

De-urbanization in a Modern Economy

Reflections on *Towards a New Template for Dutch History*

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Paul Brusse and Wijnand Mijnhardt *have* produced a slim volume that aspires to nothing less than furnishing Dutch history with a new ‘template’, that is, a new organizing framework for the study of the long-term historical development of the Netherlands. This might appear to be an unlikely aspiration for a summary report on a multi-year research project on the economic, political, and cultural history of the Zeeland in the eighteenth and nineteenth centuries. But the historical experience of this little province apparently supplied much food for thought. It led Brusse and Mijnhardt to a thorough contemplation of the dynamics of urban life and this, in turn, supplied them with insights that shed new light on the special path by which the Netherlands ‘entered the modern, industrial world’.

‘Special path’, *Sonderweg*, deviation from the common pattern, exceptionalism: these are terms that plague the discipline of history, including Dutch history.¹ The Dutch Revolt and the ‘Golden’ century that followed have long been the locus of the exceptionalism discourse. Johan Huizinga, in his vastly influential *Dutch Civilisation in the Seventeenth Century* introduced his subject on a note of wonder and, arguably, an illusion to the Immaculate Conception:

Where else was there a civilization that reached its greatest peak so soon after state and nation came into being?
[Waar is een ander voorbeeld van een nationale beschaving die terstond na de geboorte van staat en volk zelve haar toppunt bereikt?]²

¹ See, for example, the manifesto of K. Davids, J. Lucassen and J.L. van Zanden, *De Nederlandse geschiedenis als afwijking van het algemeen menselijk patroon* (Amsterdam, 1988).

² J. Huizinga, *Dutch Civilisation in the Seventeenth Century and Other Essays* (London, 1968); *Nederland's beschaving in de zeventiende eeuw* (Haarlem, 1941) 3.

With these words he did not initiate, but he endorsed and confirmed, an historical vision that has inspired a vast, international, and multi-disciplinary literature seeking to understand how the Golden Age could have occurred and what it might have meant for Europe's later history. But, these efforts have often been hobbled by what came after.

With the wording Huizinga chose, he silently made a second claim: this wondrous, new civilization immediately reached its peak, whereupon it quickly entered into some sort of 'post-peak' existence. In this long period—from circa 1680 to 1880 by some accounts—the Netherlands lost its leadership and even its influence in most aspects of European affairs. What are we to make of this long era? Was it simply a 'reversion to mean' after an era of exceptional achievement, or was it the exceptional failure of the first modern economy and polity? Or, perhaps Dutch history is simply 'peculiar' in all respects: an exceptional, wondrous, achievement followed by an exceptional decline and marginalization?³

The innovation of Brusse and Mijnhardt's book is to offer an interpretation of the two centuries between the Golden Age and the era of modern industrialization that is not framed by decline, stagnation, frustration and failure. Neither does it rely on arguments of exceptionalism to account for the Dutch historical experience in this period. Nor, finally, does it make the experience of Holland stand for the history of the Netherlands as a whole. Here, again, we can invoke Huizinga's celebrated study of the seventeenth century:

Truly, Dutch civilization in Rembrandt's day was concentrated in a region not much more than sixty miles square. [Waarlijk, Nederland's beschaving in Rembrandt's tijd heeft zich, receptief zowel als productief, geconcentreerd op een gebied van niet veel meer dan honderd kilometer in het vierkant.]⁴

If all of Dutch exceptionality was concentrated in this box (what is now known as the Randstad), then its explanation, however interesting and important in its own right, would be something less than a history of the Netherlands.⁵

It is one thing to identify the conceptual pitfalls that long have hobbled Dutch historiography; it is another to establish the foundations of a new and better template for Dutch history, especially for the era that has proven such an interpretive morass: the eighteenth and nineteenth centuries. Brusse and Mijnhardt aspire to do just this, with two key claims:

3 This last option may be consistent with the interpretation of Robert Fruin, who established the historiographical template of periodization that Brusse and Mijnhardt seek to replace. Fruin located Dutch exceptionality exclusively in the Republican era bracketed by the Revolt and the French Period. Before and after the history of the Netherlands embroidered on general European themes of state development. The authors of the manifesto—who used the term peculiarity ('eigenaardigheid') held Dutch history to have been exceptional for much longer—from the time of the Black Death to the era of 'verzuiling'.

