English summary

A question of political morality
Political corruption scandals and good government in the Netherlands, 1848-1940

Introduction
Since Transparency International (TI) started with its corruption perception index in 1993 the Netherlands has been ranked in the top of least corrupt countries in the world. This is in line with the historical image that the Netherlands is known for ‘its high standard of public honesty which makes far-reaching corruption impossible’, as the famous Dutch cultural historian Johan Huizinga wrote in 1934. At the same time Huizinga stated that ‘it could not be denied that the Dutchman, because of his bourgeois good-naturedness, accepts a light degree of corruption and favouritism without protest’. Recently, corruption affairs, such as the bribery of civil servants by construction companies, scandals related to malversations in the financial sector and cases of political corruption at the local level have resulted in public discontent. A Dutch political commentator even concluded that ‘the long standing idea that in Western mature liberal democracies political corruption has been vanished’ should be reconsidered. The history of Dutch political corruption and its relationship with the development of modern government is the subject of A question of political morality. Political corruption scandals and good government in the Netherlands, 1848-1940.

Corruption, integrity and good government
A political corruption scandal can be regarded as the result of public indignation about the misuse of a political office or public resource for private or political benefit. However, effective use of this commonly used definition is only possible when the concept of corruption is better understood. According to the German historian J.I. Engels it is important to take the etymological and conceptual development of corruption into account. Corrupt and corruption are derived from the Latin word corruptio – which is itself derived from corrumpera – and are explained in dictionaries as ‘perverted’, ‘rotten’, ‘dishonest’, ‘depraved’, ‘bribable’ and ‘degenerated’. Both the concepts and their explanations are in use in the Netherlands since the late Middle Ages. Furthermore, although corruption is often seen as caused or exemplified by incidents or individual wrongdoing, an accusation of corruption is always related to the moral health of a political system as a whole. In the Ancient World Greek equivalents of corruption were used to describe the moral decline or perversion
of a good political system: tyranny, oligarchy and ochlocracy were deviations of monarchy, aristocracy and democracy. Moreover, corruption is inversely related to the Latin word *integritas* – which is itself derived from *integer* – which means ‘incorruptness’, ‘intact’, ‘whole’ and ‘unaffected’. The relationship between corruption, the moral health of political systems and integrity shows that (a debate about) corruption is related to an ideal form of good government and what is regarded as political morality.

**A contextual approach of political corruption and morality**

Often a fixed and static definition of corruption is used, but in this book a historical contextual approach inspired by the work of the American political scientist Michael Johnston is deployed. Johnston has defined corruption as ‘the abuse, according to the legal or social standards constituting a society’s system of public order, of a public role or resource for private benefit’. From this perspective corruption is not so much an infringement of a formal procedure or law, but of a set of socially and politically defined moral norms. Therefore corruption is related to a politically and contextually defined morality; what is seen as honest, decent or respectable is defined by a public debate within a certain time and place. This approach has consequences for the material that has to be studied. Not only laws, sets of rules or administrative standards should be analysed but also debates in parliament and the press as well as books of important political theorists and pamphleteers, diaries or letters of involved leading figures or minutes of board meetings.

**1848-1940: a crucial phase in the development of modern politics and government**

This study focuses on the meaning of corruption, political morality and good government between 1848 and 1940. In 1848 the leader of the Dutch liberals J.R. Thorbecke wrote a new constitution which was the foundation for the formation of a modern parliamentary system in which members of parliaments were directly elected for the first time in history. From that time on, it has been held, a liberal-bourgeois influenced political culture and government system slowly developed characterized by a parliamentary democracy, a free market economy, a bureaucratic state and a pluralist society guaranteed by the rule of law. However, this is a bit of an anachronistic view. After the Second World War, the scope of the debate about good government and corruption was reduced. In West-European countries like the Netherlands, the pluralistic liberal democracy became the only accepted frame of reference. However, this view ignores the contested character of the pre-war debate on, and practice of, good government. The changes which occurred in the Netherlands between 1848 and
1940 can be fruitfully related to corruption scandals and the development of politics in other European countries in the nineteenth and twentieth century.

