

Commerce and Emotions in the Dutch Republic: Reading the Mind of the Early Modern Merchant

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Economic scientists have often described market transactions as the pursuit of rational interests by rational actors. Only a fairly recent change in paradigms has made it possible to recognise that economic behaviour is in large part emotional in nature, moved by the human desire for profit, commodities and riches. Viewing economic life as emotion-driven, however, is not to say that rationality does not play a role in economic behaviour. The human mind may be hard-wired to think in dichotomies such as rationality versus emotionality, or masculinity versus femininity, but in reality such opposites are *not* mutually exclusive. The process of rational thinking, for example, is often pushed forward by motives such as ambition and curiosity which are highly emotional in nature. In a similar way the emotion process includes moments when reason in the form of a cognitive understanding or appraisal of a situation is crucial for the developing emotion. Stating that desires are driving forces for economic behaviour, therefore still allows a place for cognition and rational thinking in the overall picture of economic history.

Having moved that potential misunderstanding out of our way, I would like to start by recalling the work of some early modern thinkers who viewed economic life in terms of emotions, or rather in terms of ‘passions’ which at the time was the equivalent catch-all term used for affective experiences of varying nature.¹ In his *Fable of the Bees* (1714) the Dutch Englishman Bernard Mandeville argued that greed and other immoral passions were absolutely necessary to keep the wheels of the economy spinning.² His ideas, caught in the famous one-liner “private vices, public benefits”, would strongly influence Scottish moral philosophers and ultimately lead to the Invisible Hand in Smith’s *Wealth of Nations* (1776).³ In his turn Mandeville was inspired by seventeenth-century authors such as Descartes and the Dutch brothers De la Court who had argued before him that the general good was not necessarily brought about by reason but could emerge from individuals pursuing their personal passions.⁴

¹ Thomas Dixon, *From Passions to Emotions. The Creation of a Secular Psychological Category* (Cambridge 2003).

² Originally published as *The Grumbling Hive* in 1705.

³ Adam Smith, *Inquiry into the Nature and Causes of the Wealth of Nations* (1776) book IV, chapter 2.9.

⁴ See for the historical strand of economic thought discussed in this paragraph: Albert O. Hirschman, *The Passions and the Interests. Political Arguments for Capitalism before Its Triumph* (Princeton 1977) and Karel Davids, ‘Economic Discourse in Europe between Scholasticism and Mandeville: Convergence, Divergence and the Case of the Dutch Republic’, in: Hubertus Busche and Stefan Hessbrüggen-Walter (eds.) *Departure for Modern Europe: A Handbook of Early Modern Philosophy (1400-1700)* (Hamburg 2011) 80-95.

If the economy was driven by passions and desires, however, one had to wonder how the Dutch and the English, both nations known for their stolidity rather than their emotions, had come to dominate commerce worldwide. This paper explores how early modern contemporaries made sense of this apparent paradox, at least for the Dutch, by discussing three texts – chosen from the sixteenth, seventeenth and eighteenth century. The first is the extremely influential *Description of the Low Countries*, published in Italian by the Florentine merchant Lodovico Guicciardini in 1567.⁵ After 25 years of living in Antwerp, Guicciardini portrayed the phlegmatic nature of his Netherlandish colleagues as follows:

“They are cold by nature and calm in all things [...]. These people are mostly not very ambitious, that is, when they realise that they have plenty in their account and have earned enough, either in public service or commerce or another occupation, they quit the hard work and give themselves over to a well-earned rest”.⁶

The prosperity of Antwerp in the sixteenth century and the economic successes of the Dutch Republic in the seventeenth century would seem difficult to explain in such an environment where ambitions were apparently running low. And yet, when Guicciardini continues his account he is giving us some clues, albeit of a double-sided nature:

“They are not overly irascible or furious, not too haughty either, nor do they let themselves be governed by envy, so that they are civil, accommodating, open and obliging in their manners, and above all very humorous, although sometimes too rude. By contrast, they are avaricious persons, or better said, greedy ones. In general they are keen on novelties and so credulous that they give their trust in everything to everybody and are therefore easily deceived [...]. But often when their distrust is aroused they become very suspicious and obstinate.”⁷

Guicciardini mentions several qualities in the Netherlandish disposition which could be perceived as stimulating commerce: firstly an accommodating and civil nature because of a lack of strong emotions, secondly greed, and thirdly an enthusiasm for novelties. While it is not difficult to see how the last two collective passions could produce a shared interest in trade, the first quality might need some further explanation. In the early modern time, however, friendliness, civility and mildness were considered necessary traits for merchants to maintain a good relationship with clients and thus succeed in trade.⁸ As a commission trader Guicciardini would certainly have appreciated the accommodating nature of local merchants

⁵ Guicciardini's *Descrittione di tutti i Paesi Bassi, altrimenti detti Germania Inferiore* (Antwerp 1567) was soon translated into French, German, Dutch and Latin. Longish extracts were published in English and Spanish. Dozens of new editions appeared over the next century, see Henk van der Heijden and Kees Oomen (ed.), *De 'Beschrijving van de Nederlanden' door Lodovico Guicciardini in het kader van zijn tijd* (Breda 2001).

