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Dutch directions

By Ferry Biedermann



Flying the flag: Andries van Eertvelt's "The Return to Amsterdam of the Second Expedition to the East Indies on 19 July 1599"

Piercing gazes, sober, dark interiors and subtle trappings of power typify the portraits of merchant family members that hang in Amsterdam's newly reopened Rijksmuseum. But while the old masters are testament to the success of the leading families of the Netherlands' Golden Age, the system that grew out of financial innovations in Amsterdam during the 17th century has been severely shaken in the aftermath of the 2008 economic crisis.

These were heady days in the art world, not just in the Netherlands. As the Italian master Caravaggio was finishing his masterpiece "The Inspiration of Saint Matthew", in Amsterdam the mood was more for finance. In 1602, the Dutch East India Company (VOC) issued the first freely tradable share, and Amsterdam, already the centre of global trade, bore witness to the birth of the stock exchange.

More than 400 years later, with modern capitalism under question, the Golden Age is again coming to the fore. Exhibitions, television series, even an app called the Game of the Golden Age – the burst of nostalgia for the 17th century raises the question of whether the lessons of the past have any relevance to today's modern markets.

Only a handful of the merchant families whose fleets dominated the world's seas survive, but the descendants of these traders are active in a range of disciplines, from yoga-inspired psychology to heading the family business.

“Particularly in these times, a family firm can be a beacon of stability. There are plenty of companies that loaded up on debt in 2005 and 2006 and are now done for,” says Jeroen Van Eeghen, at 35 the 15th generation of his family to run Van Eeghen, the trading company. Like some other descendants of the old Dutch “regent class” of traders and administrators, he takes the long view and regrets the crisis of confidence that seems to be gripping the Netherlands and other parts of Europe.

Van Eeghen worked at Rabobank before taking up his current position in the monumental family-owned building on the prestigious Golden Bend of Amsterdam's Herengracht canal. As a representative of the only surviving great trading house in Amsterdam from the Golden Age, he emphasises the difference between 17th-century adventurism and current-day practices. “The financial system needs to be in the service of the real economy,” he says.

In fact, the van Eeghens were among the few prominent 17th-century traders who avoided the newfangled financial instrument of shares, and never invested in the VOC – being Mennonites, they were initially kept out of leadership functions at the company. “In Amsterdam, a framework was established. The organisation of the trade in shares as it was set up has, of course, been modified, but traces of it are still visible,” says Lodewijk Petram, a financial historian and author of *The Origins of the Stock Exchange*.

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The role played by a tightknit network of traders who trusted each other in bringing about the system was crucial, he explains. “For the first 40 years it was a club of people who all knew each other ... went to the same church and met almost daily. Nowadays, it is all computer systems.”

Oscar Gelderblom, a historian at Utrecht University, created the Game of the Golden Age app with his colleague Joost Jonker. Players become traders in 17th-century Amsterdam. “The players learn that the rules are very old, because at the end of the 17th century, they were essentially the same as they are now,” he says. Jonker adds: “As important today as then is that you have a clear picture of your risks. Why did a lot of companies, including the largest insurer in the world, go wrong in 2008? Because they did not have a clear view of their risk.”

Risk is something the old merchant families knew all about, with hostile natives, pirates, enemy ships, natural disasters, disease and much more affecting their trade. Coenraad van Beuningen, the mercurial 17th-century diplomat and trader, lost his mind soon after his fortune disappeared in the first recorded stock market crash in 1688 when William III of Orange invaded England.

Charles van Beuningen, a lawyer based in The Hague, emphasises the broad interests of his distant relative. Coenraad corresponded with René Descartes and other philosophers of the time, negotiated with Louis XIV of France and became interested in a spiritual calling. He also felt a sense of obligation to society – something the family retains, according to Charles van Beuningen.

“The idea that if you are doing well you have to share it with others, which we see in the 17th century, is still alive. It was like that for my grandparents, my parents and for my generation,” says van Beuningen. He urges those who are paid “exorbitant salaries” to follow the example of Bill Gates, the Microsoft founder, and give more away.

The idea that society has lost its bearings and the rich have lost a sense of proportion may be part of the appeal of the Golden Age, say academics. “The attention on Dutch history and the Golden Age has something to do with an economic and partly a moral crisis,” says Kees Zandvliet, head of research at the Amsterdam Museum. “Not so long ago, there was nothing more reactionary than studying history, especially national history. It was like having been on the wrong side in the second world war.”

What may have been a turning point was the call in 2006 by then prime minister Jan Peter Balkenende for Dutch society to reclaim the “VOC mentality”. Sometimes ridiculed for it, he seems to have meant a willingness to work hard, not complain and be entrepreneurial.

It is a theme close to the heart of one of the better-known scions of the Golden Age, art gallery owner Jan Six XI, whose family, he says, is sometimes referred to as “the one with all the Rembrandts”. Indeed, the painter portrayed the powerful, patrician Sixes several times and was a friend of the first Jan Six in the mid-1600s.

The present-day Jan Six, who is in his mid-30s, grew up in the family home filled with paintings on the Amstel river in the centre of town and his art gallery is nearby on the Herengracht. He values entrepreneurialism, saying he is probably one of the first Sixes since the early 1900s to work full time in the art business, other than managing the family collection.



The art of business: gallery owner Jan Six XI harks back to the motto, “De cost gaet voor de baet uyt” (“First you have to spend in order to gain”)

“Penny-wise and pound-foolish is a typical Dutch way of thinking adopted in the 18th and 19th centuries. But in the 17th century we were not at all penny-wise and pound-foolish,” he says.

“On a warehouse near the central station in Amsterdam, it still says ‘De cost gaet voor de baet uyt’ (‘First you have to spend in order to gain’).”

Six – officially Jonkheer Six and the future Lord of Hillegom – says the family name and connections no longer guarantee success in business or advancement in government jobs. His LinkedIn online business networking account is more important than his family network, he says.

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Zandvliet demurs. When he was working at the Rijksmuseum in 2006, he published a book about the 250 richest Dutchmen of the Golden Age. He sketches the progression through the ages: “The first generation is venture capitalist, the second capitalist and administrator and the third is administrator and rentier.”

Old networks persist to this day, he says. On the cover of his book was a 17th-century portrait by Bartholomeus van der Helst of a fat, seemingly spoiled young man, Gerard Bicker, in full ruling class regalia. Known as “Dikke Bicker” (“Fat Bicker”), the use of the portrait still makes the family, whose ancestors also include 17th-century mayors of Amsterdam, cringe.

One of Gerard’s descendants, Frederique Bicker, a psychologist who lives and practises on Amsterdam’s Keizersgracht, says stories about “Dikke Bicker” abounded in the family but were always tinged with embarrassment.

She has childhood recollections of other family portraits. “A picture of Andries Bicker [former Amsterdam mayor] hangs in the Rijksmuseum. We had a replica in my parents’ house opposite my bedroom. As a child when I went to sleep I would see him gaze straight into my room,” she says about the most illustrious member of her family.

With her family background she identifies with calls for a return to more daring entrepreneurialism, but says: “The VOC mentality, of course, had its positive sides; it was about working hard, not discussing too much, just doing it. Maybe we could use that a bit more.”



"Dikke Bicker" by Bartholomeus van der Helst

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