

## HENNIPMAN AND DE ECONOMIST

BY

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Professor P. Hennipman has been associated with *De Economist* for more than thirty-five years, first as secretary and later as chairman of the Board of Editors. In the words of Professor P.B. Kreukniet at his installation as chairman, Professor Hennipman accomplished these tasks "with a prodigious devotion and a scrupulousness which has become well-nigh proverbial" (*De Economist*, 121, no. 2, 1973). In devoting this special number to their chairman, the editors wish — and here again, with a slight variation, they quote Kreukniet — to "pay a warm tribute to and express their appreciation for the thirty-five years during which he gave an important part of his energy in an exemplary manner to *De Economist*" (*ibidem*).

The attention paid to Hennipman the man and the economist at the time of the 25th anniversary of his appointment as a professor means that it is now far from easy to add anything new. As an economist he stands out mainly for his great knowledge of all aspects of economic science. It is no exaggeration to say that he has a nearly encyclopaedic knowledge, which has time and again proved remarkable in its profundity. To my mind, our chairman is one of the disappearing band of scholars of whom this can be said. The enormous expansion of the field of economics means that a really great *generalist* is unlikely to emerge again. It is certain that, had Hennipman not written primarily in Dutch, a language which is inaccessible to most foreigners, there would sooner or later have been an assessment of his oeuvre which would have been comparable to what Haberler once wrote about Schumpeter, whose work Hennipman frequently discussed and of which he had a very high opinion, *viz.* ". . . he had his superiors in special fields. But as a master of all branches of economics and as a universal scholar Schumpeter held a unique position among contemporary economists" (*Quarterly Journal of Economics*, 1950).

On the subject of Hennipman's work, there is no need for me to preach to the converted. Rather let me, on this auspicious occasion, wade through the abundance of his work with seven-league boots. It is perhaps possible to

group his writings according to period or to subject, but in this brief article I have chosen to highlight a number of main issues, with which to illustrate his approach to his subject. My natural starting-point is the masterwork he completed when he was 34, viz. *Economisch motief en economisch principe* (1945, an adaptation and substantial elaboration of his thesis (1940) with the same title). It is a remarkable book. When the well-known English economist Alexander Gray reviewed it (*Economic Journal*, June 1947) he was disconcerted and at the same time full of admiration: "For indeed this is a shattering and somewhat overwhelming study." Just imagine, 460 pages (and a bibliography "which in itself repays a morning's scrutiny") dealing not with the essence and fundamentals of economics but with just one aspect of it. Gray suggests that such a book did not appeal to him; nevertheless he could not put it down but just had to read on. In his opinion this book is unparalleled and unbelievable. "Dr. Hennipman is an incredibly learned writer." This was written 35 years ago and the author had not yet turned 35. If an economist, after a lifetime of study, could produce such a book, it would be regarded as the crown of his work and it alone would entitle him to a place of honour amongst his fellow-economists.

But why the emphasis on this particular book? Because in it we find all that characterizes Hennipman's oeuvre: style, accuracy – not to say the precision of a watch-maker – erudition and power of analysis. Let us consider these qualities somewhat more closely. First, style and accuracy. I take counsel with Schumpeter in his analysis of Böhm-Bawerk's work. Schumpeter describes how this great Austrian deals with theories, in this particular case theories of interest rates, as follows: ". . . he concentrates on one theory . . . after another, considering in each case only its substantive content. This content he formulates with masterful perfection, appraises its essentials with an unflinching eye . . . , following the straightest possible line, and with most graceful elegance, he dispatches one theory after another; and – after having carefully exposed the cause of the disaster – he continues on his way without losing another word, or indeed without saying one word too many." (From: "Ten great economists from Marx to Keynes," p. 153.) That this method of "the straightest possible line" and of a "minimum of effort" can nevertheless lead to tomes is clearly evidenced by Böhm-Bawerk himself. The same applies to Hennipman. His masterpiece comprises nearly 500 pages. Those who take the trouble to work through his lecture notes (edited by the De Pous brothers) will not find in them brevity, but will be impressed by their exhaustive analysis. The style of Hennipman's oeuvre is characterized by his perfect thoroughness or, in other words, by his thorough perfection, with each sentence flowing effortlessly and logically from the preceding one.

Next, erudition. If there is anyone who needs further proof of this after reading *Economisch motief en economisch principe*, he should read Hennipman's nearly one hundred reviews of economic works, most of which appeared in *De Economist*. Lastly, powers of analysis: although he rarely made any use of mathematical signs and symbols, Hennipman's expositions are tautly mathematical. To quote Schumpeter on Böhm-Bawerk once more: "It is striking with what sureness and correctness he employs essentially mathematical forms of thought, though never using a single symbol or adopting mathematical techniques." (*ibidem* p. 189). In my opinion this is also true of Hennipman. Those wishing to investigate the subject further should consult Hennipman's exemplary economic analysis "De economische problematiek van het sparen" published in the jubilee edition of the review of the *Rijkspostspaarbank* (1956). Saving and savings are among the most difficult subjects in economic theory. Hennipman's treatment of the problem is a masterpiece of analysis.