Although modern, modernity and modernization are ‘essentially contested concepts’ it can be stated that the nineteenth and twentieth century gave rise to ‘modern’ forms of (thinking about) good government and political morality. According to the German Begriffsgeschichte historians a modern political language developed from the late eighteenth century onwards which is characterized by four processes. First, the democratization of political language; more was written about politics and more people become involved in the process of reading and writing about and giving meaning to politics. Second, the historisation of political language; political concepts were related to an idea of a desirable future which caused that politics was more intensively experienced and fought for than before. Third, the ideologization of political language; concepts became part of ideologies like liberalism or conservatism and therefore the content of a certain political idea became depended on someone’s ideological viewpoint. Fourth and last, the modern era is known for the politicization of political language; concepts were used as weapons in a continuous political fight between opposing parties and groups with different ideas and moral values. These four processes should make us aware of the fact that debates about the meaning of political morality, good government and accusations of corruption entered a new period from the nineteenth century onwards.

In addition, historical studies on German, French and English political corruption have shown that processes of political modernization influenced the use of the word and definition of corruption, often in a paradoxically way. For example, the modern bureaucratic state was seen both as a mean to prevent and a reason for corruption: according to some the bureaucratic state guaranteed a formal, disciplined and professional use of public resources for public benefit, but others claimed that it resulted in higher public expenditures and an inefficient (corrupt) use of state money. This study proofs that comparable ‘modern’ discussions on corruption took place in the Netherlands as elsewhere in Western Europe.

Four cases of corruption; four periods of political morality and good government

I. The Letters Affair of 1865 and the ideal of liberal good government (1848-1870)

In the first chapter the so-called ‘Letters Affair’ is discussed. In 1865 it became publicly known that during the election campaign of 1864 the liberal minister of Finance G.H. Betz had written a letter to P. Th. van der Maesen de Sombreff, then the liberal candidate for parliament in the district of Maastricht in Limburg. Van der Maesen, in his successful bid, had shown Betz’s letter to voters in
the district of Maastricht in an attempt to win their support. In the letter Betz had promised that his proposal for a tax increase for Limburg would be cancelled when Limburg voters would elect Van der Maesen. According to a contemporary liberal politician and historian, who remembered the case in his memoirs afterwards, it was very clear ‘that the unfavourable tax proposals would be repealed in case the election should show a favourable result for the liberals.’ Others called Betz’s pledge ‘corruption’ or at least an ‘act of imprudence’. Soon Betz and Van der Maesen resigned, but the anti-liberal members of parliament asked for an enquiry, because they thought the letter was a sign of structural moral misbehaviour by Liberals during elections. Several more weeks of debate followed in November and December 1865 in which Liberals were attacked, especially their leader Thorbecke.

To understand why this apparently small incident caused such a fierce debate one should take into account the political and ideological context of the moment. First, Thorbecke presented himself and was seen as the founder and defender of the 1848 reform which had introduced free direct elections. Second, an accusation of corruption was serious in a time when political opposition and parliamentary debate, both principles associated with liberalism, were still in an experimental phase. Moreover, as debate and freedom of press were important liberal values, many politicians and newspapers joined the debate. This stimulated turmoil and undermined a sense of consensus about the facts, the content of corruption and what should be done with wrongdoers like Betz.

Although an enquiry was voted down, the scandal proved that influencing the outcome of elections behind the scenes and recalling a proposal of general benefit for reasons of party politics was politically immoral. Another outcome was the development of stronger party alignment, which would make political campaigning more openly accepted, but would also make it more difficult to arrange conformity about the general interest and the meaning of political morality. Finally, one should take into consideration that the Dutch case was not unique. Debates about electoral corruption were common in countries where the establishment of a modern liberal parliamentary system and free elections – or attempts to – were at stake. Like in England in the decades around the Reform Bill (1832) and in France during and after the liberal phase of 1830-1848. Election scandals showed that free elections proved to be a vital value and important aspect of political morality in a liberal culture.

II. The Billiton case (1882-1892) and the ideal of the modern state (1870-1900)

The second chapter is about a corruption scandal which erupted in 1882 when the Billiton company was granted an extension of its concession to extract tin-ore on the island of Billiton in the Dutch East-Indies. In February 1883 a majority of Dutch MPs rejected the concession, thereby forcing the resignation of the Dutch Minister of Colonial Affairs and the Governor-General of the Dutch East-
Indies. The Dutch parliament regarded the concession as symptomatic of an immoral political system which favoured private businesses in a wrong way as the concession would provide the directors and shareholders of the Billiton company to divide among themselves an expected profit of from 70 to 140 million guilders. It would take until 1892 to find a solution for the problem.