4 Huizinga, *Dutch Civilization*, 10.

5 A history that overcomes Hollandocentrism is to be desired, to be sure, but statements such as Huizinga's, above, are, in my view, excessive in their insistence on contrasting Holland and the other provinces in such sharp terms. Economic and, even more, cultural innovations are always geographically highly concentrated, and they attract cultural elites to the 'center of the action'. Thus, much of English history plays out in London, and French history in Paris. In the Dutch case, the political autonomy of the provinces complicates this phenomenon of concentration, but it does not negate the basic point.

1. The eighteenth and nineteenth centuries (sometimes this becomes 1680-1880, sometimes the focus is on 1750-1850) form a single epoch of transition in the Netherlands. The venerable historiographical convention of deferring to political history (and the centrality to modernity of the French Revolution) in establishing periodization should be rejected.
2. The driving force in transforming Dutch society in this era was de-urbanization. This imparted special characteristics not only to economic life, but also to political and cultural life that have for too long been misinterpreted as forms of decline and failure.

I will be brief about the first point. What Brusse and Mijnhardt call the ‘international models of historical development’ – the French Revolution most prominently, but also the British Industrial Revolution – impose a narrative structure on all of Western history which, in turn, shapes a broadly shared understanding of ‘modernization’ as a linear process, in which industrialization, urbanization and democratization are tightly bound together, if not co-determined.⁶ These concepts establish an agenda of expectations for every national history, which can lead to fruitful comparative studies, to be sure, but also can act as a mental straightjacket, leading to distortion and misinterpretation. In the Dutch case, it is sufficient simply to note that in a period in which progressive societies are expected to move from monarchical toward democratic government, shed rural, landed elites for urban, industrial elites, and experience urban growth and associated migration and industrialization, the Netherlands became a monarchy, expanded the noble class, developed an export-oriented agricultural economy, and experienced de-urbanization. Simply put, the world’s most urbanized society of 1650 is, even today, known to the world primarily for its cows, tulips, and wooden shoes.

A virtue of Brusse and Mijnhardt’s book is that they make a plausible case, based on their case study of Zeeland, that these seemingly ‘anti-modernizing’ forces established the new balance of social and political power from which the modern Netherlands emerged. Rather provocatively, they conclude their study by asserting that ‘The modern country of the Netherlands did not originate from the world of Jan de Witt, from tolerance, or from the Dutch East India Company. It originated in the period 1750-1850...’ – that is, from what most historians have seen as a sorry intermezzo of weakness and frustration.

Providing a new, more positive, account of this critical period is the book’s chief task, and de-urbanization is the key to Brusse and Mijnhardt’s new template. One’s first response, I suspect, is incredulity: can this rather prosaic concept – a mere statistical measurement – rise to the task the authors assign to it? The answer is that ‘statistical de-urbanization’ is only the starting point of a broader phenomenon that embraces economic, political and cultural transformations. By tracing the ligaments connecting these dimensions of de-urbanization in the case of Zeeland, they demonstrate the

⁶ Even in the home countries of these internationally influential historical break-points – the twin pillars guarding the gates to the modern world – these revolutions have been subject to far reaching relativization. See, for example, F. Furet and M. Ozouf, ed., *Dictionnaire critique de la Révolution française* (Paris, 1988); F.R. Nicholas and C. Knick Harley, ‘Output Growth and the British Industrial Revolution. A Restatement of the Crafts-Hartley View’, *Economic History Review*, XLV (1992) 703-730.

promise of this entry point into long-term change for the Netherlands as a whole, and more generally, as well.