These very sketchy remarks may serve to justify the conclusion that the Netherlands has in Pieter Hennipman a great economist who is comparable in stature with other distinguished scholars in this field. As Alexander Gray truly perceived in 1947, he is "incredibly learned."

I feel the need to say more. Economists are faced with the far from easy problem of having to define their attitude towards day-to-day economic developments, which frequently include political aspects. What attitude must they adopt? There are two extremes. On the one hand, it is possible to concentrate on economic theory to the absolute exclusion of the actual problems of applied economics. Or the economist can have a stall on the market-place of life where he ceaselessly and vociferously praises or scorns everyone and everything. The former approach is not easy to maintain because the economist must draw his material from economic life. It is therefore no coincidence that most great economists have from time to time expressed an opinion on current economic problems. From Adam Smith to Keynes and later, eminent economists have concerned themselves with economic theory, economic policy and the economic order. However, there is no need to go from one extreme to the other. What matters is the method of approach. To my way of thinking there are two reasons for standing back from the concrete problems of every day. First, more attention must be paid to essentials than to details. Secondly, a distinction must be made between analysis and policy. More provocatively, this means that the distinction between "is" and "should be" must be sharply defined. I know that for many this seems an out-of-date approach. Nevertheless I am of the opinion that when an economist meets these two requirements, he may enter the

arena of economic policy where, be it fully recognised, he has a task and a responsibility to fulfill. But he must at all times be on his guard against becoming unwittingly a lackey of party politics. He must always be guided by the need to keep apart from the madding crowd so as to maintain his professional judgement unsullied.

If I am correct, it was in this way that Hennipman dealt with questions of economic policy; his approach was penetrating, but he kept his distance. If we take a close look at some of his opinions in this field, we find him very explicit on the differences between "is" and "should be" in his review of Fred L. Polak's doctoral thesis, "Kennen en keuren in de sociale wetenschappen" (*Folia Civitatis*, the official journal of the University of Amsterdam, March 3, 1950). Polak made a frontal attack on the need for this distinction between "is" and "should be" in scientific work. Hennipman begins by extolling the brilliant manner in which Polak has propounded and attempted to prove his thesis, but then he joins issue with it. It is true that initially the criticism takes the form of praise for the author: "His stimulating work has forced us to reflect on the fundamental issues of scientific study. It warns us against dogmatism and complacency in science and it can fulfill a useful function by making scientists more fully aware of the normative appraisals in science." But Hennipman cannot accept Polak's thesis of the impossibility of a science without norms. And then he reaches his conclusion, expressed in diffident terms but its contents crystal clear: "To my mind, however attractive it may be to relinquish the non-normative science, it nevertheless seems possible to combine a growing social responsibility and awareness among scientists with the greatest possible objectivity *in* science. Am I being too optimistic in believing in the possibility of such a synthesis?"

The idea of such a synthesis was Hennipman's lodestar and he used it to guide him in matters of practical economic policy. He wrote about the problems of post-war reconstruction, the norms of monetary policy, competition and many similar subjects. To illustrate what I mean, I have chosen two of his articles on economic organisations under public law published in the weekly journal *Economisch-Statistische Berichten* (January 23 and February 6, 1946). In these articles he gives a lucid exposition of the theoretical aspects as well as an assessment of economic policy. He begins by expressing his surprise that in the flood of literature on these organisations, there is hardly a word said about the really relevant economic questions involved. This makes it doubtful whether an economy dominated by enterprises assembled in organisations under public law would be viable. He then proceeds to make a thorough analysis of corporatism, planned economies in

general and the Dutch variation, the economic organisations under public law. Hennipman's final sentence is typical of the man. In this difficult terrain it is necessary to have "a clear insight into the principal issues," and concludes: "The above comments, fragmentary as they are, can perhaps make a small contribution to the attainment of such insight."

This does not mean that Hennipman, the cool analyst, could not argue vehemently, as is evident from his reaction to a criticism of his analysis of organisations under public law. His closing sentence then reads: "I fear that a legislator who bases his laws on his faith in the willingness of individuals and groups to put the general interest before their selfish concerns will ere long find that he has built on sand." (ESB., May 1, 1946).

In his writings on economic policy Hennipman the theoretician is very subtle, he picks his way carefully and then proceeds to base his conclusions on convictions which do not of themselves spring from economic theory. And that is as it should be.

