The Political Biography as a Vehicle for the Political Scientist: Dr. H.M. Hirschfeld and the Dutch National Interest, 1931-1952

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Why should a political scientist want to write a political biography? Is it because the person in question is so fascinating, or is it because the biography might teach us something more about politics? I would argue for the latter. Should one come across an enchanting person, all the better. But let it not be a prerequisite.

The biography I want to introduce serves as a means to study a fundamental change in Dutch politics after the second World War. The man at issue, a civil servant of major importance, serves as the entry to the subject. He, or rather his signature, has been my guide through the archives. The political-historical analysis is interwoven with his life-story.

Fortunately Dr. Hans Max Hirschfeld (1899-1961) is a fascinating and controversial person: fascinating because of the various official positions he occupied, and controversial because of the turn his career took during the German occupation of The Netherlands. Dr. Hirschfeld had the capacity to transform complex political problems into relative simple policy choices. His memos make society, and the Dutch economy in particular, more transparent. As a top-official he saw political issues primarily as practical managerial problems.

As for the positions he occupied: they may speak for themselves. He was head of the Directorate for Trade and Industry of the Department of Economics in the years of the Depression; head of both the Departments of Economics and Agriculture dur-

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ing the five years of German occupation; special adviser on governmental policies toward Germany and The Netherlands East Indies thereafter; the principal protagonist of Dutch policy towards the Marshall plan; the main negotiator with Belgium in molding the Benelux; a leading voice in the policy of rapid industrialization during the late forties and early fifties; the first Dutch ambassador (named High Commissioner) to the independent United States of Indonesia; and chairman of the so-called Central Economic Commission (CEC) in the years 1951-2. The CEC was and still is the most prominent civil servant advisory board of the Dutch government. Before and after his career as a public servant, Hirschfeld worked as a banker both in The Netherlands and in The Netherlands East Indies.

Hirschfeld was controversial because of his role during the years of occupation (1940-45). With the government in exile he became by his initiatives and strong personality the most prominent Dutch civil servant under Nazi rule. Of all department heads he was the only one to remain in his post until the very end of the war. Others resigned, were fired, or went into hiding.

During the Nazi occupation Hirschfeld felt forced to make a number of decisions that made him very unpopular with the resistance movement. The Germans, however, put great trust in him. They were well aware of the fact that Hirschfeld was of great importance to them as a mediator between Dutch and German interests. They even went so far as to acquit him of his Jewish descent. According to Nazi laws Hirschfeld should not have been in the state apparatus at all. He himself also put a blind eye to the German proclamation by which all officials with a Jewish background were ordered out of office.

What was the fate of a collaborator of Hirschfeld's stature after the war? Hirschfeld, who had already started to prepare his defense in the last months of occupation, suspended his activities at the moment of liberation to account for his war-time policies. A few days later the Dutch military authorities, acting on behalf of the Dutch government, also ordered him on leave. Hirschfeld claimed that everything he had done had been in the Dutch interest. But that of course is a controversial issue in itself. For what is the Dutch interest? And who defines it? A commission of inquiry concluded that Hirschfeld rightfully had raised this claim but that he had made some serious mistakes. What he was blamed for most was his total neglect of the Dutch resistance. His dismissal was recommended.

The first Dutch postwar cabinet found it very difficult to reach a decision on Hirschfeld. Some ministers really wanted to get rid of him as soon as possible. Others thought it would be too
great a loss, especially in view of the national economic recon-
struction that lay ahead. Most hoped Hirschfeld would resign 
voluntarily. When he did not, they discharged him, but with an 
opportunity to appeal. He did so, and he won. The government 
had to consider the matter all over again. In the meantime—it was 
the summer of 1946—elections had taken place. A new Catholic-
Labor coalition government had taken its seat and the Department 
of Economics had changed hands. Instead of a social-democrat, 
it now was headed by a Catholic. Hirschfeld now primarily had 
to deal with a staunch supporter of his wartime policies.

Nevertheless the ministerial discussion threatened to end 
in a stalemate again. A solution could be found only when, in the 
face of a political crisis, the socialist Minister of Agriculture, 
Sicco Mansholt, gave in. The compromise implied that Hirschfeld 
was allowed to resign with all the honors and compliments that 
usually go therewith. But at the same time some severe points of 
criticism were inserted in his certificate of discharge.

