The managers' moment in Western politics: The popularization of management and its effects in the 1980s and 1990s

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The managers’ moment in Western politics: the popularization of management and its effects in the 1980s and 1990s

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In the 1980s and 1990s, political leaders in Western democracies used management and managerialism to initiate change. The result was privatization, deregulation, public cost-cutting programs and a greater influence of business leaders and managerial principles in politics and public administration. This change was possible because management itself had transformed from a systems approach to a more personal approach, which made the manager the symbolic figurehead of organizational change and success. Management and rock star CEOs became a big hit in popular culture. An in-depth analysis of the Dutch case shows that political leaders explicitly and purposely presented themselves as managers and were perceived as such. These ‘managers in politics’, (prime) ministers and chairmen of political parties transformed their organizations in a managerial way. By focusing on Dutch environmental policy, we establish that this transformation effected the content of environmental policy. Around 2000, the manager steadily lost his/her attractiveness as he/she was held responsible for economic decline and governmental problems. A new political language, influenced by the experiences with management in the 1980s and 1990s, was introduced. Entrepreneurship instead of managerialism, value-driven politics instead of ‘no nonsense’ business talk and ‘emotional’ instead of ‘rational’ management models became popular. This article thus argues that more attention should be paid to the historical change of management in the 1980s and 1990s; that this change should be understood as a linguistic change first that, however, initiated a change of practices; and that concentrating on politics, public administration and popular culture provides a new understanding of the kind of management change that took place.

Keywords: leadership; management in popular culture; managerialism; managers in politics; new public management

Introduction

In the 1980s and 1990s, some well-known political leaders were called ‘managers’ in Western Europe. They were very proud of their nickname, as Ruud Lubbers, Dutch Prime Minister from 1982 until 1994, stressed:

I was a manager in politics. At the time “manager” implied, and this was also often written, “that man has no political ideals, he is just a manager”. But I wanted a different Netherlands – dynamics, individualization, modernization. It was a journalistic typology of course, but I also considered it a title of honour, because at least you managed something, you got things done. That was the managing dimension, and it has taken me far. (Lubbers in Keulen and Kroeze 2011, 44)
So far, little attention has been paid to the rise of the manager in politics, either in management studies or in political history. The manager’s moment in Western politics, however, provides an opportunity to analyze a crucial change in the history of management: the period of popularization and individualization of management in the 1980s and 1990s, and its effect on public organizations and policymaking.

The topic of this article lies at the intersection of management history on the one hand, and contemporary and political history on the other. The latter two tell us that ideas and practices to effectively govern the public sector have been influenced by experts, management scholars and businessmen in the decades before and after the Second World War (e.g. Nützenadel 2005; Couperus 2009, 2014; O’Hara 2012; Keulen 2014). On the other hand, if we take a historical perspective, the clear, explicit and enthusiastically received influence of management and managers on the western public sector is visible only from the 1980s onward, a development that should be linked to the failure of traditional politics to battle the crisis of the welfare state and economy of the 1970s (Kroeze and Keulen 2012). This is supported by political scientists (Bevir and Rhodes 2006; Bevir 2012) and public administration scientists (Pollitt 1993; Pollitt and Bouckaert 2011; Hood 2005) who have argued that the shift from government to governance and the rise of New Public Management (NPM) had a great impact on the public sector, an impact that is still underestimated. Thus, in this article we are trying to add a chapter to the history of management by describing management in the 1980s and 1990s both as an independent force – with a longer history of its own – and as a set of ideas and practices influenced by a time-bound cultural, economic and political context.

Our method is based on ‘traditional’ source criticism and the interpretative reading of primary sources (interviews, parliamentary minutes, policy texts) and literature. We also incorporate insights regarding ‘the linguistic turn’ in our analysis, especially the notion that language is more than only a descriptive tool. This means that we link up with recent developments in the field of historically orientated management and organization studies. Although not much has been written about the recent development of management thought and practices, the contribution of this historical shift lies on the level of understanding history writing. As a result, management is no longer regarded as only a neutral, objective description or simple analytical tool. It is a discourse, a narrative or linguistic action with performative power, especially for managers, consultants, gurus and firms. Thus, our article goes beyond the traditional empiricist stance and fits well into the growing enthusiasm for a cultural-theory-informed ‘historic turn’ in management studies (Clark and Rowlinson 2004; Booth and Rowlinson 2006; Jacques 2006; Keulen and Kroeze 2012; Kroeze and Keulen 2013; Bucheli and Wadhani 2014).

Finally, the fact that a change in political leadership styles helps us to understand management change needs some explanation. Originally, the word ‘leader’ is derived from the word ‘to lead’, which means guiding people, but leadership is also about being perceived as a leader by an audience (press, voters, employees). To put it differently, the style of a popular leader can be regarded as the embodiment of good leadership in a certain historical context (te Velde 2002; Kets de Vries 2004). Moreover, changes in popularity are changes in style that have a profound impact on substance. The philosopher of history Frank Ankersmit has clarified this with the example of the language used by the new political managers of the 1980s, such as Ruud Lubbers. Lubbers was famous for his managerial-technical speeches, which he used to get support for his controversial reform policy. ‘With his speech (form) he [Lubbers] tries to avoid sharpness and precision – and thus political questions (substance); which without sharpness and precision cannot be articulated’ (Ankersmit 1997, 165). Therefore, a new ‘political content and new issues on
the political agenda were, in point of fact a spin-off from changes in political style’, as Ankersmit (1996, 159) states. However, leaders cannot choose every style that they want because they are bound by their context, like every historical actor (Pocock 2009). In order to be successful, they balance between past experiences – forms of acceptable politics – and new ideas and practices that they present as future possibilities (Koselleck 2004). Political rhetoric is a means to try and get a grip on, and change, political reality. Thus, political expressions not only describe reality, they are also performative utterances that reform reality (Palonen 2003). In other words, a change in political language and leadership style is related to a change in policy.