Billiton took place in a time when the frame of reference was the ideal that a state was responsible for the moral well-being of its (colonial) citizens and should enable modern economic growth by stimulating private business. From the beginning there was a tension between the state as a ‘guardian’ and the politics of promoting private business within the colonial territories. Although the concession was by many regarded as a legal document which correctness should be disputed in court, it was parliament in the Hague which claimed to be most equipped to judge it because it was a matter of political morality. The debate took several years as both the leading Liberals as well as the Christian opposition were itself ideologically divided between progressives (more state and political control in matters of public morality and business) and conservatives (less state interference and more laissez-faire).

The outcome of the debate was that parliament was indeed to decide and made clear that the state should earn a better concession in the interest of public morality, a civilized colonial policy and the common good. In 1892 under pressure of parliament the minister of Colonial Affairs negotiated a concession in which it was decided that 62.5% of the profit would be paid to the state, instead of the 10% agreed to in 1882. Although the shareholders protested, in the end there was no doubt that Parliament would have the last word in matters of political morality, i.e. when state interest and authority seem to be at stake. Moreover, the case fits well into growing difficulties of upholding a shared idea of morality in a time when modern multinational enterprises with private interests and bureaucratic states guaranteeing the public good each were extending their powers within the motherland and the colony. In addition, comparable cases of public-private tensions and public outcry about the behaviour of private companies and the role of politics were seen elsewhere, for example in France during the Panama scandal (1892).

III. War corruption (1914-1918) and the ideal of bureaucratic expertise (1900-1918)

The third chapter deals with corruption at the so-called crisis organizations which were responsible for an effective and efficient production and distribution of goods and raw materials in order to prevent shortages during the First World War. This economic and administrative system became more complex and disputable as the war continued. Two cases of corruption from 1917 and 1918 are taken as an example and used for in-depth study; the corruption at the Association for Poultry and at
the Association for Pulses, also called the De Jong Case. Board members and employees of the Association for Poultry were accused of favouritism, inaccuracy and foreknowledge and blamed for misusing their public office for private benefit, for example by asking for and taking gifts. The De Jong Case was comparable with the Poultry-corruption with one difference: the involvement of W.J.E.H.M. De Jong, chairman of the committee supervising the Association for Pulses who was a member of parliament. De Jong’s involvement stimulated criticism on the role of politicians and parliament.

The corruption, the type of accusations and the distrust in parliamentary politics were closely related to the growing trust in bureaucratic expertise as a fundament of good government. Since the end of the nineteenth century the state was held responsible for a growing number of areas with the result that more civil servants were appointed and that a growth of state expenditures took place. This had consequences for the meaning of political morality. No longer were respect for liberal bourgeois values like public dignity and parliamentary debate seen as the most crucial for obtaining political morality. Instead promoting the bureaucratic ideal meant that public office holders and civil servants should see their office as a full time job, be permanently paid officials, act efficiently, follow written standardized rules and posses specialist expertise. The war was a great opportunity for downplaying parliamentary politics and a stimulus for large scale experiments with bureaucratic expertise. But the rash organization of the crisis system proved to be a breeding ground for corruption scandals. First, the crisis organizations were staffed by men with conflicting interests and different kind of expertise; besides civil servants and technical experts also businessmen were employed. Second, misuse of power and funding were caused by a lack of clearly defined rules – which is so crucial in a bureaucratic culture – concerning price-fixing, accounting, keeping files, possibilities to enter an appeal, gift taking and promotion and demotion of officials.

In May 1918 parliament set up a so called crisis-enquiry committee to investigate the accusations of corruption. In 1922 the final report was presented in which it was established that a lack of formal bureaucratic procedures, expertise and (parliamentary) political control were the main reasons for misuse and perceptions of misuse. Interestingly enough, the committee concluded that the abuses should not be called corruption, while during the war many of the observed offences were regarded as such. This was in line with the post war consensus that, although bureaucratic expertise and government interference should not be idealized and trusted in the way it had been during the war it still was an inevitable part of modern politics. The growing distrust in parliamentary politics and the trust on bureaucratization and expertise were quite common in Europe around 1900, just like corruption had been during the war. For example in England the War Office and in Germany Walter
Rathenau’s *Kriegsgesellschaften* were known for their inefficient use and misuse of public resources. The result was corruption scandals at the end of the war, investigations shortly after the war and scepticism about parliamentary politics and state bureaucracies during the interwar period.