Hirschfeld, being a practical man, accepted the deal. On 
January 1, 1947, he officially resigned. Six days later he was 
appointed “Government Commissioner in General Service,” a 
position especially created for him. In his new position he was 
expected to advise the government on policies towards Germany. 
However, at that moment Hirschfeld had already become the main 
architect of Dutch policies towards Germany, because even 
before the cabinet had arranged for his resignation it had already 
appointed him special adviser to the Minister of Foreign Affairs. 
This dated from October 21, 1946, while the agreement on his 
dismissal was not reached until November. So even before 
Hirschfeld was allowed to leave the Dutch state-apparatus by the 
front door, he had already been quietly pulled in again through a 
specially created side door. Obviously the government was very 
eager to make use of his vast experience once again.

Spectacular as Hirschfeld’s résumé may be, it should not 
be enough for a political scientist. The political scientist, instead, 
should ask: will this biography throw new light on politics in 
general and on Dutch politics in particular? The latter seems 
plausible, especially in the post-war years. As a government 
commissioner in general service and particularly as a government 
commissioner for the European Recovery Program, Hirschfeld 
did not belong to any department. He was on the payroll of the 
Department of Foreign Affairs, but he actually acted as a deputy 
of the Ministerial Council of Economic Affairs (the Raad voor 
Economische Aangelegenheden, or REA). This subcouncil of the 
council of ministers at that time amounted to nothing less than a 
core cabinet: all leading ministers had a seat in it. And a careful
look was given to their party affiliation so as to reflect the overall balance in party representation. By virtue of his position Hirschfeld stood above and between the departments. He was their coordinating center. For lack of a formal coordinating principle—a target of policy everybody could and did agree on—Hirschfeld himself became the framework of policy. One might even say that for a while he himself was performing the role of the Dutch national interest as such.

We have now come to the question of what the biography of Hirschfeld might do for a clarification of politics in general. To answer this one cannot evade the question: what is politics? At this level of inquiry, I think, politics should be defined as the struggle for the definition of the national interest. National, here, means Dutch and general alike: Dutch in so far as it means a strategy to foster the nation’s interest abroad, general as it stands for a strategy that pretends to represent the interest of all citizens alike. Above that the national interest also serves as the organizing principle of the state-apparatus; that institution whose primary function it is to uphold the national interest, that is, to defend and represent the nation externally and to represent and cement society internally.

The definition of the national interest has two sides: a neutral, technical, or administrative one and a partisan, repressive, or governing one. As a ‘concept of control’ it serves to regulate and rule society. The definition of the national interest is a strategic device to keep society intact together with the state-apparatus in which this particular task is concentrated. It shares the ambiguity which is constitutive for politics in general and which is so well expressed in the metaphor of the Janus-face of politics. Here the Greek God with the two faces is brought forward to show the essentially double-sidedness of politics: both integrative and segregative. At one and the same time society is seen here as an entity and as a diversity. By conceiving the definition of the national interest as a concept of control, due attention is given to this most difficult aspect of what politics is about.

What I want the political biography of Hirschfeld to do is to shed light on the change of concept of control that took place in The Netherlands during the period 1931-52. The questions I want to pose are: how does such a change occur? What are the roles of the different institutions, nations, groupings and individuals involved? What is the essence of a concept of control? How does it function? What or whom does it stand for? Of course it is not
my intention to give an answer to all these questions here. I merely want to outline the project I am working on.

I

But first there is another question I have not yet dared to raise. Is it possible at all to write a political biography? Is political biography not a contradiction in terms? For people do not live in politics by themselves, nor are they born into politics. And, of course, they have lives that exist outside of politics.

Moreover, a biography is not only a life-story in the sense that it covers a life, it is also a life-story in the sense that it unfolds itself with the life of the individual described. It’s a “history with a subject” in the narrowest sense of the word. The question is: can this subject be maintained writing a political biography? I don’t think so. While writing a political biography one faces a clear choice: either one writes from the point of view of the individual involved, or one writes from the perspective of the political structures in which he or she is embedded.

