

# Table of Contents

Holland Flowering	9
Early Dutch Horticulture	45
The Rise of Aalsmeer's Horticultural Grower's Cooperatives	87
The Dutch Flower Auction: Traders	125
Horticultural Aesthetics	165
Planet of Flowers	209
Afterword	255
Notes	261



# Holland Flowering

*The bud  
stands for all things,  
even for those things that don't flower*

Galway Kinnell

As different as the world would be, it could run without contemporary financial institutions, people could thrive without nation states, and our current political and economic systems could be jettisoned or radically reimagined. But without the botanical and biological contributions of flowers, entire ecosystems would collapse and most non sea life would quickly perish. Also, the history of civilization shows that our cultivation of plants (as opposed to hunting and gathering) marked a profound switch, affecting every area of human development and social organization, from gender and sexuality to health, religion, eating habits, and more. Due to the rise of agriculture, in a short time span humans went from small, scattered, nomadic groups to settlements of larger and larger communities where land, tools, and property became significant. Today's commercial horticulture does not involve such dramatic transformations, but flowering plants remain central to contemporary society, especially our food system. Industrial agriculture and horticulture share many characteristics, use the same infrastructure, and in the Netherlands, the two often overlap in policy and social networks. All of these considerations suggest the relevance and background in which to understand our relationship to horticulture.

Today, reliance on fossil fuels spans the chain of flower production, from breeding, irrigation, and planting, through watering and spraying, to harvesting, processing, packaging, refrigerating, and distributing. Almost every aspect requires oil and gas, including the roads, vehicles, ships, and planes criss-crossing the globe with goods, as well as the construction

and repair of equipment, including tractors, greenhouses (both heating and cold storage), and processing facilities. And most pesticides are petroleum-based, while commercial fertilizers are ammonia-based, ammonia being produced from natural gas. In the twentieth century, governments and private industry have entrenched this oil and gas intensive system. As Michael Pollan has pointed out, after the Second World War, the U.S. government converted much of the munitions industry into agricultural fertilizers – since ammonium nitrate is the main ingredient of both bombs and chemical fertilizer – and shifted nerve-gas research toward inventing new pesticides. It was a rather sadistic twist on the spirit of the expression ‘swords into plowshares,’ since this destructive mode of agricultural production may ultimately prove even more insidious and harmful than war. During the same period in the Netherlands, agriculture and horticulture also became increasingly industrialized, especially accelerating in the 1960s and 1970s after the 1959 discovery of gas fields off Groningen in the North Sea made cheap gas available for greenhouse heating and for fertilizer production.<sup>1</sup> Though green technology is beginning to have an impact, Dutch horticulture still relies heavily on gas and oil.

But horticulture is more than part of the fossil fuel based global system or a key contributing factor to millennia-old societal metamorphoses. Horticulture may best be thought of as a matrix of concerns situated at the heart of civilization: “the art and science of plants resulting in the development of minds and emotions of individuals, the enrichment and health of communities, and the integration of the ‘garden’ in the breadth of modern civilization”, as P.D. Relf has framed it. Through the cultivation, consumption, and celebration of plants, in striking ways horticulture connects science, art, economics, and the social world, and this relationship has been particularly poignant in the Netherlands. Of course, it’s the social aspect of horticulture in the Netherlands that this book explores. One recent story helps illuminate some important facets of Dutch horticulture and suggests its diverse contemporary impact on Dutch society.

Somewhat misleadingly referred to in the press as a modern-day tulipmania, the story also touches on many of the themes in this book: the tulip as a symbol, male networks, economic bubbles, traders, and the Dutch Golden Age.

The story centers around two shady companies, Mark van der Poll's Sierteelt Bemiddelings Centrum (SBC), a Dutch market-making company that specialized in new tulip varieties, and Marco Vrijburg's Novacap Floralis Future Fund, a Dutch investment vehicle established to identify and support profitable tulip varieties. Before it went bankrupt, SBC's job had been to find buyers for bulbs whose cultivation had been funded by investors via Novacap. Between 2000 and 2004, the companies created a scheme in tulip bulb trading that eventually bilked rich investors of over 85 million euros. The cast of characters in this absurd affair includes corrupt flower bulb producers, multi-million-euro players from the upper echelons of Dutch society, government bureaucrats, and even Hell's Angels. And through an even more unusual turn of legal events, the two figures at the center of the controversy have escaped prosecution.