It is understandable that the Board of Editors of *De Economist* was greatly enhanced and strengthened when Hennipman joined its ranks. They included people of such renown as Dr. P.B. Kreukniet, Th. Lighart, Dr. N.J. Polak, Dr. J. Tinbergen, Dr. H.M.H.A. van der Valk, Dr. C.A. Verrijn Stuart, G.M. Verrijn Stuart and Mr. F. de Vries. The Chairman was De Vries (almost always chairman of any group of which he was a member), who was a leading economist and as a teacher had great didactic qualities. I still remember clearly how very difficult I found it at first to argue with him after having listened to his lectures in Rotterdam for so many years. As his students we used to see him as the "Law and the Prophets." Compared with the pre-war "elders" Hennipman was certainly a "youngster." When I joined the Board of Editors in 1948, it was at once obvious to me how effortlessly Hennipman had found his niche among the great economists of his day with their rich experience, extensive knowledge and established reputations. Between 1946 and 1973 Hennipman worked exceedingly hard as the editorial secretary. The considerable volume of work involved undoubtedly diminished when he became chairman of the Board of Editors but his concern with our veteran publication (*De Economist* was founded in 1852) is unrelenting.

I finally turn to the man we know in the editorial group. Editorial meetings at *De Economist* have always had a distinctive flavour. They are only partly concerned with editorial matters and problems. Let me recount a typical meeting. We would meet at one of our homes on a Saturday afternoon. Later we would dine either at our host's table or in a conveniently situated restaurant. At first our hostess was the only woman present at this

stag event, but in due course emancipation set it — in this case very fortunately — and nowadays our wives attend.

Whenever six or seven economists gather, the conversation rapidly becomes lively, sometimes even a little baroque. It is not always easy for the chairman to limit the discussion to the subjects on the agenda. Sometimes a theoretical matter in an article submitted for publication results in a discussion where all stops are pulled out, on occasion so much that the situation becomes slightly chaotic. It can also happen that comments are made on the deplorable style of a particular writer, with great anxiety being expressed concerning the decline in standards of verbal expression as compared with bygone days. One of the rewards of these meetings is that the discussions are not confined simply to economics. Literature and other forms of culture are frequently talked about. Often discussions begun in the afternoon are continued during dinner. In earlier times a main topic of conversation was often the assessment of possible candidates for a professorship. These talks were more than once decisive for the appointment. Nowadays however such talks no longer have, for better or worse, the same influence on these appointments.

Whenever the discussions threatened to get out of hand, Chairman De Vries used to restore order by way of what I would like to term his vocal supremacy. Among the chatter of his fellow-editors his voice boomed out like a 32-foot organ trumpet on the pedal key, directing and supporting the music being played on the manuals, and often even taking over to perform a solo. At times our former chairman majestically mounted one of his hobby horses and trotted off before our very eyes. He was always impressive.

Chairman Hennipman has a completely different way of dealing with fellow-editors. With them his manner is enquiring rather than assertive. His calm, his ability to see things in relative terms and especially his wisdom characterize his way of chairing a meeting. Again and again his prodigious knowledge not only of economics, but of numerous other subjects as well, comes to light. He has been called modest on more than one occasion. And justly so. To my mind, his is a genuine modesty, which can only spring from two sources. In the first place it is an innate quality. When one is not endowed with it, one cannot acquire it. But in itself that is not enough: modesty can either wither away or come to full bloom. Hennipman's modesty is in full flower thanks to his fundamentally scientific attitude to life or, to use a phrase coined by F. de Vries, his scientific bent of mind. A truly scientific mind never sees things as absolute, but always relativizes, always keeps its distance and falls prey to amazement whenever hasty assertions are made and rash conclusions are drawn. It must not be supposed that

such aloofness and such a relativizing frame of mind are necessarily accompanied by an absence of any steadfast beliefs with regard to fundamental values. Our chairman is a man of principle. Those who have met him know that on essentials he has never yet compromised and never will. Reading his work, one is constantly aware of his firm convictions which permeate all the complexity of his discourse and his painstaking arguments pro and contra. Only he who relativizes whenever possible can be firm and persevering when need be. Pieter Hennipman is such a man. Let me quote a passage from "Essays in Biography" by J.M. Keynes, who was editor of the *Economic Journal* for nearly 35 years (1911-1945). In an article on F.P. Ramsey a characterization is given of the *Homo academicus* (p. 245) which seems to apply to the man we are now honouring. "It is a type unworldly without being saintly, unambitious without being inactive, warmhearted without being sentimental. Through good report and ill such men work on, following the light of truth as they see it; able to be sceptical without being paralyzed; content to know what is knowable and to reserve judgement on what is not. The world could never be driven by such men, for the springs of action lie deep in ignorance and madness. But it is they who are the beacon in the tempest, and they are more, not less, needed now than ever before."

I deem it a great privilege to be a member of a board under the guidance of a man of such eminence. As a token of our appreciation we wanted to do more than simply voice our feelings. The result is this issue, dedicated entirely to Pieter Hennipman.