In this article, we will first discuss the rise of managers in Western politics and its effect on the substance of politics and public management. We then focus more specifically on the change of management itself, in order to show the popularization and individualization of management from the late 1970s onward. In the third and fourth sections, we use an example from Dutch politics, plus some international examples, to present a clearer picture of the change of management by paying attention to the role of business leaders and the use of the concept of management in politics. With the example of Dutch environmental policy reform, we try to demonstrate that this new management style in politics also had its effects on the practices of government. The Dutch case is an interesting one. The managerial reform of the public sector in general, as well as the environmental policy reform in particular, received international attention from politicians and management scholars. In addition, in the Netherlands a particularly fierce political debate took place about the dominance of management and managers in politics. This discussion will be the subject of the final sections, together with an argument for why management lost popularity after 2000.

The rise of the manager in the West

In the UK and the USA, but also in, for example Germany and Denmark (Rennison 2007), management became the new political narrative of the 1980s. Politicians styled themselves accordingly. President Ronald Reagan of the USA (1981–1989), who according to the political historian Gil Troy (2005) ‘invented the eighties’ was known for his ‘CEO approach to the Oval Office’, while German chancellor Helmut Kohl (1982–1998) and UK Prime Minister Margaret Thatcher (1979–1990) were both called ‘the manager’ (Clemens 1994; Sherwood 1991; Troy 2005, 322). The Belgian Prime Minister of the 1980s Wilfried Martens noted that those leaders admired each other and shared the same style (cited in Joustra and van Venetië 1989, 275). Even in France, under the short-lived cabinet of Jacques Chirac (1986–1988), new ministers were appointed who felt an affiliation with their European colleagues and presented themselves as managers (Stevens 2003, 21). The new style of governing had its effects on the policymaking process and on governmental procedures, which started to emulate private-sector management (Savoie 1996).

The change of substance becomes clear when we look at language use. These managers broke down old concepts; they criticized the collective by applauding the merits of the individual. They fiercely attacked concepts such as society, communism and class, with Thatcher being the most extreme in this respect. In a party rally for the upcoming election of 1979, which was to make her Prime Minister, Thatcher called the manager’s narrative a form of ‘idealism’:

Labour believes that wealth is created by investing in ideology. We know that it’s created by people putting their own ideas to the test, putting your trust in people, in their originality and resourcefulness, is not just common sense. It’s a form of idealism in itself. (Thatcher 1979)
Speech acts like these (Austin 1976) quickly altered the substance of politics and
government. After decades of increasing state interference in Western societies, it was
now privatization, liberalization, public cost-cutting actions and deregulation that became
the new norm (Mazower 1998). Management played a formative role in concretizing the
change, as Michael Heseltine, the English Secretary of State for Environment, illustrated
when in 1980 he claimed that ‘efficient management is a key to the [national] revival . . . .
And the management ethos must run right through our national life’ (Pollitt 1993, 3).
Heseltine was not alone in his view that management brought renewal. The Danish
Ministry of Finance, for example, stated in 1983: ‘Management fosters renewal and
inspires the employees to make an efficient and quality-conscious effort’ (Rennison 2007,
19). The Canadian Prime Minister Brian Mulroney (1984–1993), as well as Thatcher and
Reagan, used the growing attention for management by connecting it to the perceived
crises in party politics (extreme polarization) and welfare state (government overload).
Management would be the depoliticized solution to battle the crisis (Hay 2007, 98–112;
Savoie 1996).

This created the belief that businessmen and chief executive officers (CEOs), who
were regarded as non-political experts in management, had the ability to create progress.
Thatcher used a group of CEOs, soon nicknamed ‘Mrs. Thatcher’s favourite
businessmen’, to privatize state companies (The Guardian, November 22, 2000).
In 1982, Reagan went even further by giving the Grace Committee carte blanche to find
cost-cutting options. Eighty per cent of the committee members were CEOs, who justified
themselves by stating that they were, in their own words, ‘individuals who had a proven
ability to effectively and efficiently manage their own enterprises’ (Harriss 1985, 27–28).
During the official installation ceremony of the committee, Reagan encouraged the men to
‘be bold. We want your team to work like tireless bloodhounds. Don’t leave any stone
untouched in your search to root out inefficiency’ (Reagan 1982). Never before had so much
trust been placed in the hands of leading business managers.

The adoption of management and the influence of managers had far-reaching effects.
When in 1987, two public administration scientists carried out one of the first comparative
inquiries into changes in European public administration, they concluded: ‘Politicians
have taken up a new interest in so-called management solutions. The call for management
and managers has slowly penetrated public administration itself’ (Kooiman and Eliassen
1987, 1). At the end of the 1980s, both Western European and Anglo-Saxon countries
shared this new administrative doctrine (Kickert 1997), which was ‘a popularized mixture
of management theories, business-motivation psychology and neo-liberal economy’
and was soon nicknamed New Public Management (NPM) by Christopher Hood
(Lynn 2006, 106).

