democratic Union in Bonn, in June 1956: “To me, Christian economy means that I, in every decision I had to make, took my guidance from the interests of 50 million consumers. For it is not about the producer, but the consumer.”

A little later on, Erhard said, “In 1948, people reproached me for not dividing the poverty equally. But if I had devoted all my energy to an equal distribution of poverty, we would still be poor. It is better not to distribute the wealth as equally as some, who know—or at least claim to know—exactly what God wants, would want, than it is to divide the poverty most equally.”

Once you place these ten years in which the social market economy has been in effect alongside Prof. Zijlstra’s claim that this system is still in its laboratory phase, you can judge [its accuracy] for yourself.

In practice, the social market economy has proved to be the only viable option for Germany, and the latest election results in North Rhine-Westphalia, a typical industrial region, proves that this system is the definitive answer to socialism.

It is true that Erhard has had to make certain compromises, for instance in his war on cartels. No wonder, because it is not as if he can turn people into angels, and the path of least resistance, which is the one dirigisme tends toward, has proved very appealing to a certain type, to a certain type of entrepreneur. But in spite of these concessions, West Germany is a living example of the potential of a free economy.

The Only Way

The free economy is also the only way for us, the Dutch. Support for the policy of the Christian parties, which has been one of “slowing down,” has been in steady decline. We should not be slowing down, but striking a new course. What we need, to use a term from Groen van Prinsterer, is a *conservative revolution*,

that is, a change in course which will make it possible to regain the traditional values that had always been the point of departure for Reformational politics. That will not come cheap, for too much has happened since. The [policy of] “slowing down,” of which they are so proud, is actually disastrous. If 1945 had seen the establishment and publication of a platform containing all—or even half—the dirigiste measures which have been put into effect in the intervening thirteen years, it presumably would have caused a revolution and been refused by the people. But those who worked to slow things down have, by that very fact, made that platform palatable and possible. For this reason, they have a great share in the guilt.

Given the state of affairs, it is no wonder that the orations from that time are hard to listen to. There is so much wavering: “on the one hand . . . , but on the other hand . . . ; although . . . , still . . . ; not only . . . , but also” Another term we repeatedly find in those speeches is that of stewardship, although with a clever trick it is turned from stewardship *before God* into stewardship *before the state*—even though the state is not God. Another frequent but most erroneous line of argumentation is the following: *We want freedom*. Agreed. *Yes, but we mean true freedom*. Again, agreed, we too have no use for false freedom. *True freedom is bondage*. But how is freedom bondage? Can black be white, or dry wet? *What I mean is bondage to the law of God*. Oh, that’s fine then. Agreed. *Bondage to the law of God is love of neighbor*. That’s a little quick, since bondage is more than just love of neighbor, but OK for now. *Love for neighbor demands government intervention, since there would otherwise be chaos*. No, but now we see what you are getting at; the purpose of this excursus to the “supernatural” was to end up at dirigisme. It is a typical case of unsound thinking, and we all too often allow ourselves to be overwhelmed by people who present such arguments, rather than that they themselves recognize that it is—to adopt a term Anema used to use in his lectures—pure “drivel.” One person who used such reasoning years ago was Dr. A. A. van Rhijn (LL. M.), who noted his amazement at how the Anti-Revolutionaries opposed free marriage but embraced the free economy (which tells you just how old this example is!).

At the time, I was bold enough to ask His Excellency whether favoring a *forced economy* sometimes implies being sympathetic toward *forced marriages*.

Where Should Restoration Start?

Someone might ask: “OK, I share your criticism, but where do you want to go from here? Should the Anti-Revolutionary ministers leave the government?” But anyone who reasons that way has not read what we have written carefully enough. It is not the Anti-Revolutionary ministers who should leave the gov-

ernment, but the socialist ministers. But even this is not a full solution to the problem, and much more is needed. At the outset we explained how the misery did *not* begin in 1952, when the Anti-Revolutionaries joined the government, but all the way back in the 1940s, when the Anti-Revolutionary Party was pushed onto the wrong path by such powers as the faculties of law and economics at the Free University and the Christian National Trade Union, which soon also headed the employers' associations on the wrong path. *It is there, and nowhere else, that we need to start the restoration.*

What we need is a complete turnaround in the current perspective on social and economic problems, a return to the traditional biblical views as Groen van Prinsterer taught them to us, when he pointed out that the securing of civil rights is preferable to a situation where people have a wealth of political rights, but no free life sphere is granted on the private level. A specific question we need to ask ourselves concerns the degree to which the "Breakthrough" ideas have already taken hold of us. We will have to learn to see the government again as, above all else, the enforcer of justice, and not as the caretaker of all.