To begin with, Brusse and Mijnhardt distinguish between urban decline and de-urbanization. Urban decline is specific to each city; its causes and consequences depend on the type of city in question (they distinguish five basic types); and the key to determining the larger meaning of a given city's decline is found in the character of migration. Until some point in the first half of the nineteenth century, European cities of all types experienced ongoing in-migration. Urban mortality conditions were such that a structural natural decrease (mortality exceeded fertility) caused even stagnant cities to experience a net in-migration.⁷ But, another, and complementary, characteristic of pre-transition cities was ongoing, large-scale out-migration. In short, these cities witnessed a large-scale coming and going of people, and for most migrants their urban stay was temporary. At some point they returned to their rural home, moved on to a more promising city, left in search of a marriage partner, et cetera. Thus, a city in decline is characterized in the first instance not by a decline of migration, *per se*, but a shift in the *characteristics* of those who come and those who leave. Brusse and Mijnhardt offer some examples of the possible variations in these migration patterns, but it would be useful for their argument to establish typologies and identify historical examples of each type. For example, industrial cities facing competition from rural proto-industrial regions may decline as unemployed industrial workers leave. But the industrial elites, now coordinating the work of a large rural zone, are likely to remain in the city, as powerful as ever. A port city that loses its centrality within a 'network system' of competitive trading cities may experience a very different type of selective migration, where it is the merchants and bankers who leave, seeking better opportunities elsewhere, and leaving the port laborers behind. The political and cultural life of cities in these examples of demographic decline will be very different. In one, the elite remains to preserve its political authority and some version of an urban culture. In the other, the political leadership devolves to other social strata and the urban culture is likely to be transformed as well, perhaps into something more provincial, or even village-like.

Brusse and Mijnhardt illustrate these developments with a case study of the three main Zeeland port towns (Middelburg, Vlissingen, and Zierikzee). Because of Zeeland's geographical setting, the province does not offer good examples of a kind of urban stasis and decline that was very common elsewhere in Europe, and may have been prevalent also in other provinces of the Netherlands. It was most characteristic of the minor centers of regional trade—market towns with subordinate places in central place hierarchies. These cities were founded, or experienced an early growth, to exploit some advantage in geography, resource availability, or political privilege. It is said that cities are booms in space rather than in time. That is, their physical form and corporate existence, representing a major investment in physical and human capital, take shape rather quickly, in response to a conjuncture of opportunities. But, inevitably, the boom ends: the favorable environment for urban growth disappears, undermined by competition, resource deple-

7 On the urban demographic transition, see: J. de Vries, 'Problems in the Measurement, Description, and of Historical Urbanization', in: A.M. van der Woude, e.a., ed., *Urbanization in History. A Process of Dynamic Interactions* (Oxford, 1990) 43-60.

tion, technological change, or political challenge. Yet the physical capital and institutional power of the cities remain. In extreme cases, the elites abandon their cities as lost causes, but it is much more common for them to persevere, or for others to arrive and persevere in their stead. Medieval Europe established thousands of cities, including over 100 in the Netherlands; the vast majority has remained, in some form, ever since.

They persevered, occasionally to flourish again under some new growth impulse. But many carried on by cultivating rent seeking behavior, by exploiting privileges and monopolies that served the town elites (likely to be guild masters, local traders, holders of state monopolies), protected a larger circle of burghers, and kept outsiders—if they were tolerated at all—at the margins of municipal life. Mack Walker's classic study of such towns in Germany, *German Home Towns*, emphasizes the suffocating hold of corporatist institutions on these urban and regional economies.⁸ Several decades ago, historians and sociologists thought it useful to try to distinguish generative from parasitic cities.⁹ But the same city can pass from the one to the other state, and in early modern Europe many did so, mostly in the 'wrong' direction.

As Brusse and Mijnhardt emphasize, urban decline is a process of degeneration internal to the city, and each case is unique in cause and timing. I believe, that the multitude of examples can be grouped into types, especially as it affects the persistence, transformation, or flight of urban elites, and that this would augment the theoretical value of their contribution. But, if urban decline is particular and resists theorization, de-urbanization refers to a broader process of structural change and invites theoretical reflection. It is not observed or measured at the level of the city, but in the context of a region. Although they do not make this explicit, Brusse and Mijnhardt's formulation of de-urbanization seems to require that the relevant region be a polity in which the cities hold some defined constitutional position or de facto position of power. In the Dutch Republic this hardly needs explicit mention, but in a more generalized development of their concept the nature of the political status of towns would appear important to any study of de-urbanization.¹⁰