**The popularization and individualization of management**

To the managers in politics, management was a crucial concept. If you denounced the role
of the collective and appraised the individual in seemingly non-ideological and therefore
rational and objective terms, management was a logical choice (Keat and Abercrombie
1991; Pollitt 1993). Management was able to play this role because the nature of the genre
had changed. In the 1970s, management transformed itself from a steering mechanism
focusing on the structure of an organization and running the collective through uniformity
(e.g. through Taylor-inspired methods) into a concept that stressed individuals’ ability to
successfully change an organization or their private lives (Crainer 2000). In other words,
to initiate change and be successful, one first of all needed to be or have the right manager.
This made the manager more than only a guide, boss or expert in a certain management field. Mintzberg’s famous book *The Nature of Managerial Work* (1973) is one of the first examples of this change. He explained that the role of the manager was to lead, motivate and make decisions, and so become a ‘figurehead’ with ‘duties of ceremonial nature’ (Mintzberg 1975, 54) – just like a politician.

This was taken a step further in the 1980s when a ‘corporate culture boom’ (Rowlinson and Procter 1999, 371) stressed the role of culture, symbols, language and rituals in organizations, and emphasized the importance of the role of the individual leader in a management process (e.g. Deal and Kennedy 1982; Schein 1985). It was a reaction to the management methods that the Japanese used to successfully compete on the Western markets with cheap goods. Pascale and Athos argued in 1981 that the art of Japanese management lay in the attention to the soft skills, which they had laid down in their 7S framework of Strategy, Systems, Structure, Skills, Style, and Staff which are connected by Shared values. Their McKinsey colleagues Tom Peters and Robert Waterman (1982) made this model famous by linking it to the practices of excellent American companies in their book *In Search of Excellence*, which became the overall bestselling title in the USA that year. Now management had changed from a calculating science to a personal art in which the manager was the ‘change master’ (Kanter 1983).

Soon after this, management became a leading theme in Western popular culture (Rhodes and Westwood 2008; Rhodes and Lilley 2012). In the USA, management literature produced the overall bestsellers of 1980, 1982, 1984 and 1985, selling millions of copies, mainly the work of a small group of management gurus such as Peters and Waterman (Huczynski 1993). *Publishers Weekly* concluded in 1983 that ‘Dieting, sex, whimsy, food and gossip are no longer first in the heart of bibliophiles. With no near competitors, business was the strongest selling subject in the United States in 1983’ (Huczynski 1993, 35). This success was matched by a growing number of business-themed movies in the 1980s (Williamson 1991), such as *Wall Street* (1987), that portrayed business and management as glamorous and made some immoral elements of modern capitalism an acceptable part of management – ‘greed is good’. In advertising, the ‘new American hero’ was no longer the idealized soldier or sportsman: perfumes of the 1980s were sold via images of the young, smart executive in a tailored suit working in Wall Street (Branchick and Brooks 2013).

Another element of the popularization and individualization of management was top managers such as Donald Trump and Lee Iacocca becoming the new celebrities of the 1980s. They appeared in business and newspaper gossip columns, and so helped to raise the sales of their books and of the genre of autobiographies of managers in general (van Dijk, Kamp, and Rensen 1985; Piët 1987). Many autobiographies turned into blockbusters. Chrysler CEO Lee Iacocca, for example, sold more than 2.5 million copies of his *Iacocca: An Autobiography*, making it the overall bestseller of both 1984 and 1985 (Huczynski 1993). One of the reasons for Iacocca’s popularity was his connection with the *Zeitgeist* (Forland 2008, Keulen, and Kroeze 2012). *The Economist* saw Iacocca as ‘a man of his time . . . a modern American hero’ (Iacocca 1985, i). More importantly, American politicians and Iacocca’s co-workers saw a striking resemblance between the Chrysler CEO and American president Ronald Reagan. ‘Reagan and Lee are similar,’ stated Health Secretary Joseph Califano. Chrysler director Wendell Larsen added: ‘Some of the things Lee has tapped into are the same as Reagan. . . . The nation has been looking for a leader who is sure of himself’ (*Time Magazine*, April 1, 1985). And Reagan did indeed use the same tone and message in his speeches – ‘Reagan’s storyline’ as Troy (2005, 12) puts it. In 1984, thanks to the popularity of businessmen,
three-quarters of the American population believed that business leaders made real contributions to society (Troy 2005, 216).

In Europe, books by American management gurus were quickly translated and sold in large quantities. European CEO Wisse Dekker (Overkleeft and Groosman 1988), president director of Philips Electronics and vice chairman of the European Round Table of Industrialists (ERT), published his own autobiography and became the most interviewed business leader in Europe. Royal Dutch Shell president Gerrit Wagner (1982, 1989) added his personal views to popular management theories, which made American management recognizable in a national context. The popularity of management had a considerable effect on the organization of government. In the Netherlands, for example, the Interior Ministry propagated In Search of Excellence as having an ‘undeniable practical value’, and saw great uses for it in realizing the political goals of the Lubbers government (Buurma 1986, 74). This feeling was shared by secretary general of the Public Housing Department Wolter Lemstra (1988), who edited the first Dutch government management handbook. The book celebrated the management concepts and ideas, popular at the time, of Peters and Waterman (1982), Deal and Kennedy (1982), Pascale and Athos (1981), Mintzberg (1979) and Porter (1985).

The Netherlands was not the only European country where management caught on in popular culture. In the UK, former Imperial Chemical Industries chairman Charles Harvey-Jones had become a household name as host of the BBC television show Troubleshooter, and introduced an audience of millions to the basics of management (The Guardian, January 11, 2008). His Swedish colleague Scandinavian airlines chairman Jan Carlzon had a great influence on the thinking about management in Sweden, and even achieved guru status in the USA with his book Moments of Truth (Carlzon 1987).