That is what I have in mind with the conversion, the *metanoia*, which I am advocating here. I have very consciously left the demand of the kind of conversion established by church and preaching out of the picture here, since I do not in any way advocate a variation on what Luther said of lawyers: "Dirigistes are bad Christians." We, fortunately, do not have to judge the heart. How often would we not be mistaken?

But there is also a second reason why I refuse to address the spiritual aspect of the matter more closely (apart from my incompetence and the limits of the present observations). That is the danger of theologizing and ending up with very lengthy, largely useless reflections, which might be of value in themselves but ought not to keep us from putting our hands together and taking certain measures to address the present problem quickly and efficiently before we have managed to convince one another on all kinds of theological issues. Even in the face of a wide variety of views on essential Christian truths, a prudent housing policy and equitable monetary policy can be achieved. Thankfully, not all these things are the monopoly of Christians.

Shameful Situation?

For anyone who—mistakenly, by the way—considers that all these things are not *practical* enough and really wants to *do* something, we have the following remarks:

What needs to be done right away is for the small circle of the elite who *actually* hold power in [political] party, the union movement, employer associations,

the press, the Free University, and radio to start dividing that power. “Names are hateful” (*Nomina sunt odiosa*), nor is it *necessary* to reveal them. But anyone familiar with these circles will be ready to join the German poet who described the situation in a small town with little in the way of *intelligentia* in crying out (especially the final clause): “The pharmacist, the physician, and the judge—the faces are always the same!” It is always the same people who, by virtue of a reciprocity system they advocate, always approve and recommend one another as the most suitable candidates (and, in fact, themselves, since one good turn deserves another). In the press they judge their own policy, on the radio they promote their own association or society, and so on. Here we find a remarkable interweaving of Christian, personal, commercial, political, and social interests (and even this list is incomplete), where we really wonder whether the “cause”—to use this awful term—of the kingdom of God is in the end advanced or hindered.

Through the press, every “diverging opinion” (which is to say, the viewpoints expressed by those who depart from the leaders who, as we have tried to show, in their turn depart from the age-old principles) is simply quashed, and to that end someone who is right on the most important point is attacked on smaller matters, and his entire argument is weighed by a smaller or bigger error or even a simple oversight.

In this context, it is perhaps fitting to recall what happened to Dr. [Jan?] Hommes and Dr. Siebesma. Both of them could afford to express their true views. Initially, the attack—which was, as always, offensive, hateful, *ad hominem*, spiteful, and fundamentally unfair because it employed the method above, which is not about discovering the truth but just defending one’s own position²¹—was left to the lower gods. But when Hommes’s brochure made a splash and proved to have touched the hearts of thousands, heavier—even professorial and ministerial—artillery of better caliber was put into position. They looked for mistakes and found them. Of course they did, for what else might one expect from such an amateur as a theologian in these matters. *This* then became their basis for concluding that they themselves were right. On those particular points they were perhaps right, but on the whole the better argument was the one that came from Hommes, who still knows what principles are and for that reason had a stronger position.

All those who thought that the lowest point of such “quashing” efforts had been reached with Hommes were wrong, when it later proved that things could get even worse. Dr. P. Siebesma from Leeuwarden wrote a brochure, and it was favorably received in various Christian periodicals. But then came the response in the channeled Anti-Revolutionary press. Yet again it was directed very personally against the author, and if that was not bad enough, one theologian parliament

member accused him of using communist and national-socialist methods! That theologian ought to be deeply ashamed of his polemics on that point.