Van der Poll and Vrijburg grew up in Lisse in families in the bulb business, and both achieved early financial success. To high-power Dutch investors, the young men must have seemed reassuringly familiar – shrewd, rakish, and prosperous (like many of his financiers, Van der Poll drove a Porsche). Through their networks of entrepreneurs, they attracted over 100 well-heeled and well-connected supporters from inside and outside the tulip bulb trade who were lured by the promise of a 30 percent return in 18 months, and were convinced by the young insiders' knowledge and brashness. In exchange for such huge and fast returns, these investors were required to contribute 100,000 euros each. Vrijburg took the money and invested it in new tulip varieties from the harvest of 2003, which Van der Poll identified and in turn purchased. The idea was as follows. The bulbs would then be planted, and their flowers would be severed from the bulbs and sold at the flower auctions. Because tulip bulbs typically divide once they flower, the bulbs would

multiply before the next season. In this way, the 2004 harvest would consist of more tulips, which would be sold in the 2004 auctions, as would more bulbs (which would divide and flower again in 2005, and so on): the more bulbs sold at the high prices would cinch the 30 percent profit. Novacap ensured that the buyers of the harvest of 2003 were protected against the risk of failing to find buyers for the harvest of 2004 because Van der Poll would have already identified the 2004 buyers. With both buyers and sellers guaranteed in advance by these charming fellows, the plan seemed quite promising.

Novacap *Floralis* quickly attracted people to contribute a whopping 120 million euros – 85 million from external investors and 35 million from within the tulip bulb trade. They included some powerful figures of Dutch society: Cor Boonstra, the former CEO of Philips, invested 200,000 euros; media mogul and publishing scion Willem Sijthoff invested 800,000; Blumex's<sup>2</sup> Peter van der Velden contributed 11 million; and the de Rijcke family (former *Kruidvat* owners, with a net worth of 1.7 billion euros) put in 12 million. ABN AMRO offered credit to potential participants through a subsidiary, the *Hollandsche Bank Unie* (HBU), which supplied 60 percent of the 85 million euros. HBU's director himself, Pascale van den Boogerd, invested 200,000 of his own money; HBU account manager Bas Welling set aside 100,000 in his father's name; and Jan Maarten de Jong, a former ABN AMRO board member, ponied up 300,000. Even a former researcher in fiscal fraud at the Ministry of Finance and previous director of the de Rijcke family's *Hoge Dennen Holding*, a man named Sushilkumar Ong-A-Swie, threw in 200,000. The caliber of investors inspired confidence, and financial regulators saw nothing amiss (and since Vrijburg himself had once been a tax inspector, the whole business seemed impeccable). In 2003, the Netherlands Authority for Financial Markets (AFM) approved Novacap *Floralis*, and set in motion 'the money making machine' (as the *NRC Handelsblad* called it).<sup>3</sup>

At first, the machine ran smoothly. When Novacap closed the fund to new investments in September of 2003, it had bought

bulbs worth 75 million euros (with real money) and had managed to sell them for 160 million euros (in unsigned contracts or promissory notes). But since the bulbs had to be planted in order to multiply, the 160 million euros could only be claimed in cash once the bulbs had been harvested. Until that point, Van der Poll maintained he was content with the promissory notes. He trusted that the model would pan out, and anticipated handsome commissions from the purchase and sale of tulip bulbs, as planned.

But then, something curious began to occur: one by one, in very similarly phrased letters, the potential buyers began to cancel their purchase orders. It turned out that, lo and behold, none of the buyers had actually signed the promissory notes in the first place, so they had no binding legal power. SBC declared bankruptcy. This is where the parallel to the seventeenth-century tulip bubble seems most apt. Then and to some limited extent now in the tulip bulb trade (but not in cut flower auctions),<sup>4</sup> gentleman's agreements and individual honor and reputation could seal agreements; they did not require signatures. But then, a much broader swath of society was included in the bulb trade than now, with the hundred or so rich investors involved in this scandal, and the vast sums supposedly lost in the tulip bubble of 1637 turn out to be a myth,<sup>5</sup> unlike the very real 85 million euros that vanished in 2004. When the purchasers defaulted in early 2004 and SBC went bankrupt, Novacap was left with many tons of unsold bulbs. The real money contributed by those wealthy investors was now gone.