**IV. The Oss Case (1938/39) and the ideal of the pluralist constitutional state (1918-1940)**

In the final chapter the so-called Oss Case is analyzed. The scandal was caused by the fact that the Minister of Justice C.M.J.F. Goseling, vice-prime minister and leader of the Catholic party, had taken away the powers of criminal investigation from the military police section stationed in the Catholic town of Oss. It seemed that Goseling had taken his decision on the moment that the military police was investigating a case of sexual abuse and fraud in which Catholic priests and administrators were involved. Liberal, Protestant, social democratic and National Socialist newspapers and MPs defined this as an act of corruption and wanted an enquiry. One and a half year of heated debate was ended in late 1939 when a parliamentary committee presented harsh conclusions and Goseling stepped down.

The Oss Case should be understood within the framework of the transformation of democratic politics after the First World War. In 1918 the first elections following universal male suffrage were held in the Netherlands which was seen as a crucial phase in the development of good government, especially by progressive Liberals and social democrats. However, soon it became clear that universal suffrage strengthened party politics and the social segmentation of the Dutch nation: more than ever before citizens voted along lines of social and religious cleavages, a development which was supported by political parties stressing (extreme) ideological differences between societal groups. This segmentation resulted in disagreement about the meaning of public and private interests, political morality and corruption. In order to make effective government possible a minimum of homogeneity and an acceptable form of heterogeneity had to be organized. This was found in idealizing a form of moderate pluralism safeguarded by a constitutional state. However, the real question was where the line should be drawn and what this meant for public officeholders maintaining for example law and order. In the Oss Case Goseling, with support of the Catholic party, embodied an interpretation of a pluralist perspective in which Catholics should be allowed to have the freedom to deal with justice in a way which was in line with a specific Catholic interpretation of morality and pluralism.

The public indignation and the conclusions of the parliamentary committee proved that in a pluralistic constitutional state police and justice are allowed to take social differences into account, but only within boundaries which are acceptable for a political majority. A parliamentary majority supported the committee’s conclusion that Goseling had taken away the powers of criminal
investigation on the wrong conditions; he was not allowed to interfere in a judicial process in the way he deed. This was the central point of debate (and agreement), although Dutch National Socialists worsened the Oss Case by misusing it for their cause that political morality and state authority were corrupted by alien influences – for them besides Jews also Catholics were suspicious – and that a state with a homogeneous nation should be established. The Oss Case therefore fits well into the interwar period which was characterized by a debate between advocates of pluralist and nationalist authoritarian forms of good government and political morality, and is comparable with for example the French Stavisky Affair (1934/35).

Conclusion
The history of Dutch corruption between 1848 and 1940 seen from a European and modern perspective brings forward several conclusions. First, in the Netherlands corruption cases are regarded as serious questions of political morality by both offender and offended. Often not so much the breaking of law or a formal rule was the main reason for a corruption case to arise, but the lack of public trust that important moral values were respected by public office holders. Second, whenever a case of corruption came forward and resulted in public indignation parliament took the lead and claimed to be the judge in matters of political morality. Third, the outcome of a parliamentary debate or investigation was often far-reaching: ministers step down, concessions were revised and acts of public and private parties were projected as immoral. Next, one can see that the Dutch history of corruption is related to a Western European and modern development of (ideas on) good government and political morality. Dutch corruption scandals showed similarities with British, French and German: all were influenced by processes like democratization, ideologization and bureaucratization. In this sense the relationship between structural political processes and changing ideals of good government can be fruitfully researched from a corruption perspective. Finally, current cases of corruption and new initiatives to fight corruption could make use of the insights offered by historical research on corruption: accusations of corruption should be treated not so much as incidents or isolated violations of formal rules, but understand as the result of an ideological driven struggle about the meaning of good government and political morality within a certain context.