⁶ Guicciardini, *Descrittione*, 29. Translation D.S.

⁷ *Ibidem*.

⁸ Noël Chomel, *Dictionnaire Oeconomique* (Paris 1709), volume 2, 13; Johann Georg Krünitz, *Oekonomische Encyclopädie*, volume 36 (Berlin 1786), 546. See also Mary Poovey, 'Accommodating Merchants. Accounting, Civility and the Natural Laws of Gender', in: *Differences* 8 (1996) no. 3, 1-20 and Alexander Engel, 'Homo oeconomicus. Theoretische Dimensionen und historische Spezifität kaufmännischen Handelns', in: Mark Häberlein and Christof Jeggli (ed.), *Praktiken des Handels. Geschäfte und soziale Beziehungen europäischer Kaufleute in Mittelalter und früherer Neuzeit* (Konstanz 2010) 145-172, especially 154-155.

helping him to conduct his business. Too much complaisance, however, was considered to be unmanly. In many travel accounts, including Guicciardini's, the yielding demeanour of Netherlandish men was presented as intertwined with the bossy behaviour of their wives who supposedly controlled their husband's lives and business as if they were in charge.⁹ Guicciardini admired the local women's skills in trade and their mastery of foreign languages but he also believed this made them into imperious and difficult wives.

As I have argued elsewhere, Guicciardini's take on the Netherlandish character was actually full of paradoxes: the inhabitants of the Low Countries were supposed to be easily satisfied and yet greedy, civil and yet rude, trusting and yet suspicious.¹⁰ This observation is not meant as a disqualification of Guicciardini's work. Imagological studies show that this is precisely how national identities are built: on multiple contradictory statements and images.¹¹ Later visitors to the Low Countries would use similar paradoxes and yet somehow manage to make sense of them (at least for themselves) when they explained the national psyche and commercial achievements of the Dutch.

Let us take a look at the words of Sir William Temple, the English ambassador to The Hague, who published his *Observations upon the United Provinces* in 1673, a century after Guicciardini:

“In general, all appetites and passions seem to run lower and cooler here, than in other countreys where I have conversed. Avarice may be excepted. [...] But quarrels are seldom seen among them, unless in their drink, revenge rarely heard of, or jealousy known. Their tempers are not airy enough for joy, or any unusual strains of pleasant humour; nor warm enough for love.”¹²

Temple then provided his audience with a threefold explanation for that cold disposition he believed to be characteristic of the Dutch population:

“Whether it be that they are such lovers of their liberty, as not to bear the servitude of a mistress, any more than that of a master; Or that the dullness of their air renders them less susceptible of more refined passions; Or that they are diverted from it by the general intention every man has upon his business whatever it is.”¹³

According to Temple the commercial successes overseas, the colonial trade the Dutch Republic became so famous for, were due to the same grey climate of the Netherlands:

“The same dullness of air may dispose them to that strange assiduity and constant application of their minds, with that perpetual study and labour upon any thing they design and take in hand. This gives them the patience to pursue the quest of riches by so long voyages and adventures to the Indies.”¹⁴

⁹ Kloek, *Vrouw des huizes. Een cultuurgeschiedenis van de Hollandse huisvrouw* (Amsterdam 2009) 69-71, 81-84.

¹⁰ Dorothee Sturkenboom, ‘Understanding Emotional Identities. The Dutch Phlegmatic Temperament as Historical Case-Study’, in: *BMGN – Low Countries Historical Review* 129-2 (2014) 163-191, especially 172.

¹¹ Manfred Beller and Joep Leerssen (ed.), *Imagology: The Cultural Construction and Literary Representation of National Characters: A Critical Survey* (Amsterdam 2007) 335-344.

¹² William Temple, *Observations upon the United Provinces of the Netherlands* (London 1673) 147-148.

¹³ *Ibidem*.

¹⁴ *Ibidem*, 149.