De-urbanization is a misunderstood and neglected theme, perhaps because urbanization is a misunderstood and over-studied theme. It has been the fate of urbanization as a concept to be too closely linked to industrialization and modernization. So closely are they entangled in the minds of social scientists that urbanization commonly stands as a proxy for economic growth in the early modern era.¹¹ Moreover, urbanization has been so overwhelming in the modern era and the major cities of today nearly all exhibit

⁸ M. Walker, *German Home Towns. Community, State, and General Estate, 1648-1871* (Ithaca, NY, 1971). On the prevalence of corporatist institutions in central European societies, see: S. Ogilvie, *A Bitter Living. Women, Markets, and Social Capital in Early Modern Germany* (Oxford, 2003). A fine study of a corporatist town is T. McIntosh, *Urban Decline in Early Modern Germany. Schwäbisch Hall and its Region, 1650-1750* (Chapel Hill, NC, 1997).

⁹ B. Hoselitz, 'Generative and Parasitic Cities,' *Economic Development and Cultural Change*, III (1954) 278-294; E. A. Wrigley, 'Parasite or Stimulus. The Town in a Pre-Industrial Economy', in: Ph. Abrams and E.A. Wrigley, ed., *Towns in Societies. Essays in Economic History and Historical Sociology* (Cambridge, 1978) 295-309.

¹⁰ De-urbanization of a given statistical scope is likely to have very different consequences in a territory ruled by a city (say, Tuscany, or Venice's Terraferma), in a princely territory containing autonomous cities (as in Upper Germany), or in a kingdom where cities have no distinct political power (as in England).

¹¹ B.J. De Long and A. Shleifer, 'Prices and Merchants. European City Growth before the Industrial Revolution', *Journal of Law and Economics*, XXXVI (1993) 671-702; D. Acemoglu, S. Johnson, and J. Robinson, 'The Rise of Europe. Atlantic Trade, Institutional Change and Economic Growth', *American Economic Review*, XCV (2005) 546-579.

such a long history of growth that it is easy to fall into the complacent assumption that de-urbanization must have been something quite exceptional. But, as Brusse and Mijnhardt observe, de-urbanization was far from uncommon in the early modern era. In Europe as a whole, the proportion of the total population living in cities (of at least 5000 inhabitants) rose only from 9.6 percent in 1500 to 13.0 percent in 1800. When the large cities of at least 40,000 inhabitants are set aside (there were 64 by 1800), the 800-plus remaining cities of Europe actually declined from 7.7 percent in 1500 to 7.4 percent in 1800.¹² Thus regional de-urbanization was no stranger to early modern Europe. Did it necessarily signal decline, failure, and poverty?

This was certainly a possibility. De-urbanization signals an urban competitive failure and the erosion of the value of the physical and human capital concentrated at urban sites. But the overall effect of de-urbanization, in all its ramifications, depends on the character of the new urban-rural balance, and this is sensitively affected by the specific competitive failure suffered by the cities. Brusse and Mijnhardt identify five types of cities, two of which are political seats and military cities. They are, by definition, not subject to competition in the normal sense of the word, although their fortunes are tied to the competitive position of their states. When cities face superior competition from distant rivals (which can befall specialized industrial cities and centers of international trade), their decline is uncompensated within the region, which experiences falling land rents, reduced demand for farm output, and the flight of elite burghers.

But, when cities decline because of competition from near at hand—from rural industry or nearby rival trade centers—the regional consequences can be quite different. The resulting structural change is more a sign of flexibility and vitality than of a moribund region, although it can impose painful adjustment on plebeian urbanites and even on elites. Finally, de-urbanization can be relative rather than absolute, and this is most commonly the case where commercial agriculture becomes the driving force in a regional economy. The cities, centers of regional trade, serving the commercial needs of agriculture may grow more modestly than the rural and village populations, but the competitive strength of the agricultural economy offers them more opportunities than threats. In such cases it is an interesting question how the urban and rural elites interact, whether they cooperate or form rival strategies.