In the first case a true biography might be the result. In the second all one can hope for is a political analysis of an individual life. In both cases, however, it is the interrelationship between politics and the individual that matters. Therefore, both can claim to be political biographies.

In the first case, however, the individual is either the subject or the object of politics. He or she can not be both, because there is no life from this perspective. Being both a subject and an object of politics does not allow for any action. It leads to a contemplative attitude toward politics: that’s all. And there is no sense in writing a political biography of someone in the role of an eternal onlooker.

However, reducing a person to either the role of a subject of politics or an object of politics means one has to give him or her all the credit in politics or none at all. There is no in-between. So the biographer has to choose between a history in which the subject figures as the center of all politics and one in which he or she falls victim to politics. Of course one might combine them in the sense that they run parallel or alternately. But they cannot be integrated. So, in the end, one has a “great man” history in which the person involved is presented as the mainspring of politics and a plot in which he falls victim to political forces beyond him or her. The two together will result in the typical story of the good guys and the bad guys in which the good guys are on the side of the hero
and participate in his successes, while the bad guys are on the other side, causing his failures. "Great man" history and conspiracy theory are but two sides of the same coin.

From the perspective of politics, however, the individual can and should be conceived as both the subject and the object of politics. At one at the same time the person can be seen as the originator and as the victim of politics. The individual involved can be granted the initiative and shown to be manipulated at one and the same time. This perspective allows a degree of relativity that a subjective point of view would never permit, and creates the possibility of really weighing someone’s influence and of really establishing his or her meaning for the politics he or she is involved in. However, it does not allow for a complete picture of his or her personality. Because one is only interested in the person in so far as his or her activities are political or are of political significance, one may miss vital elements of his or her character. So in this case the biographer will not be able to identify the person under study. One might be able to ascribe some peculiar personal qualities to the individual involved, but no more. No "complete" picture can result. So from the perspective of politics one will not be able to learn and know a person, but one might trace his or her political and historical relevance.

The political biography as such is bound to miss this point. It turns the world upside down by asking what is the meaning of politics for one or another person instead of asking what is the significance of this person for politics. In the end the biography in the aforementioned sense is merely a legitimation of politics as such. It makes politics look like a legitimate business. This seems to be the main function of the political biography in the traditional sense.

So when one is primarily interested in politics one should not simply obey the reigning laws regarding the writing of a biography. This has important consequences. For a "political" political biography cannot hold the story line. There is no unfolding of the subject. Instead there is an adjustment of a given subject to changing political circumstances. The change described is primarily a change of political structures, not a change of the individual involved. Thus the rhythm of change is prescribed by the rhythm in which structural change is perceived. And the perception of structural change goes by jumps. From the viewpoint of the individual it goes like this: suddenly one finds oneself in a situation in which one feels obliged to reconsider one’s position. The relationship with one’s environment is not what it was before. New problems have arisen, old solutions don’t fit anymore. A reconsideration of one’s strategy is required. The
evolving debate or struggle will assign the person involved a new position within the social or political realm. His or her interests are redefined. A new social and political identity is accepted. This implies that a subject, a political subject, is taken from crisis to crisis; from one strategic reconsideration to another. Time and again his or her situation is disturbed by a political intervention from one side or another.

As a consequence of this dual perspective the political biography will have a fragmented character. Every time there is a change of perspective the story-line will be broken. The political biography is built on episodes. The historiography develops as an ongoing sequence of strategic reconsiderations. At a higher level this multitude of changes within the political realm presents itself as a change of politics itself.

The fragmentary method is a means to describe a tendency; an ongoing, but disrupted, sequence of changes. At the end of it lies a definite change in political structure and a new definition of the national interest. In our terminology: a new concept of control has gained dominance. A consequence of this fragmentary presentation of political life is that the political biography will have to be a compilation of mini-stories. It will not be sliding through history, but will jump from one political event and one strategic reconsideration to another. Therefore it cannot be purely chronological. Different considerations can go on at the same time, each with their own point of departure and following their own course of events. Therefore the political biographer will have to jump through history like a horse on a chess board, but somehow without losing his or her sense of direction.