With his gifted pen Temple would impress and influence many later authors. The English diplomat was, however, not an original thinker. In many places of his work he showed himself to be a creative compiler of borrowed words from other writers. Thus part of the lines I quoted can be traced back directly to *Les délices de la Hollande* (1651) by Jean Nicolas de Parival, and less directly but still perceptibly to Guicciardini's work.¹⁵ What makes Temple's reading of the Dutch mind nonetheless worth quoting at such length is that he so distinctly used elements of psychological theories shared by many contemporaries across Europe.

In the first place we can identify the ancient psychology of the four temperaments, linked to the working of the *humours* (blood, phlegm, black and yellow bile) in different climate zones.¹⁶ This theory, easily recognisable in Guicciardini's work too, ascribed an excess of phlegm and thus a phlegmatic nature to peoples living in the cold and wet areas of Europe (including the British Isles). Included in the psychological makeup of phlegmatic people were traits such as assiduity, perseverance and patience that Temple and many others with him referred to as typical for the Dutch, making the inhabitants of that small stroke of land by the sea into such accomplished merchants. From the fifteenth century onwards one can find in trade manuals the idea that persons with a phlegmatic temperament were well suited for the commercial profession, not only for the reasons mentioned above but also because they were able to get along with everybody. Furthermore, phlegmatic people were mentally well equipped to handle fortune as well misfortune – both inevitable when one got involved in trade.¹⁷

In the second place an ancient theory on the performativity of emotions is implicit in Temple's statement that the Dutch passion for money was so strong that it diverted the Dutch from other emotions such as love and, as he would argue later in his book, valour and honour.¹⁸ Originally developed by the Stoics and used as a technique of self-control, the idea that one emotion can overrule other emotions was well-known among early modern philosophers of emotions and is still acknowledged in present-day emotion theories.¹⁹ In the seventeenth and eighteenth century the idea that the thirst for money was the prime mover that quelled all other passions among the Dutch, became a standard element in international travelling literature – German, English and French texts alike.²⁰

In the third place Temple seems to have been under the sway of (Graeco-Roman) republican theory which claimed that commerce weakened men's minds and bodies, and made them less valiant and honourable. At the time this was an extremely influential theory,

¹⁵ Jean Nicolas de Parival, *Les délices de la Hollande* (Leyden 1651, 1655) 20-22. Parival was influenced by Guicciardini, as is revealed by certain sentences in his text.

¹⁶ Fay Bound Alberti, 'Emotions in the Early Modern Medical Tradition', in: idem (ed.), *Medicine, Emotion and Disease, 1700-1950* (Houndmills 2006) 1-21, especially 2-7.

¹⁷ Benedetto Cotrugli, *Della mercatura et del mercante perfetto* (Venice 1573, originally 1458) 79-80 advocated a mix of the phlegmatic and sanguine temperament, arguing that a good merchant combined a tranquil mind with a light-hearted and lively disposition. See for the eighteenth century Johann Christian Sinapius, *Lesebuch für Kaufleute* (Hamburg, Leipzig 1783) 79-80 and, by comparison, Johann Karl May, *Versuch einer allgemeiner Einleitung in die Handlungswissenschaft* (Wien 1763) volume 1, 363, cited in Engel, 'Homo Oeconomicus', 154 advising merchants not to display any emotions or feelings when in the process of negotiating deals.

¹⁸ Temple, *Observations*, 154-156, 164.

¹⁹ Dorothee Sturkenboom, '“Passies zijn als de winden”. Natuur en cultuur in de emotietheorieën van de Verlichting', in: *Psychologie en Maatschappij* 91 (2000) 122-136, especially 132.

²⁰ See for other examples Sturkenboom, 'Understanding Emotional Identities', 183-185.

and it was endorsed by many authors – even those who did not support republicanism as political ideology. Luxury was one of the key words here. Luxury, as a side-effect of commerce, was considered a danger for society because it allegedly made men into weaklings and pushovers. According to others greed in itself, without luxury, was already fatal enough to effeminate the masculine mind and body. Influential as the theory may have been, not everyone thought its principles applicable to the Dutch Republic, at least not in its heyday in the seventeenth century when the Dutch were still respected for the wars they fought. Temple, however, writing in 1673, indeed believed that the love for one's honour and the lust to fight, both noble manly passions, had mostly disappeared from Holland. In his explanation he blamed both Dutch frugality and Dutch commerce, writing that “the arts of trade, as well as peace, and their great parsimony in diet, and eating so little flesh [...] may have helpt debase much the ancient valour of the nation, at least in the occasions of service at land. Their seamen are much better”.²¹