The Netherlands in the eighteenth and nineteenth centuries suffered de-urbanization of all these types, which makes for a complex story. There is one—historically specific—feature to the Dutch experience that deserves special mention. In Brusse and Mijnhardt's interpretation of the eighteenth- and nineteenth-century transformation of the Netherlands de-urbanization is the key factor. But their account of its impact on Zeeland, and by extension, on Dutch society as a whole, is only comprehensible because of a second, contemporary, phenomenon: the development of commercial, export-oriented agriculture. Their account seems to take this for granted, perhaps under the assumption that agriculture must rise as urban activities decline, in the manner of a seesaw. But such a compensatory development is far from inevitable. To judge from the experience of de-urbanization in seventeenth-century Northern Italy and Castile, it is more likely that

¹² These data are drawn from J. de Vries, *European Urbanization, 1500-1800* (London, 1984) 69-77. 'Europe' refers to the lands to the east of the line Königsberg (Kaliningrad)–Vienna–Trieste.

urban elites, as their urban opportunities evaporate, fasten onto rural landholding as a compensatory source of revenue as commercial markets shrink.

What caused agriculture to flourish as Dutch urban economies languished? If the causes were fortuitous or wholly exogenous to their model of de-urbanization, it would reduce considerably the power of their argument. But there are two important ways in which Dutch urbanization and de-urbanization were closely linked to the development of the rural economy and society. First, in the period of urban growth and political dominance, investment in the rural economy greatly increased productivity while urban power generally, mediated as it was by provincial institutions, did not usually take the form of an exploitative control of the countryside through forced delivery of produce, monopoly provision of services, suppression of rural industry and commerce, et cetera.¹³ Second, Dutch de-urbanization was partly the product of competition from the rival center of international trade and industrial production, England, whose success made it a rapidly growing market for Dutch agricultural products. To put it a bit differently, a new rural-urban balance developed within the Netherlands as a new commercial-industrial balance emerged in Northwestern Europe.¹⁴

In this context of national de-urbanization and international growth, the economic center of gravity of the Netherlands shifted toward agriculture, but not toward poverty and backwardness. This was a structural adjustment taking place within an already 'modern' economy.¹⁵ The redistribution of wealth forged a new, more rural and aristocratic elite, although this seems to have occurred more through pragmatic accommodation than social and political confrontation. The space for a cosmopolitan, tolerant urban culture was much diminished by these economic and political shifts, but a literate rural society fashioned provincial cultures, suffused with Christian piety, that acted to integrate manual classes into a shared moral citizenship. There remains, when all is said and done, something exceptional about the Dutch path toward the democratic-industrial society shared by most of twentieth-century Europe. But Brusse and Mijnhardt's small book helps make the exceptional explicable.

¹³ There were, of course, efforts along these lines. The 'Order op de buitennering' and the staple rights of Groningen come immediately to mind. But these were either limited in duration or in scope in comparison to the policies of the Italian city states, as described by S.R. Epstein, *Freedom and Growth. The Rise of States and Markets in Europe, 1300-1750* (London, 2000).

¹⁴ There is one additional factor, not discussed by Brusse and Mijnhardt, that should be added to this account: the demand for Dutch agricultural products rose sharply not only because of England's new prosperity, but also because of her accelerated demographic growth. Between 1750 and 1850 the population of Britain nearly tripled. That of neighboring Belgium and Germany doubled. But the Netherlands grew only by about 50 percent, from about 2 to 3 million. De-urbanization in a context of rapid population growth might have led to a rather different outcome. The causes of the uniquely slow population growth of the Netherlands between 1750 and 1850 remain to be identified.

¹⁵ Brusse and Mijnhardt's interpretation of the eighteenth and nineteenth century transformation is predicated on an acceptance of the disputed claim—advanced most forthrightly, perhaps, in my book with Ad van der Woude, *The First Modern Economy* (Cambridge, 1997)—that The Republic had achieved the essential attributes of a modern economy, and, therefore, its later development should be seen as structural adjustments to competition and other modern economic challenges. Because the concept of economic modernity in this context is often misunderstood, I have attempted to clarify it. See: J. de Vries, 'Dutch Economic Growth in Comparative-Historical Perspective, 1500-2000', *De Economist*, CXLVIII (2000) 443-467.