II

Now let us see how the story jumps in our case. The historiography starts around 1860, almost forty years before Hirschfeld’s birth, because that is where we find the first constant in his political career: the striving to bring and to keep different kinds and sources of capital together on a private base but with a common, a social goal in mind. It was around this time that the Crédit Mobilier was introduced into The Netherlands. Coming from France, this new form of capital acquisition made way for the so-called investment bank; a new form of granting credits that would link the banks with the other branches of the economy, including industry, trade, traffic, merchant shipping and colonial enterprise.

However, it was not until the eve of Hirschfeld’s career that one could begin to speak of a structural relation between
Dutch banking on the one side and the other sectors of the national economy on the other. Hirschfeld, who made this development the subject of his dissertation, saw the bankers as being in the very center of the national economy. In making them responsible for the economy as a whole he subscribed to an idea developed by the French philosopher Comte Henri de Saint-Simon (1789-1823). He thought the bankers should be given the lead in developing the productive capacity of the country because they were in the position to place capital with the most significant producers. In line with this Hirschfeld saw the bankers, that is to say the banking community as it gathered around the central bank, as the players most suited to formulate a national economic policy. This was because the bankers had a vested interest in the economy as such; here private and general interest met. Credit was considered the instrument to keep the economy going and in balance. By directing and rationing it the banking community would be able to dampen economic undulations and prevent the development of social and political crises. By the end of World War I society was desperately in need of such a capacity if it was not to fall victim to the anti-capitalistic forces that were threatening Europe.

Hirschfeld, being a banker by profession and by zeal, was quite surprised when he was asked to come and join the administration in 1931. By then the economic world crisis already had The Netherlands in its grips. It was already clear that the bankers alone would not be able to cope with this crisis. Credit, as such, was in jeopardy. Of the other branches of the economy, agriculture in particular was hit very hard, but Dutch shipping had also felt a severe blow. And as private credit institutions stepped back it became all the more clear that the state should intervene to rescue the nation’s productive capacity. If not, the country would face serious social and political upheavals.

When Hirschfeld joined the struggle the government aimed not only at protecting the country’s productive capacity but also its monetary stability. The first to fall victim to this twin aim was the wish to uphold internal monetary stability. By following a policy of deflation and trade restrictions the government hoped to stop the fall in employment and keep the guilder tied to the gold standard. Hirschfeld, who was in charge of the negotiations with The Netherlands’ two most important trading partners, Germany and the United Kingdom, had a hard time balancing the different kind of interests involved.

The government’s policy, however, was not sufficient to keep employment from falling. Thereupon the binding of the Dutch guilder to the gold standard came under attack. Hirschfeld and his minister held the attempt to preserve monetary stability re-
sponsible for the lack of international competitive power. The Prime Minister, however, did not give in. It was only in 1936, when The Netherlands was becoming the sole surviving member of the gold block, that a devaluation was accepted. Of the Holy Monetary Trinity that had reigned in the 1920s one target remained: the balancing of the budget. However, this too was gradually undermined. The pursuit of a more active economic and social policy, along with the expansion of the state-apparatus that went with it, made this target attainable only by some creative bookkeeping. The final blow came in 1939, when the Prime Minister and his Minister of Finance were not able to withstand the joined forces of the Department of Economics and Social Affairs and were forced to make way for a policy in which the balancing of the budget was only one target among others. This implied the end of the hegemony of the liberal-oriented Department of Finance and the emancipation of Hirschfeld's own Department of Economics in collusion with the Department of Social Affairs. The attempt to keep up national production had now reached equal status with the goal of monetary stability.

The road for a new policy was open. But war intervened. Instead of a search for a new policy, a period of sheer survival set in. By balancing the interests of Germany and the United Kingdom the country tried to remain neutral. It was Hirschfeld's task to find a *modus vivendi* with these two warring nations, now mutually exclusive trading partners. This approach ended when the German war machine overran The Netherlands in May 1940. Priorities changed again. In the first instance the idea was to accept the change of circumstances and to go for an Anglo-German arrangement which would settle German hegemony on the European continent. From 1942 onwards, however, it became clear the war would be fought until the very end, until the destruction of one of the adversaries, most likely Germany. Thereafter sheer survival dominated the policy of the civil servants who had stayed behind in The Hague. Sheer survival for Hirschfeld meant not only personal survival, but also the preservation of the economy and the maintenance of the state-apparatus.