In a way, this remark was a foreboding of the future – the eighteenth century when the Dutch were no longer a leading nation and the shine of their Golden Age had faded. The last text I would like to discuss comes from that period. William Falconer's proto-anthropological work *Remarks on the Influence of Climate, Situation, [...] and Way of Life on the Disposition and Temper, Manners and Behaviour, Intellects, Laws and Customs [...] of Mankind* was published in 1781, a century after Temple's *Observations* and two centuries after Guicciardini's *Descrittione* and yet we can still recognize elements of their way of thinking in this book.²² As a physician and fellow of the Royal Society, however, Falconer presented the underlying psychology in a more scholarly frame, quoting many other works both from his own age and from antiquity. The influence of Montesquieu's *De l'esprit des lois* (1748) was in particular noticeable.

Although Falconer clearly believed in the influence of climate on the disposition and temper of people, he distanced himself somewhat from the ancient theory of the *humours* (by then no longer credible to a physician with medical degrees from the Universities of Edinburgh and Leyden) and concentrated instead on the effects of heat and cold on the glandular and nervous systems.²³ Nonetheless, Falconer still maintained that the Dutch owed their industry and frugality to the watery environment of their country, though his explanatory model was more social than temperamental, focusing on the hard work and liberal administration needed to preserve the country against the constant threat of water. He then explained that this abundance of water facilitated the transport of goods and thus induced trade as a way of life.²⁴

The 'Effects of a commercial life on the temper and disposition' of trading nations merited a separated section in Falconer's treatise.²⁵ There we can read that commerce, the import of luxury goods excepted, stimulated frugality – with Holland mentioned as a modern

²¹ Temple, *Observations*, 158-159.

²² William Falconer, *Remarks on the Influence of Climate, Situation, Nature of Country, Population, Nature of Food and Way of Life on the Disposition and Temper, Manners and Behaviour, Intellects, Laws and Customs, Form of Government and Religion of Mankind* (London 1781), later also translated into German.

²³ *Ibidem*, 1-168.

²⁴ *Ibidem*, 197-200.

²⁵ *Ibidem*, 404-410. Unless indicated otherwise, all quotations in this paragraph are from these pages.

case in point. Commercial life furthermore rendered “people timorous and averse to warlike enterprise”, hence the tendency among trading states to rely upon mercenary troops. Again the Republic was mentioned as example, but Falconer took care to add that at the early foundation of their state the Dutch had distinguished themselves by their military exploits. Sailors of trading nations were, moreover, “in general, a brave set of men”.²⁶ Yet, the powers of valour and fortitude and the thirst for glory and honour were suppressed by the desire for gain that “almost constantly absorbs the other passions, and destroys their force and energy”. Again, we recognize the imprint of classical republicanism here.²⁷ Our author, however, seems to have been equally familiar with the central tenets of commercial republicanism, a competing branch of republican theory that became more influential in the eighteenth century.²⁸ Thus, in most cases where he referred to Holland in his argument, Falconer stressed the beneficial effects of commerce upon culture and society, arguing that trade promoted intellectual faculties, industry, equality, freedom, and tolerance.²⁹ Even with money as their ruling passion, the citizens of the Dutch Republic had earned his esteem. In this regard our English physician may not have been representative of his contemporaries, many of whom by then had a much lower opinion of the Dutch national character.³⁰

To conclude: Without being entirely consistent in their readings of the mind of the Dutch merchants, the texts by Guicciardini, Temple and Falconer reveal remarkable similarities. For all three authors, the natural qualities and the commercial habits of the people living in the Low Countries mutually reinforced each other. Temperament and the lack of temperament, passions and the lack of passions – in short emotions – were central to their notion of Dutch commercial successes. Whether we find their pre-modern arguments plausible or not, understanding the underlying theories is elemental to grasp the prevailing discourse on emotions and economy, in their time but perhaps also in ours.

²⁶ Note the similarity to Temple’s argument.

²⁷ In a footnote Falconer reminds his readers of Sallust’s words about avarice and effeminacy.

²⁸ Arthur Weststeijn, *Commercial Republicanism in the Dutch Golden Age. The Political Thought of Johan and Pieter de la Court* (Leiden/ Boston 2012); J.G.A. Pocock, ‘The Eighteenth-Century Debate: Virtue, Passion and Commerce’, in: idem, *The Machiavellian Moment. Florentine Political Thought and the Atlantic Republican Tradition* (Princeton/ London 1975) 462-505.

²⁹ Falconer, *Remarks*, 410-448.

³⁰ Sturkenboom, ‘Understanding Emotional Identities’, 167-169.