Siebesma, however, left the party and Hommes did not. For that reason, there was greater sympathy for Hommes than for Siebesma, who for that reason was subjected to even more vilifying treatment.

Some were still surprised when, given such journalism, many people—including orthodox Protestants—cancelled their subscriptions to the newspapers that breathe such a spirit. But no reason to panic,²² because the Reformed synod admonished its members to be diligent in reading Christian newspapers—where I am nevertheless deeply convinced that the synod acted in good faith when it allowed itself to be used in this way.

Fight—If Need Be, Alone

But one final question remains: For whom should Anti-Revolutionaries vote as long as the present situation pervades? That is a very difficult one. If they keep voting for the Anti-Revolutionary Party, they will be supporting those who set the current course in their wrongdoing. If voters walk away, the wrongdoers may be brought to their senses. And, now that the [door to the] press has been closed tightly, what other avenues do people have for expressing views diverging from that of the leadership?

Should people then vote for the Reformed Political Party [*Staatkundig Gereformeerde Partij*, or *SGP*]? This too is an unsatisfactory solution, since this party takes pride in being old-fashioned, understands sober clothing to be a distinctive marker of Christian identity, has no constructive ideas whatsoever to offer to current economic problems, and, on the point of monetary policy, has not found anything to criticize beyond the use of the image of St. Martin on *f*25 bank notes.²³ In a single word, the party has no answers to the questions of the day, which it simply sweeps aside as worldly matters, and, firmly convinced of its views as an adequate reflection of what God demands of us in politics, it responds to the low appreciation it—that is, the party; the people stay on the outside—has garnered by claiming that this demonstrates yet again how far the “natural man”²⁴ has departed from God’s commandments.

What about the Reformed Political Association [*Gereformeerde Politiek Verbond*, or *GPV*]? Like Dr. Siebesma, we at the present time feel the greatest affinity with it. The social and economic views found within that circle are biblical and therefore sound. The problem is that, to this very day, it is still not clear whether this party is open also to those who are not members of the “Reformed Churches maintaining article 31.” With “openness” we understand treatment as equals, and not as wood cutters or water drawers. In my opinion, as long as this does *not*

happen, the Reformed Political Association will be seriously harming itself and artificially excluding many valuable and most necessary forces from its ranks.

But even if that *does* happen, it is still not the ideal solution. It would be better—and many within the Reformed Political Association will agree—if the Anti-Revolutionary Party itself were to return to the tried and true way.

Our only purpose in writing this brochure has been to incite such a return. Anyone enamored by the Reformational ideal of freedom, who now recognizes how it has come to be trampled underfoot today, would prefer (as Gerretson once eloquently put it) not to eat from the pots of meat²⁵ of a coalition government in every life sphere, and, if need be alone, to fly the flag of freedom, and, rooted in the principles, to fight the good fight for Dutch freedom also today, so as to be an old-school Anti-Revolutionary in a traditional Christian sense.

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The monthly periodical, which the Foundation has published since 1955, bears the title *Tot vrijheid geroepen* [Eng. *Called to Freedom*]. The editorial board consists of W. Beernink (LL. M.), Dordrecht; Prof. Dr. J. Prins, Utrecht; W. de Savornin Lohman, Esq., Arnhem; Dr. A. Zeegers, Amsterdam; and M. A. van Wijngaarden (LL. M.), Amsterdam.

For information regarding the Foundation or *Tot vrijheid geroepen*, please contact the secretariat at Gysbert Japicxstraat 2, Leeuwarden.