The popularity of management stimulated politicians to openly fashion themselves as managers, to applaud (business) management practices and to place their trust in management. Moreover, management became managerialism. In 1993, political scientist Pollitt provided a definition of the two concepts that reflects the spirit of the time:

Management is a set of beliefs and practices, at the core of which burns the seldom-tested assumption that better management will prove an effective solvent for a wide range of economic and social ills. … Managerialism appears an optimistic, almost a romantic creed.

For it suggests that solutions lie within our own hands, that determined, clear-sighted leadership can achieve fundamental changes and can give a new sense of purpose and achievement. (Pollitt 1993, 1)

Now, just like a political ideology, management was ‘concern[ed with] social groups and social arrangements’ and the distribution of (state) resources, and it ‘privileges certain groups’ (managers) by marginalizing others (e.g. old-fashioned bureaucrats). Most importantly, management created coherence – the ‘socially-derived link between the individual and the group’ (Pollitt 1993, 6–10). Through management, business and government, politicians and voters felt connected with each other and were able to overcome the crises and polarization of the 1970s.

The effects (1): introducing management into politics

By analyzing the Dutch case in more detail, we can see how management was introduced into politics and how radical its consequences proved to be. In the Netherlands, Ruud Lubbers of the Christian Democratic Party (Christen-Democratisch Appèl, CDA) became Prime Minister in 1982. He headed three coalition cabinets, was called ‘manager in politics’, and was the face of politics in the 1980s and early 1990s because he remained in
office for 12 years: a record in Dutch political history. At the high point of the 1980s recession, with unemployment rates at 13%, Lubbers articulated a government policy whose primary goal was to reduce the government deficit via deregulation and privatization. The cabinet reduced the number of civil servants and lowered the salaries of civil servants and teachers and social security benefits by 3%. Thatcher, at that time herself battling the trade unions, envied Lubbers for the relatively quick acceptance of his harsh measures to reform the public sector. Traditionally, it is argued that this ease is the result of a historical agreement between the employers’ associations and the unions in 1982: the ‘Wassenaar agreement’. Although this pact is important, placing too much emphasis on it ignores a bigger underlying change: the entrance of management and business managers in politics.

Only six years before Lubbers took office, business leaders had felt deeply discredited by the politics of Joop den Uyl of Labor (Partij van de Arbeid, PvdA), who was prime minister of a left-wing government between 1973 and 1977. On 9 December 1976, nine top managers of the largest Dutch industries wrote an open letter to the government and Parliament. In this letter, they pleaded for ‘a radical improvement of the business environment through a positive attitude towards entrepreneurial Holland’ and the relinquishing of ‘what in our eyes is a one-sided and dogmatic vision – the aspiration of societal renewal [maatschappijvernieuwing] through collective democratization’. The liberal newspaper NRC Handelsblad concluded that it was ‘hardly common for individual managers in this country to publicly present their opinions on matters of general politics’. Others felt offended. B. de Gaay Fortman, the chairman of the Radicals ( Politieke Partij Radikalen, PPR), a cabinet party, called the letter ‘a conscious attempt to kill this government’ (NRC Handelsblad, January 13, 1976). In 1976, left-wing parties were still very popular in the Netherlands, but around 1980 the failure of Den Uyl’s Keynesian economic program to conquer the economic crisis of the late 1970s proved to be a fertile breeding ground for change. In 1981, five years after the letter by the nine industrialists, the new right-wing government of Christian Democrats and Liberals (Volkspartij voor Vrijheid en Democratie, VVD) asked G. A. Wagner, chairman of the Board at Shell, to write a report on the industrial climate in the Netherlands. This report, ‘A new industrial elan’, which echoed the beliefs and optimism of Reagan and In search of excellence, was almost integrally copied in Lubbers’s policy statement (regeringsverklaring) when he took office in 1982.

The Wagner committee was the start of a new trend of establishing committees led by CEOs to advise on policies that had been in a deadlock for years. The establishment of CEO committees is a striking example of a speech act, because it shows how talking about business and management resulted in political change. In the two decades after Wagner, the government installed at least 31 committees headed by a CEO or former CEO. Provinces and cities emulated this trend by setting up ‘their own Wagner Committees’ consisting of local businessmen (Molema 2011, 274). A good example is the committee appointed to devise a new structure for, and carry out a cost-cutting operation on, the Dutch healthcare system, a topic that had been debated for years. In 1987, Prime Minister Lubbers himself phoned Wisse Dekker, chairman of the Board at Philips, to ask him to chair this committee because of his ‘business attitude’ that ‘would lead to quick results’ (Dekker in Keulen and Kroese 2011, 88, 89). In the same year, Dekker was also asked to chair a committee for the minister of Economic Affairs. But it was not only cabinet members who were keen on businessmen; the same was true for Parliament. A year before the Dekker report was finished, Parliament requested a committee to be set up to devise a new and ‘simple’ tax plan. In order to find such a simple solution, the committee had to be chaired by a non-politician (NRC Handelsblad, July 20, 1991).
named after the head of the Amro Bank, delivered what was wanted with their report ‘Sight on Simplicity’ [Zicht op Eenvoud] (Table 1).

Lubbers, himself a former director of a private company, was keen to appoint as many business leaders in his cabinet as possible. Of a total of 14 ministers, he appointed three former managers, one member of several supervisory boards of banks and insurance companies, and no less than seven directors from private companies (PDC archive). They were managers not only in name, but also in speech. In parliamentary debates, the use of the terms ‘management’ and ‘manager’ rapidly rose during the 1980s and peaked in the 1990s. Moreover, these ministers did not refer to the Netherlands as a state or society, but as a company: ‘The Netherlands Inc.’ (BV Nederland). This term was first coined in a parliamentary debate in 1982 and would from then on become common in political language (Handelingen II [Records of the Dutch House of Representatives] 1981–1982, 2398). These managers stressed that The Netherlands Inc. had a budget deficit that could be solved by rational ‘no-nonsense’ policies (Andeweg and Irwin 2009, 214) (Table 2).