Preserving the economy was equivalent to keeping up production. The maintenance of the national income soon proved to be an illusion. German policy amounted to forced deliveries and created an enormous debt in German Reichsmarks. Keeping up production in the eyes of Hirschfeld was equal to keeping up society as such. For without production starvation would set in, and without the binding of the workers to the producers society would disintegrate. Preservation of the state-apparatus not only
meant having an instrument with which to defend the Dutch national interest, albeit in a rudimentary way, but also to preserve an apparatus to take care of the country once the war was over.

To be able to fill the power vacuum, then, was essential for social and political continuity. A prerequisite was that the apparatus should not fall into the hands of Dutch national socialists. In this Hirschfeld succeeded rather well, although he had to engage in a risky confrontation with one of the most prominent Dutch Nazis who had become head of the Department of Finance and head of the Central Bank as well. Personal survival meant not only avoiding acts of war and not provoking the German adversaries; it also meant staying out of the hands of the resistance movement, which had built up a great deal of resentment against the leading Dutch officials. And towards the end of the war and immediately thereafter it also meant being ready for a defense and a rendering of responsibility for the policies pursued. In all these things Hirschfeld proved to be successful, although with some narrow escapes. His aforementioned rehabilitation is there to confirm it.

With Hirschfeld on the sidelines in 1945 the recovery was set in motion. In the second part of 1946, however, it became clear that the recovery would be halted by a failure to restore economic relations with occupied Germany and the rebellious Netherlands East Indies.

From an economic point of view the country was in need of a strong and revived Germany. From a political and military perspective, however, a weak and divided Germany was preferred. The solution Hirschfeld presented was twofold: as far as the German internal political structure was concerned he pleaded for a confederation rather than a federation. Political centralization should be inversely related to economic strength. The second and most important part of his proposition was European economic cooperation. German trade and price policies should be put on a European base. No more dumping should be allowed. The Dutch government adopted this view. Thereafter Hirschfeld was among those who went to London to defend the Dutch position in face of the Big Four: the United States, the Soviet Union, Great Britain, and France. The four powers, however, showed hardly any interest. Inside The Netherlands Hirschfeld’s ideas initially met strong opposition from representatives of all sectors of the economy, except banking. The bankers were the only ones to applaud the European approach. But by spring of 1947, as it became clear that a simple return to prewar bilateral relations was impossible, Hirschfeld’s approach became the truly national one.
About this time Hirschfeld was also consulted on Indonesian affairs. In April the Indies proved to be heading for a severe balance of payments crisis. This was a very serious threat indeed, as the motherland herself was also coping with severe difficulties in international payments. A loss of the colony would mean a fatal blow to her own credit-worthiness. Hirschfeld was well aware of the fact that only an American loan could help. But before negotiations could start economic prospects in the Indies needed to be improved. An economic and financial agreement with the rebellious Republic seemed mandatory. To see whether this was possible a ministerial delegation left for Batavia, with Hirschfeld going along as an adviser. He soon concluded that there was no chance of an understanding and advised military action.

The government, however, was facing a serious problem: in The Netherlands nobody was prepared for such a twist of policy. Financial problems were kept secret and now time was needed to prepare public opinion. Also, it remained to be seen whether the allies would accept military intervention. Hirschfeld left for London and Washington, where he got the impression that there was some room for the military approach. It got underway by July 22. Militarily and economically the war was a success. A large quantity of goods waiting for export were confiscated. The Netherlands’ financial prospects, however, hardly improved as guerrilla warfare developed. Many, Hirschfeld included, now wanted to do away with the political strongholds of the Republic as well. They were even prepared to challenge the United Nations, which had called for a cease-fire. By the end of August, Hirschfeld, depressed by the course of events in Europe as well, even went so far as to advise the risk of an open confrontation with the United States and Great Britain. At least then, he argued, the Dutch people would have someone other than their own government to blame if the colony had to be abandoned. Political stability was always on his mind. The government, however, decided not to take the chance, and hostilities were stopped.

