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Dutch elections: the triumph of two liberalisms

Among dismal results for the Left, Mark Rutte's VVD and Sigrid Kaag's D66 consolidated the dominance of economic and cultural liberalism

A confusing climax of paradoxes – that's the best way to describe the outcome of the Dutch parliamentary elections on Wednesday.

We saw liberals presiding over the end of the neoliberal era. We saw the Dutch Greens suffering their biggest losses ever, despite the fact that climate policy is more important for voters than even the Covid-19 crisis. We saw a cool breakthrough of the pan-European party VOLT in a euro-sceptical country. We saw two member parties of the European liberal party ALDE (VVD and D66) assuming political dominance in a formerly Christian and social-democratic-led country. We saw the rehabilitation of the state, the end of austerity politics and a huge increase in public investments – all without the social democrats profiting electorally. And we saw the easy re-election of prime minister Mark Rutte despite a huge child benefit scandal and mediocre crisis management.

At face value, the Dutch political landscape has many similarities with the German political spectrum. For decades, government was dominated by two hegemonic people's parties, the Christian Democrats and the Social Democrats, accompanied by smaller liberal parties. Then, other parties slowly entered the arena, such as the Greens, radical left parties (Germany's Die Linke and the Dutch SP (Socialist Party), and later right-wing populist or far right parties (Germany's AfD, Wilders' PVV and Baudet's FvD).

In the Netherlands the crisis of the traditional post-war people's parties started much earlier than in Germany in part because of the extreme proportional election system, which supports representation and fragmentation. In the neoliberal era, both the Christian Democrats and the Social Democrats have lost more and more political credibility amongst their traditional voters.

The cutbacks of the post-war welfare state, in combination with big migration flows and the rise of the knowledge economy focussed on academic professionals, have been perceived as 'betrayal'. Many of their traditional voters left discontented to right-wing populist protest parties. Affluent higher educated voters defected to cosmopolitan-liberal parties, such as D66, the Greens or the 'Animal Party'.

The triumph of two liberalisms

Both the Dutch Christian Democrats (CDA) and the Social Democrats (PvdA) suffered unprecedented electoral losses. In this election, it seems like Dutch liberalism has finally triumphed over Christian democracy and social democracy. Liberalism here refers to both economic liberalism, as represented by the VVD, and to cultural liberalism, as represented by Sigrid Kaag's progressive-liberal D66-party . Kaag, a former UN-top official who is fluent in six languages, including Arabic, was the big surprise of the election. She campaigned against Mark Rutte for 'new moral leadership' and managed to mobilise the strategic left-wing vote, at the expense of the Dutch Greens and the PvdA.

Hence, the opposition against the triumph of Dutch economic and cultural liberals will not come from the left, but from the right.

Not a real surprise, but at least extraordinary, were the big gains of the governing party VVD, (from 33 seats in the 150-seat *Tweede Kamer* to 35). For the fourth time in a row, Prime Minsiter Mark Rutte has secured an easy re-election. He profited from both the incumbency bonus and the rally-around-the-flag) bonus in a moment of crisis.

His conservative-economically liberal party – the driving force behind the Dutch 'neoliberal welfare state' – is now the only Dutch 'people's party' with vote shares above 20 per cent. Mark Rutte, who is in office since 2010, will become the longest reigning prime minister in the Netherlands and soon – after Angela Merkel steps down – the longest reigning national leader in the European Council.

Sigrid Kaag, who was the Minister for Foreign Trade and Development Aid in the last Rutte-government, scored 24 seats (gaining 5 seats) with her progressive-liberal party D66. It's the highest vote share in the party's history. One could compare D66 to the Germans Greens. It's the party for well-to-do urban professionals: pro-EU, pro-climate policies (they want a radical reform of the Dutch agricultural sector), pro-diversity. They are the loudest opponents of Dutch right-wing populism. And D66 totally overran the left parties.

The opposition will continue to come from the right

The Dutch Greens, whose charismatic leader Jesse Klaver ("the Jessias") was the coolest kid on the block in the last elections (especially under urban professionals and students), suffered their worst defeat yet (from 14 to 7 seats). The Socialist Party, who played a decisive role in revealing and exposing the child benefit scandal, lost as well (from 14 to 9 seats).

The PvdA – which lost dramatically in the last elections (from 38 to 9 seats) – stagnated and kept its marginal nine seats. In total, that means the Dutch Left just received 25 seats: a total implosion and marginalisation. 'Merger or die', will become the talk of the town soon. In particular, a fusion between Dutch Greens and Dutch Social Democrats can be expected.

Hence, the opposition against the triumph of Dutch economic and cultural liberals will not come from the left, but from the right. The right-wing populist Dutch parties did not gain many seats, partly because they are deeply fragmented. Nevertheless, in total Dutch right-wing populism – the sum of *PVV* (Wilders, 17), *FvD* (Baudet, 8) and *JA21* (a spin-off from FvD, 4) – will occupy 29 seats, a substantial number to represent the anti-establishment voice.

The big fear, however, is that a VVD/D66-dominated government will be a repetition of the failures of Third Way in the 1990s – and hence not more than a short-lived, rhetorical farewell to the neoliberal era.

We can now expect a new government to be formed by the centre-right liberals of VVD and the centre-left-liberals of D66. This will be the motor block of the new government. As it won't be enough for a new coalition –the threshold for a majority is 76 seats – we may see a revival of the existing coalition with the Christian Democrats and Calvinist-Protestant *Christenunie*. It's also possible that the latter may be replaced by the PvdA or the Dutch Greens because there are some tensions between D66 and *Christenunie* about medical-ethical questions, such as euthanasia and abortion.

The new government's focus

First of all, the new government will deal with pandemic-related crisis-management and the post-corona recovery of Dutch economy and society. That's what Mark Rutte received a mandate for in these elections. He has declared to do everything possible to regain public trust

after the period of scandals.

Driven by the corona crisis, a left turn has taken place in Dutch politics. After the neoliberal era, there's a rehabilitation of a stronger state in the different manifestos, the urgency of public investments to fight growing inequality in education and the housing market, and to invest in climate action. Even the centre-right parties are part of this new consensus. It's just that this turn to the left has occurred without left-wing parties. Paradoxically, the end of the neoliberal era could be led by liberals.

This left turn, however, does not apply to migration and integration. Here, the VVD closes the door to the right-wing-populists. And on climate change, Rutte has shown more rhetoric than substance so far. We can expect tensions and clashes to arise in the new government between VVD and D66. And will the pro-European party D66 and the entry of the pan-European party VOLT transform the euro-sceptical Netherlands and turn the most vocal member of the *Frugal Four* into a more EU-enthusiastic country? Most likely, euro-realism will remain the Dutch course for the time being. Not '*an ever closer Union'*, but a better balance between European-level governance and national democracy.

The big fear, however, is that a VVD/D66-dominated government will be a repetition of the failures of Third Way in the 1990s – and hence not more than a short-lived, rhetorical farewell to the neoliberal era. The combination of economic liberalism and cultural liberalism, based on the optimistic globalist worldview of the affluent higher educated, can be a political disaster. It threatens again to produce a dangerous right-wing populism or even far-right backlash. It's the same warning signs that apply to to the prospect of a conservative-green coalition later this year in Germany.



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