An important act of the right-wing Lubbers cabinets was the restructuring of the government’s deficit by massive cost-cutting and privatization. Although the Netherlands had the largest public sector after Sweden, cost-cutting and privatization operations went through without too much protest from political parties and with only one large strike by trade unions, in 1983. By calling their policies ‘no nonsense’, the ministers of the Lubbers cabinets emphasized the rationality and necessity of their acts, but also disguised the ideological arguments of their actions (Lubbers 1995). In 1991, however, the political scientist Gladdish concluded that the Lubbers cabinets were highly ideological because they represented ‘a new inflection in the direction of public policy which could

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Sources: Number of debates: Digitalized Minutes of Parliament; Frequency of term usage per calendar year: ngram.politicalmashup.nl.
conform to the notion of a “neo-liberal backlash” against the tentacles of the state’ (Gladdish 1991, 157, 158). It showed the newness of Lubbers’s political management style, which was only recognized and framed in ‘neoliberal’ terms nine years after he had entered office.

Management made the difference between government and business disappear. The non-executive director of several financial companies who became the Dutch minister of Transport in 1982, the Liberal Neelie Kroes, saw no difference between working in the business sector and in a democratically legitimized political system. She stated that ‘the nature of our work shouldn’t be different. Every leader in the business sector just has to deal with society in the same way as we do. They have to keep their business going, just as we have to keep the Netherlands Inc. going’ (*NRC Handelsblad*, April 14, 1985). Her colleague, the Liberal minister of Environment Pieter Winsemius, a former McKinsey consultant, introduced new management practices and stated that the aim of these practices was to improve Dutch democracy as well. When he left office in 1986, his farewell present to his former colleagues was a management book on environmental policy, *Guest in our own house*, based on the 7S framework of *In search of Excellence*. The preface of Winsemius’s book was written by Lubbers, which showed the far-reaching influence of management in politics. Lubbers described Winsemius’s management not as a tool but as a ‘political-cultural vision’ (Lubbers 1986).

Elco Brinkman, the Christian Democratic minister of Welfare, Culture and Sport from 1982 until 1989, supported Winsemius’s vision. In 1982, he was given charge of a newly merged ministry of Welfare, Culture and Sports. This merger, influenced by the newest management ideas and headed by secretary generals who had done internships at large Dutch firms, was the end of the ministry of Culture, Recreation and Social Work (Lemstra in Keulen and Kroeze 2011, 105, 106). It was especially the directors of the Social Work departments, one of the symbols of the welfare state, who saw this new ministry as a deliberate termination of old lines of thought and forms (Zandbergen 1989). Brinkman admitted that he was not very interested in welfare and saw himself first and foremost as a manager. ‘Ministers are actually managers at their departments, and they see themselves as such’ (Brinkman in Keulen and Kroeze 2011, 49). The merger introduced business principles such as core competencies (Hamel and Prahalad 1990) into the ministry (van Bottenburg 2002), and in this way Brinkman hoped to tackle ‘overproduction’ in the subsidized arts by focusing on ‘quality’ and employing ‘professional art managers’ to lead this process (Martinius 1990, 83). After 1989, when Brinkman became parliamentary leader of the Christian Democrats, he saw the ‘management jargon’ as a way to internally improve public administration and to strengthen democracy. In 1992, in a famous speech, Brinkman went even further than Lubbers in promoting management:

> Not all government departments are led in a modern way as yet: more attention is needed for the product, the “hard core” of the organization, to put it in management jargon. If we want to strengthen the effectiveness of government we should no longer add things, but take things away. (Brinkman 1992)

The effects (2): managing the environment

How changes in style and language can change substance is clearly reflected in the case of Dutch environmental policy reform. Just as in the USA and the UK, the Lubbers cabinets wanted to reduce government by privatization and deregulation (Kickert 1997). Environment was an attractive target for deregulation. Winsemius, the minister for the
Environment in the first Lubbers cabinet, was seen by the press as ‘the embodiment of the Lubbers cabinet’ (van Tijn and van Weezel 1986, 58), because he was a former partner at McKinsey and loved to talk about management. He was distrusted by opposition parties because he was the first environmental minister without an academic background in that field, and without ties to the environmental movement (Keulen 2014, 180).

His last job for McKinsey was to deliver an advice on environmental deregulation to the business sector, which he presented at the yearly conference of the Confederation of Netherlands Industry and Employers (Vereniging Nederlandse Ondernemingen, VNO). As a solution, he suggested the Bubble Concept (Winsemius and Gledens 1982). This concept, introduced by former McKinsey adviser William Drayton, was presented in The Harvard Business Review (Drayton 1981) and McKinsey Quarterly (Clark 1981) as the first form of emission trade. The basic assumption was simple: ‘Controlled trading will give the manager back the flexibility to find the best way of getting the job done that regulation took away’ (Drayton 1981, 38). In the USA, the Environmental Protection Agency (EPA) adopted the Bubble policy; it was one of the first pieces of legislation that Reagan signed. Denmark implemented a Bubble policy in 1984 for the country’s largest group of air polluters, the power stations (Wallace 1995).