Shortly thereafter a new perspective gained momentum. From Paris, Hirschfeld could report that the first Conference on European Economic Cooperation was heading for a successful conclusion. That summer, 16 countries had been busy formulating an answer to the American offer in June to come and rescue them from a severe shortage of foreign currency in exchange for mutual cooperation and a strong production effort. Hirschfeld attended the conference on behalf of the Benelux, the unit of cooperation of Belgium, The Netherlands and Luxembourg. As a member of the five-man executive committee he exerted considerable influence, acting as a broker between the ideas developed
in Europe and those being worked out in Washington. His main adversaries were the French, who were striving for a permanently weakened Germany, while The Netherlands was looking for a revived and integrated Germany. For the first time since the war some consideration was given to Dutch ideas. Hirschfeld also collided with the French on the kind of cooperation the Europeans should be looking for. The Benelux, although a customs union itself, opted for a monetary approach. The French were looking for an attack on intra-European trade barriers. The Hague, however, feared French dominance resulting from a European customs union. Initially, Paris was supported by the United States, but as ideas crystallized and the State Department took the lead, support for the French withered away.

Success, however, loomed far away. The amount of help Europe was asking for made the Americans stagger. To Hirschfeld this came as no surprise; right from the start he had been warning that by simply casting up European needs one would come up with an unworkable result. Ultimately the conference was in danger of a collapse on this British/French approach. Due to a last minute intervention of Hirschfeld, who declared the Benelux would not go for a result which didn’t satisfy the United States, Paris and London gave in. In the end the conference could present a preliminary report that the American administration felt able to go along with. In October Hirschfeld was among those who visited Washington to help the American administration prepare for its coming confrontation with Congress.

Meanwhile, European cooperation and American willingness to help—options Hirschfeld had been looking for in his dealings with the German and the Indonesian problem—had become serious prospects indeed. That is not to say anything had been solved yet; far from that. By the end of 1947 The Netherlands were still heading for a severe crisis of its balance of payments.

To prevent bankruptcy, the Minister of Finance wanted Hirschfeld to go and ask for interim help from Washington. Hirschfeld refused. It would be of no avail: The Netherlands economy would not come to a standstill until the summer of 1948 and the Americans had made it very clear that they were prepared to help on a bilateral basis only in case of starvation that very same winter. Things were bad, but not as bad as that. The only way out was to further European cooperation and to come to terms with the Indonesian rebels. This was the course Hirschfeld pleaded for in the beginning of 1948.

Cooperation with Belgium, in which Hirschfeld had taken the lead, now came to the forefront. In 1948 it started to open up the big power talks on the future of Germany. At the same time
it went on to strengthen the Dutch position within the OEEC and vis-à-vis the United States as well. In Washington the Benelux customs union was held in high esteem as being a first substantial step towards European cooperation; the Belgians and the Dutch were seen as the vanguard. Cooperation with Belgium was also important because Brussels acted as the country’s most ardent supporter with regard to policies towards Indonesia. Besides that, the goal of economic union was a powerful force in the government’s striving for economic liberalization and monetary stability. In exchange for foreign currency support and a leveling of trade barriers, the Belgians were asking The Netherlands to do away with its war-time policies of rationing and subsidization. In doing so they were supporting the Dutch government in its efforts to say farewell to the wartime economy. With so many virtues coming together, cooperation with the Belgians rose to the utmost importance. Hirschfeld, who had taken the lead in urging the creation of an economic union by 1950, grew to the height of his influence, both nationally and internationally.

From the summer of 1948 onwards, one could say that Hirschfeld did represent the Dutch interest as such. As “Mr. Benelux” and the first in line with regard to Dutch policy towards the Marshall Plan he became responsible for the coherence of government policy. Thanks to his tactical skills The Netherlands received a vast amount of American aid and continued to exercise a great deal of influence on European cooperation issues. It also obtained a position of strength with regards to Western policies towards Germany. The latter did not last very long, however, as the German problem developed into a superpower contest. Internally, Hirschfeld exerted a vast influence on the spending of the Marshall aid in particular and on the monetary policies that went with it. He played a crucial role in coordinating the conflicting policies of the Departments of Finance and of Economics. He prevented inter-departmental strife from becoming a political problem and endangering the existing governmental coalition.