According to lawyers, the funds had been siphoned off and secreted away through other shell companies to Lugano Switzerland, post addresses in London, and trusts in the British Virgin Islands. It turned out that the prospective buyers guaranteed by SBC had come from among Van der Poll's tulip-growing friends. Between themselves they had bought and sold certain tulip bulb varieties in what is known in bulb business slang as 'kasrondjes', 'tussenstationnetjes', or 'heen-

en-teruggies' – a carousel of buying and selling that drives up the market price of the bulb but which none of the buyers will ever actually purchase.<sup>6</sup> When first rumors, then investigations, and then newspaper articles exposed that this had occurred, some condemned the unethical behavior in language that sounds like it was lifted from seventeenth-century popular pamphlets. “De ‘bollenboefjes’ zijn er met het geld vandoor”<sup>7</sup> (the bulb-scoundrels made off with the money), said Bert Oosthout, an investigator critical of both the bulb dealers and the Dutch financial regulators (the FIOD, the Fraudedienst of the Belastingdienst, and the OM, the Openbaar Ministerie). In a ludicrous twist on the scam, even Hell’s Angels seems to have heard about the investment opportunity, and contributed a hefty sum to Novacap, though through a third party, since they are barred from investing in the Netherlands. When SBC announced bankruptcy, Van der Poll reportedly received certain threats – the sort of ‘gentlemen’s agreements’ Hell’s Angels is known for.

Though the incriminating evidence was overwhelming, both Van der Poll and Vrijburg managed to elude jail (and death) through a peculiar and even more unlikely chain of events. As in a Hollywood thriller, some laptop computers contained volatile information and held data key to the whole affair. One recorded the history of all of Novacap’s transactions. At some point in 2007 during investigations it was discovered that the hard disk containing Novacap’s records had been irrevocably damaged, had been replaced with a clean disk, and that regrettably, the back-up copy also somehow had been ruined, so there was no reliable way of knowing what Novacap’s assets actually were. The administrators concluded that the Novacap management had deliberately mishandled the records of the fund: and this suspicious record keeping is what alerted the authorities to investigate SBC and Novacap in the first place... But there was another wily computer involved in this story.

Joost Tonino, the chief public prosecutor in the case against Mark van der Poll and SBC, had saved a lot of the information

regarding the investigation on his laptop, which he misplaced one day in The Hague. It was lost but not gone: a taxi driver rescued Tonino's computer, and sought to return it. But while looking for information about its owner, he came across official government documents *and* child pornography stored on it, and turned it over to a television crime reporter, who had a field day. Tonino unconvincingly claimed the porn had been downloaded by mistake; the incident cost him his job (though he was later reinstated) and discredited the state's case. Possibly worse from a legal standpoint were Tonino's files containing illegally recorded conversations between Van der Poll and his lawyers. This caused the entire case to unravel. In March 2009, after almost a decade of official investigations and legal procedures, the court had reluctantly to conclude that the confidentiality of the lawyer-client relationship had been so severely compromised that the evidence presented against Van der Poll and his associates had to be dismissed. Mark van der Poll walked away scot-free, and the much weaker case against Marco Vrijburg also collapsed. In 2009, Vrijburg said "[after this whole affair] personally, I've resumed a normal life in a flower export company in Lissebroek. Because finally, flowers are what I do best."<sup>8</sup> Van der Poll eventually published a book called *Tulpenmaffia*.

This story seemed worth recounting here for several reasons. In an outlandish way, it illustrates that horticulture in the Netherlands encompasses a number of themes and sectors of society: it evokes some similarities and differences with the famed tulipmania, and demonstrates how references to the Dutch Golden Age and financial bubbles remain in circulation; it also exposes the small world of male power networks in the Netherlands and shows how easily and naturally they can overlap with the horticultural world. Though both national and international news organizations covered the story, it is notable that very few industry publications discussed it.<sup>9</sup> And while some had heard about it, no one I met claimed to know more than what was reported. Nevertheless, the unusual episode seems in keeping with Dutch horticulture.

Tulipmania is a perennial subject, inspiring several books (fiction, non-fiction, and historical) over the past decade alone, and it is frequently invoked in the press regarding the internet bubble of the late 1990s, the housing bubble of 2008, and the ongoing financial scandals today. But already a hundred years ago, Dutch horticulturalists were complaining about tulipmania's undue attention. In 1913 Ernst Krelage was bemoaning the continual uproar over tulipmania, and in a short, probably ironic article, he even warned of a 'gladiolomania' taking hold and threatening the incipient industry's reputation; but this leading bulb grower and President of the Dutch Gardening Council went on to write an entire book on tulipmania (called *Bloemenspeculatie in Nederland*) in 1942. The subject continues to tickle people in and outside the Dutch horticultural industry, and this latest scandal is sure to unleash further commentary. It occupies a sort of niche motif within Dutch horticulture and views of the Netherlands.