Deregulation meant a break with the Dutch environmental policy practiced at the time, which was based on strict regulation: every company needed a permit for every source of pollution. The ministry of Environment was established in 1971 after the Club of Rome had presented The limits to growth (Meadows 1971). It shocked the world, and certainly the Netherlands: half of all the copies worldwide were sold in the Netherlands alone (Cramer 1989, 36). The civil servants of the newly formed ministry were convinced that they could effectively conquer pollution within 10 years. In their hurry, they were not concerned about the proliferation of different laws. In the second half of the 1970s, however, it became clear that the Netherlands would not be clean in the 1980s and that several laws were counterproductive (Siraa, van der Valk, and Wissink 1995). Civil servants felt that they were victims of the ‘Law of Continued Gloom’ (De Koning 1994, 73, 74).

Winsemius inherited a depressed department. His civil servants were not enthusiastic about the Bubble Concept, which Winsemius had presented on his first day (DGM 1982a):

I heard about the Law of Continued Gloom three times during my first week and then said “Don’t mention that any more in my hearing!” It makes you sick, unwell. Real defeatism…. I seem to be a true Maslow follower. I got the ideas from the Stanford Business School’ (Hajer 1997, 187)

One of Winsemius’s first actions to create enthusiasm was the introduction of In Search of Excellence with its optimistic message, and the then popular 7S framework (Hajer 1997, 187). Next, from Philips president Wisse Dekker he took the concept of ‘management by speech’ to spread his message and establish ‘the desired team spirit’ at his department (Huys 1986, 32). Moreover, he introduced the Philips ‘target-group management’ approach, a tool to provide different target groups with their own message (DGM 1982b; Philips 1979).

Soon after that, he organized a strategy session with the department managers to set out the long-term policy goals (DGM 1982c). Like a consultant, he made his management fill in their goals in matrices. Next, he used the ‘regulatory chain’ based on the PDCA or Deming circles of Total Quality Management, in which he changed Plan, Do, Check, Act (PDCA) to Lawmaking, Licensing, Implementation, Enforcement. He used this for one of his first policy plans: the Integration of Environmental Planning Project, which was hailed in parliament for its ‘clear insights’, even by the largest opposition party, Labor (Handelingen II 1982–1983 18,010; 1984–1985 UCV 53–6).
His management-by-speech approach was not limited to the Netherlands. In April 1984, Winsemius was invited to give talks for the EPA, and at a series of dinners of American industrialists. In those keynotes, he introduced the ‘policy life cycle’. This was a model, Winsemius (1984) argued, that provided ‘a relevant insight into the probable development of a specific policy and the requirements that policy makers have to meet with respect to the so-called “policy parameters”’. The policy life cycle showed how in every phase of the process, you could manage your policy to reduce the political upheaval to a minimum. The model was derived from the Product Life Cycle, used by corporations to evaluate their product portfolio by establishing the life phases of each product: market development, expansion, maturity, decline (Levitt 1965). The Boston Consultancy Group (BCG) had reworked Levitt’s model and had been exporting it as the BCG matrix since 1979.

Once back in the Netherlands, persuaded by his former McKinsey colleagues and the success of Peters and Waterman, Winsemius decided to write a management book based on the 7S framework and his Policy life cycle (De Koning 1994, 113–115; Winsemius 1986, 1990). He also used those concepts as foundation for his Five Year Integrated Environmental Policy Plan (IMP). This was the most important policy plan of his ministerial period, even though his director general expressed serious doubts: he thought the policy life cycle was too closely related to industrial production processes. The IMP combined all Winsemius’s management insights (DGM 1984a, 1984b). Environmental pollution would be reduced by using the Philips target-group management approach to identify the largest polluters (refineries, power stations and agriculture). Not legislation, but voluntary agreements, or conventants (covenants), would be the way to reduce pollution. For the implementation of the rest of the plan, his civil servants suggested 56 priorities. Winsemius was upset: ‘too many: no outsider can assess this’ (DGM 1984c). He single-handedly revised their draft and came up with five priority areas, although he was not satisfied with the highly technical names for priorities such as ‘eutrophication’ or ‘chemisation’ (DGM 1984d). He therefore developed simple concepts: ‘We created a few new words (verstoring, vermesting) and suddenly people started to see the interrelations… All words had to start with “ver” [“too”] to indicate too much, too fat, too far’ (Hajer 1997, 188). Again, Winsemius’s consultancy background was clearly visible. He took successful management concepts as examples whose names and acronyms were easy to remember, such as SWOT, Porters 5 Forces, 6 Sigma, 7S framework and Senge’s fifth discipline (Karsten and van Veen 1998). His policy had an equivalent: five ‘Ver’ priorities.

Parliament was impressed. The governing parties, Christian Democrats and Liberals, praised Winsemius, because in the words of Liberal MP Jan Te Veldhuis: ‘The hand of Winsemius the consultant is clearly reflected in Winsemius the minister. In 1984 he offered this House the “regulatory chain”, and now, in 1985, the IMP, which is a mixture of a consultancy and a communications plan’ (Handelingen II 1984–1985, 954). Even the opposition, headed by Labor, saw Winsemius as a ‘good minister’. He was ‘fun and fashionable, sometimes very serious, but always self-restrained’ and his management-by-speech generated much publicity for environmental issues (Handelingen II 1985–1986, 968).