The only essential part of Dutch policy that escaped his permanent influence was the policy towards the Indonesian Republic. Catholic politicians maneuvered the country into a second military operation, an adventure which by the end of 1948 had almost fatal consequences: not only was American aid to The Netherlands' East Indies suspended, but Marshall aid to The Netherlands became endangered as well. The Netherlands’ political isolation became so severe that even the Belgians began to reconsider their position. Now Hirschfeld started to intervene on behalf of Indonesian independence. In his view the colonial approach was harming vital Dutch interests, and, in any event, The
Netherlands’ economic and financial position within the new state would be so strong as to guarantee a continuing influence.

Hirschfeld, backed by American power, proved to have a very strong case indeed. From the spring of 1949 on The Netherlands government started to work towards a transfer of sovereignty. Around this time it also became clear that European cooperation was a dead end; as a consequence Benelux cooperation came under pressure again. At first Hirschfeld’s attempt to create an economic union was saved by the decision to go for a “pre-union” by September 1949 and to postpone the economic union until the summer of 1950. But as European cooperation faltered, in particular because of Britain’s refusal to give up its special position between Europe and the United States and its unwillingness to cut its ties with the Commonwealth, the interests of the Belgians and the Dutch diverged even further. Hirschfeld was hoping the Americans would intervene and revive European cooperation by putting Great Britain in its proper European place. Nothing like that happened.

Meanwhile, Dutch prospects also worsened because of a deadlock in the Indonesian negotiations. To save the Dutch balance of payments from another collapse, Hirschfeld in the end pleaded for an American-inspired “big leap forward” in European cooperation and for an internationalization of his own function. The latter would imply a transfer of essential Dutch sovereignty into the hands of some sort of European agency. Internal coordination would then become an international affair.

With the deadlock almost complete and nobody there to offer even the glimpse of a solution, prospects suddenly started to change. In the beginning of September American policy with regard to Germany took a sharp turn, resulting overnight in the almost complete liberalization of Dutch trade with Western Germany. This “miracle” was followed by the devaluation of the English pound towards the dollar. The Dutch guilder followed suit. By the end of October the long-awaited American initiative to accelerate European cooperation followed. The special position of Britain was accepted and European cooperation was led on a two-track lane; a monetary one which would include Britain, and one oriented towards dismantling trade barriers, which would be confined to the continent. At about the same time the Dutch negotiations with Indonesia were concluded successfully, with an agreement that independence would be granted by the beginning of 1950.

All of this made it clear that the parameters of Dutch foreign policy had been completely changed within a period of two months. Now there was room for cooperation with Belgium.
once again, while the need for an economic union was lessened as new and other prospects for European cooperation had appeared. Soon thereafter Hirschfeld, together with the president of The Netherlands Bank, figured out that The Netherlands should stop considering the English pound, which had been severely weakened, as the leading European currency. This implied a turn towards the dollar as the leading European currency and to the European continent as the main framework for cooperation, at least once Germany was allowed to take its proper European place. Without Germany, of course, cooperation would lose its attractiveness, since it would imply subordination to the French. For the moment prospects still looked grim as the French seemed not to be inclined to give in on this point. Yet by the end of the year the future looked bright. A surplus in the Dutch balance of payments suddenly seemed to be within reach. The promotion of exports now became the most rewarding strategy, taking the place of economic union with Belgium as The Netherlands’ foremost policy target.

In November, Hirschfeld had been asked to go to Djakarta to help Indonesian-Dutch relations through the first months of independence. He refused. In December the plea was repeated. This time Hirschfeld did agree. He did not want the government to lose face, and besides he now had an idea of what to go and do in Indonesia: develop relations along the lines dictated by Dutch export policies. In the short run this meant creating a new platform for bilateral relations and helping the Indonesian government to establish itself.

This soon proved to be asking far too much. The Dutch legacy, laid down in the federal concept of the United States of Indonesia and still omnipresent in the Royal Netherlands East Indies Army, proved to be a very unsettling factor. All Hirschfeld could do was to save relations from a complete breakdown. In the end, after a hectic eight months, he had made hardly any progress in fostering economic and financial relations. Dutch credit had been granted, and some trade arrangements had been made, but nothing systematic had been accomplished. Yet Hirschfeld was widely praised for having prevented an all-out disaster. He himself was not quite so satisfied, as he had not been able to convince the Dutch government of the need to give way to the development of good relations with the Indonesian government, for example by showing a readiness to transfer power over The Netherlands New Guineas as well. The Hague cherished its physical and military presence in the region, whereas Hirschfeld thought economic and financial power would do.