Notes

1. Bram Mellink defines “Sectoral Organization Under Public Law” (henceforth PBO) as “a corporatist institutional system developed to minimize socioeconomic conflict by accommodating dialogue among employers, employees and the state at a sectoral level”; see his “Neoliberalism Incorporated: Early Neoliberal Involvement in the Postwar Reconstruction: The Case Study of the Netherlands (1945–1958),” *European History Quarterly* 51 no. 1 (2021): 98–121.
2. Trans. note: “Roman-red coalition” (NL. *rooms-rood*) refers to a coalition involving Christian—in this case, Roman Catholic—democrats (cf. Roman) and social democrats (cf. red).
3. Trans. note: This probably refers to the “Nationaal Comité Handhaving Rijkseenheid” (Eng. National Committee for the Maintenance of the Kingdom’s Unity), an extra-parliamentary committee that opposed Indonesian independence.
4. Trans. note: “Maintenance of the kingdom” refers to the continued inclusion of Indonesia as a part of the Dutch kingdom.
5. Trans. note: “Colijnian” (NL. *Colijniaans*) alludes to the ARP party leader Hendrikus Colijn (1869–1944), who served as prime minister of the Netherlands from 1925 to 1926, and again from 1933 to 1939.
6. Trans. note: See <https://www.ensie.nl/lexicon-nederland-en-belgie/vaderlandse-kring>.
7. Trans. note: This seemingly odd combination of terms can be explained by the observation that the term *liberal* must not be understood as “progressive,” but in the sense of what, in North America, is commonly referred to using the term *libertarian*—that is, the maximalization of personal and economic freedom, and the minimization of state intervention.
8. Trans. note: For the terminology of *liberal* and *liberalism*, see note 7 above.
9. Trans. note: On the term *liberal*, see note 7 above.
10. Trans. note: Zeegers is referring here to two types of social housing projects, led by either the local government or housing associations.
11. Trans. note: Gamal Abdel Nasser, prime minister of Egypt from 1954/1956 to 1970.
12. Trans. note: Willem Henry Beveridge, *Power and Influence: An Autobiography* (London: Hodder and Stoughton, 1953), 360.
13. Cf. LD 42, QA 110.
14. Trans. note: Abraham Kuyper, *Our Program: A Christian Political Manifesto*, trans. and ed. Harry Van Dyke, Abraham Kuyper Collected Works in Public Theology (Bellingham: Lexham Press, 2015), 258–59.

15. Trans. note: This is an adaptation of the common Dutch saying *Elke ketter heeft zijn letter* (“Every heretic has his verse”), used in religious contexts to indicate that all heretics can find some verse in the Bible supporting their position.
16. Ed. note: Gottfried Feder (1883–1941) was a founding member of the *Deutsche Arbeiterpartei* (DAP), which later in 1920 became the *Nationalsozialistische Deutsche Arbeiterpartei* (NSDAP), i.e., the Nazi Party. He published *Brechung der Zinsknechtschaft* in 1919, the same year in which Adolf Hitler attended one of his summer lectures, inspiring Hitler to become involved with the DAP.
17. Trans. note: The use of italics here is reflective of Zeegers’s point that the 1945 regulation on foreign exchange control was a *decree*—that is, in contrast to a *law* or *act*, it was established without the involvement of the States General.
18. For the terms *liberal* and *liberalism*, see note 7 above.
19. 1938 = 100.
20. Ed. note: It is unclear what precisely Zeegers means by “apostolic admonition” here. Perhaps this is a reference to 1 Corinthians 15:23, which Kuyper used as a justification of sphere sovereignty: “there are in life as many spheres as there are constellations in the sky and ... the circumference of each has been drawn on a fixed radius from the center of a unique principle, namely, the apostolic injunction *hekastos en toi idioi tagmati* [‘each in its own order’: 1 Cor. 15:23].” See Kuyper, “Sphere Sovereignty (1880),” in James D. Bratt, ed., *Abraham Kuyper: A Centennial Reader* (Grand Rapids: Eerdmans, 1998), 467, italics and bracketed text original.
21. Trans. note: The Dutch text seems to contain an error here, and has been translated according to sense.
22. Trans. note: This expression is intended to be ironic in nature.
23. Trans. note: Zeegers’s claim is that the SGP’s only criticism on monetary policy has been extremely superficial, in the form of objections to the use of ostensibly Roman Catholic imagery (i.e., an image of *Saint* Martin) on Dutch bank notes. See “Bas van der Vlies 25 jaar Kamerlid,” Parlement.com, https://www.parlement.com/id/vhb8e3ozowve/bas_van_der_vlies_25_jaar_kamerlid.
24. For “the natural man,” see 1 Cor. 2:14.
25. For “pots of meat,” see Ex. 16:3.