Although Winsemius left office in 1986, the effects of his managerial reform of environmental policy were long-lasting. His five ‘Ver’ priorities remained in use for 13 years until 1998, and inspired all subsequent Labor ministers who were in charge of the Ministry of Environment from 1989 until 2002. The Labor ministers especially liked the target-group management approach, copied from Philips, which Winsemius had introduced. A second instrument for deregulation that Winsemius had introduced, the voluntary agreements, or conventants, also gained large support. As a result, the number of
covenants grew rapidly from 52 in the period from 1982–1993 to over 100 in 1998. During this period the Minister of Environment Hans Alders (PvdA 1989–1994) signed three times more covenants than his two predecessors combined, which earned him the nickname ‘Hans Convenant’ (NRC Handelsblad, April 27, 1990). This form of deregulation was viewed as the ‘green polder model’ and actively promoted within Europe by the ‘Purple coalition’, which succeeded Lubbers’s last cabinet in 1994 (Glasbergen 1998). The Netherlands changed from a laggard in environmental policy in the 1970s to front runner in the late 1980s, and was an exporter of management-based policy instruments in the 1990s (Zito et al. 2003; Liefferink 1997). The target-group model was taken over as a policy instrument by the EU in 1993 (EU 1993), and covenants followed in 1996 when the European Committee advised member states to use this instrument to meet the new European regulations (EC 1996a, 1996b).

Management at a turning point?

In 1994, Ruud Lubbers left politics and Wim Kok, the Labor leader and former trade union leader, became Prime Minister of the Purple Coalition (1994–2002). This coalition was named after the mix of political colors: the social democratic red of Labor and blue of the Liberals, with a bit of green from the Liberal Democrats (Democraten 66, D66). The retirement of Lubbers, the appointment of a social democrat as Prime Minister, and a coalition government of left and right and without Christian Democrats did not end the managers’ moment in politics. The first Purple cabinet was nicknamed ‘Lubbers IV without Lubbers’ (Andeweg and Irwin 2009, 112). Already in 1986, when Kok had succeeded former Prime Minister Den Uyl as Labor leader, he decided, in order to regain power, to change from a social democratic ‘ideological to more pragmatic’ style of politics (Klein and Kooistra 1998, 115–118). In the first year of his cabinet, Kok held a famous party speech in which he stated that socialism needed to ‘shake off its ideological feathers’ (Keulen and Kroeze 2010; Kok 2009). This statement initiated a transformation that helped to strengthen the image of managerial politics in the 1990s as pragmatic, non-ideological and popular. Shortly after that, purple politics, which lasted until 2002, was qualified as governing a ‘managerial state’ (e.g. by de Vries 2002, who derived this term from Clarke and Newman 1997).

Prime Minister Kok maintained warm contacts with business CEOs such as Cees van der Hoeven (Ahold) and Jan Timmer (Philips), who advised him to act as ‘polder manager’. Also, purple ministers introduced ‘Captain of Industry seminars’. During one of these seminars, retail CEOs advised the minister of Agriculture to handle the 1996 BSE crisis as a ‘product recall’ (de Vries 2002, 79). Moreover, like Lubbers, Kok was admired abroad for his policy, which coincided with an annual economic growth of 4% and the lowest inflation and unemployment rates in Europe at that time. Labor parties, journalists and politicians abroad regarded the Dutch success of the 1990s as the result of Kok’s policy, a specific form of ‘third way’ politics – between classical socialism and economic liberalism. Bill Clinton, Gerhard Schröder and Tony Blair asked Kok to explain the new ‘Dutch miracle’ and the accompanying polder management model (de Rooy and te Velde 2005, 137, 188). In the words of chancellor Schröder (2009, 372), “the “polder model” and the “agreement of Wassenaar” of Wim Kok… and the Partij van de Arbeid [Labor] is a success story which is studied with great attention all over Europe’.

Management in politics was brought to perfection in the 1990s, for example by former Shell manager Frits Bolkestein, the leader of the Liberals, the most important coalition
partner of Kok’s Labor party. He introduced the ‘Bolkestein doctrine’, according to which the cabinet should be run as a management team: after one term, cabinet posts should be rotated to prevent the identification of ministers with their own department (ANP, May 8, 1996). As a result, during the second purple cabinet, almost every minister was ‘reshuffled’. Another example concerns parliamentarians: they, too, wanted to become managers. They got the chance in 1994 when the Confederation of Netherlands Industry and Employers introduced an exchange program in which every MP was linked to a business manager. The program was popular: in 1996 more than half of all MPs participated (Forum 1996; Jorritsma-Lebbink in Keulen and Kroeze 2011, 50).

In addition, chairmen of political parties took their inspiration from business to renew the party. They no longer needed ‘the hard hand of the old party barons, but the new streamlined technique of a modern manager’ (Verkuil 1992, 9). The Christian Democrats were the first party to change when they appointed Wim van Velzen as chairman in 1987, a position he would hold until 1994. Van Velzen was chosen for his ‘management abilities’ and ordered to set up a ‘modern HR section’, in which recruitment was chiefly based on professionalism, not on party loyalty (Trouw, March 8, 1994; NRC Handelsblad, March 9, 1994). The PvdA had Felix Rottenberg as chairman (1992–1997). As a modern crisis manager, he had to overhaul his party: ‘I saw myself as a captain of a change operation, with an open end. With a few clearly visible dots on the horizon. I had no “ready to hand” building plan’ (Rottenberg in Keulen and Kroeze 2011, 52). Rottenberg concentrated on introducing new practices instead of ideological refinement. He presented new recruitment methods and modern ways to communicate with the members. Not the party convention, but spreading information by fax, briefings and ‘knowledge festivals’ became the primary party activity (de Beus 2000, 175). In 1996, the Liberal Democrats followed the examples of the Christian Democrats and Labor with the appointment of Tom Kok, who combined his function of party chairman with a seat on the board of the Achmea insurance company. He introduced corporate sponsorship for the annual party conventions (NRC Handelsblad, November 25, 1996; Elsevier, October 23, 1999).