Coming back to The Hague, Hirschfeld found the govern-
ment in disarray again. As Hirschfeld himself had been able to see from Indonesia, the new export policy had failed to provide an answer to the many problems facing the government. The final blow to the export policy came with the sudden boom in world market prices that followed the outbreak of the Korean war. Progress in European economic and monetary cooperation, which had resulted in a European Payments Union and in an outlay for a common market for coal, iron, and steel, had come to a standstill again. When Hirschfeld came home he was confronted with a chaotic situation which demanded new ways of coordinating economic, financial, social, and military policies.

Amidst the emerging crisis, Hirschfeld collapsed from a heart attack. During his illness, responsibilities for the policies with regard to American economic and military aid were combined in a new Governmental Commissionership, and the coordinating role Hirschfeld had been performing since 1947 was handed over to the chairman of a new council of government advisers. Hirschfeld was expected to accept both functions upon his return from sick-leave. When this happened, in May 1951, the struggle over a new overall policy target was already in full swing. Confronting each other were those who wanted to give priority to monetary stability and those who wanted to give way to full employment. For the moment, however, priority was given to political stability. This meant precedence was given to a restoration of the balance of payments, which showed a huge deficit again. This compromise did combine a mild inflation with a moderate amount of unemployment, but when the latter did not improve well enough and the balance of payments took a sharp turn for the better the struggle between monetarists and productionists started all over again. This time the dispute was whether to give priority to full employment or to continue to compromise and give the lead to exports. The decision was postponed until after the June 1952 elections, when the productionist wing, represented by the social-democrats and the trade-unionist Catholics took a clear lead over the monetarists, most notably represented by the right wing of the Catholics and the liberals.

As a consequence, Hirschfeld quit. He had been working on the premise that these countervailing powers could and should be balanced. Now that one had the upper hand he was outplayed. At the same time, this result proved him to be on the side of the monetarists. He had been working on their line of defense. Hirschfeld now returned to banking. As a matter of fact, ever since 1947 he had been a commissioner with the Rotterdam Bank; one might say he never had stopped being a banker at all.
The year 1952 proved to be a watershed for The Netherlands. After this a long period of stability and prosperity set in, leaving the years of depression, war, and slow recovery far behind. In retrospect Hirschfeld proved to be a functionary of the period of transition leading the country from a time in which the striving for monetary stability and global neutrality were central to a time in which the securing of full employment and the strategic approach towards European and Atlantic cooperation came to the foreground. It was a period in which the definition of the national interest changed from a desire for stable growth of national income to a desire for stable growth of the national product. Before 1931, more weight was given to international trade, shipping, and investment than to industry and agriculture. From 1952 onwards the productive sectors got the upper hand.

In between, a miraculous juggling of interests took place with no one or no combination in a position to hold or take the lead. It was Hirschfeld’s passionate view that preventing such a choice was the best option for political and economic stability. It was his job to look for a common denominator, instead of forcing one way or the other. He was the crisis-manager avant la lettre. When his way of handling affairs ceased to be a guarantee for social and political order he returned to private banking. In this he was a practical man. He never sought to go beyond the possible, which meant that by necessity he went for the existing. In this sense he was a conservative. But this does not mean Hirschfeld adored the status quo. As reality was a dynamic affair there was no sense in preventing change. Hirschfeld, instead, sought merely to control that change.

By now it should be clear that, for the political scientist, writing a political biography might be very rewarding provided due respect is paid to the selection of the person involved and the period described. These strategic considerations should even go as far as to determine the point of view from which one writes. All three of these issues are of critical importance. In this respect the traditional political biography is very limited in scope. While the “political” political biography can combine a wide range of topics with an ability to explore the essence of politics in depths, the traditional biography is bound to be limited to an ordering and systematization of a point of view that will be completely outdated. Only the former has the potential to deliver a vivid account of what politics is all about.
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