The logical next step was to ask top managers to write the election programs. This happened from 1994 onwards, and was possible because Dutch CEOs collectively felt completely free to air their party preferences (NRC Handelsblad, April 23, 1994). In the campaign for the national elections of 1998, CEOs and politicians even held an election debate in a packed Ridderzaal building, the ‘fulcrum of Dutch politics’ (Het Financieele Dagblad, April 23, 1998). In 1994, the General Elderly Alliance (Algemeen Ouderen Verbond, AOV) became the first party with a program written by a CEO, when they entrusted the job to former steel magnate Ron Meijer. In the same election year, Dutch Telecom (KPN) CEO Wim Dik assisted the Liberal Democrats during the elections. In 2001, the program of the Liberals was written by Pieter Korteweg (Robeco asset management), and the Christian Democrats asked Jan-Michiel Hessels of Dutch retail giant Vendex to write their election manifesto. In 2006, Ben Verwaayen, then CEO of British Telecom, wrote the election program of the Liberals. He was the last business manager to do so (NRC Handelsblad, December 13, 1993; August 1, 1997; Het Financieele Dagblad October 31, 2001; October 18, 2002; December 1, 2005).

However, around 2002, management lost its attraction for several reasons, not all of them political. First, the management genre itself became dominated by literature written by anti-guru gurus and debunked by ‘critical studies’ scholars within academia, who denounced popular management studies as ‘Heathrow literature’ or ‘bullshit’ (Keulen and Kroeze 2012). Second, after years of reform, the public transport, education and health management policy had successfully transformed citizens into customers and civil
servants into public managers, but punctuality and service levels had dropped and prices increased. NPM, and often management and managers in general, was held responsible. Third, a series of international fraud cases in 2002 and 2003 (Worldcom, Enron, Ahold and Parmalat) formed a fertile breeding ground for the idea that business managers and management policies, now often labeled ‘neoliberalism’, had a dark corrupt side.

In the Netherlands opposition leader Pim Fortuyn was successful with his pleas in which he combined a critique on the multicultural society with critique on the role of managers in politics (de Rooy and te Velde 2005). The focus on public cost-cutting, rationality, efficiency and privatization had created a public sector full of ‘bureaucrats and managers’, as he called it (Fortuyn 2002, 12). In exchange he asked for ‘entrepreneurship’, which he clearly distinguished from management (Pels 2004, 121) and morally loaded politics, combined with a non-pragmatic populist style. His party won the 2002 election, defeating Labor and the Liberals, something that had long been held impossible because of the purple coalition’s astonishing economic track record (Aerts 2003).

Fortuyn was not alone in combining populist politics and an entrepreneurial ideal with a critical stance toward neoliberalism and management. All over Europe, non-pragmatic, populist, often self-made businessmen such as Silvio Berlusconi in Italy, Christoph Blocher in Switzerland and Declan Ganley in Ireland were successful in politics. Since that time, ‘bashing’ managers and management has remained popular in European politics and in business as well (Hoopes 2003; Verbrugge 2004; Carver 2005, Klein 2007, Ankersmit and Klinkers 2008; Pearson 2009; Napier 2012). This change had its effect on management as exercised by the government. Pollitt and Bouckaert (2011) found that NPM had been in decline since 2000, and that new concepts were no longer based on markets and business principles. Moreover, in many new plans, citizens were no longer considered customers, but stakeholders in a ‘big society’. At the very least, we can conclude that the enormous popularity of management, as well as the willingness of politicians to present themselves as managers, came to an end in the first decade of the new millennium. The future will have to show whether this is a definite or a temporary halt to the advance of management, what the real effects of this change are, and what has come in its place.

**Conclusion**

We began this article by stating that the style of leaders – language, performance and image – reflects the historical context and is linked to change in a certain time frame. Leaders develop new styles, but they have to build on past experiences to create a new horizon of expectation. Hence, the manager’s moment in politics in the 1980s and 1990s was possible because of the economic crisis of the 1970s and the failure of the old policies to overcome this crisis. The reason why management was used to initiate change also came from a transformation of management itself from a systems approach to a more personal approach, which made the manager the symbolic figurehead of an organization and the master of change. The individualization of management made it possible for CEOs to become rock stars, and for their writings to become big hits in popular culture. This helped to make management concepts and business principles understandable and acceptable to larger parts of society.

The Dutch case shows how far this process went. It was not only ministers and prime ministers but also civil servants, parliamentarians and chairmen of political parties who explicitly and purposely presented themselves as managers in politics and were perceived as such. In addition, our in-depth analysis of the transformation of Dutch environmental policy indicates that this discursive shift resulted in specific acts that changed the ways that political organizations worked and policy was formulated.
After 20 years of success, the managers lost their public attractiveness. In the Netherlands, Fortuyn was at the forefront in criticizing management and compiling a new political language based on the experiences with management and managers in politics. Entrepreneurs and entrepreneurship instead of managers and management, value-driven politics instead of ‘no nonsense’, and ‘emotional’ instead of rationally calculated politics became popular.

To sum up, in this article we described how the 1980s and 1990s were indeed a special period in the history of twentieth-century management, and that more attention to the language and framing of management helps to locate change – not only in form or rhetoric, but also in substance. This means that if we are to understand changes in the content of management and the role of managers, it is necessary to be informed by theories that stress the performativity of management concepts and the manager’s language. Next, analyzing the use of management outside business will improve our knowledge of the specific content and impact of management change. Finally, the historical context in which top managers in business and politics operate both limits and provides opportunities to establish new managerial ideas and practices. Hence, knowledge of the cultural, societal and political context is crucial to understand management. All this is important not only for those interested in the history of contemporary politics, in which managers and management played such a big role, but also for those dealing with organizational change and management history, because it helps to understand how the content and impact of management can differ over time.

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