As much as the rose gardens of medieval European monasteries or contemporary marriage rituals involving flowers, the sorts of social and financial aspects of Dutch horticulture revealed in this latest installment of 'tulipmania' also belong to what anthropologist Jack Goody called 'the culture of flowers'. The concept has widespread application. The phrase refers to "the complex social and cultural organization of cultivation", the language, emotion, and meaning we assign to flowers, as well as the association of such meanings with the rise of civilizations and a modicum of affluence and leisure, particularly since the nineteenth century. It's broad enough to encompass the commercial activities in today's horticultural auctions, ancient Greek flower cults, and seventeenth-century botanical experiments in Leiden. Similarly, these pages cast a wide net over the Dutch culture of flowers, especially its contemporary commercial practices in a central institution, FloraHolland Aalsmeer. Throughout, tulipmania occasionally appears as metaphor, historic incident, or cultural symbol; the culture of flowers, though rarely named as such, permeates every section. The aim is to convey a full,

well-rounded account of Dutch horticulture, and to situate it in our historical moment.

~

With systemic threats to our survival – wars raging around the planet, economic crises, gendered violence, environmental devastation – how does the Dutch flower industry even matter? Again and again between 2008 and 2010 I found myself asking this sort of question as I did fieldwork, partly in Ethiopia but primarily at the premier Dutch horticultural auction located in Aalsmeer, about twenty kilometers from Amsterdam. It's the largest flower auction in the world and remains very much a local institution, although it's central to the global industry. Of course, FloraHolland Aalsmeer does not hold the key to our grave environmental, social, and economic troubles. But unexpectedly, I found that the Dutch flower business does in fact correspond with some of the world's foremost issues in direct and indirect ways. Because the agricultural sector uses more oil and gas than almost any other part of the global economy, for instance, the organization and management of the flower industry epitomizes both problems and possibilities in the ways we grow, sell, and distribute basic necessities. Also, at the heart of our global economy and the horticultural system sit auctions, this curious method of assigning price and value for everything from government bonds and oil, to paintings, corn, herring, and tulips. That's not all. Dutch flowers also crop up in several prominent contemporary political controversies, from the Israel-Palestine conflict to the land grab in East Africa and other aspects of globalization. And more generally, our use of flowers is strongly associated with values of beauty and aesthetic practices; flowers themselves (particularly roses and tulips) have been and are powerful tropes for emotion and ethics; the incipient Dutch flower industry of the Netherlands' Golden Age helped to launch the world's first modern consumer society; and cut flowers are today a key luxury commodity, with a mysterious power.

Crucially, what links these larger issues to the Aalsmeer auction is not merely a facile association or thematic overlap; often, through personal networks, the industry is never more than one or two degrees of separation from national policies, ranging from foreign affairs to infrastructural planning. This was the case as the industry took root in the seventeenth century and it has been even more so for the Aalsmeer institution's founding at the beginning of the twentieth century until today. While I focus on the background and daily workings of a contemporary Dutch institution, these ongoing intersections and convergences nevertheless seem compelling, as they illustrate historical continuities in the Netherlands and suggest lessons for other contexts, and other industries. The general issues that underlie contemporary Dutch horticulture remind us of the remarkable connections and correlations of our era. But besides these sometimes explicit, sometimes oblique relationships between local practices and values with Dutch national policy and broader topics, the global flower industry and FloraHolland fit into an even larger story about the role of flowers in the evolution of human life, into what one might call the really *longue durée*. Ultimately, I'm convinced that the operations of Dutch horticulture gesture to this wider scope, a blurred horizon of economic, cultural, and social issues somewhere in the distance.

After all, the use and cultivation of flowers is one of the oldest and most enduring of human activities. Flowers have turned up in Iron Age grave sights in Northern Europe and Mesopotamia, and have been a part of most communities and societies around the globe for as long as agriculture has existed, and probably much longer. From our earliest existence, our relationships to flowers and to each other have been intimately bonded, and suggest a lot about our values and civilizations. And when conceived of as more than merely ornamentals, flowers have performed and continue to serve widely ranging and essential functions for human societies and the development of the planet. Botanist William Burger reflects that “[f]lowering plants have been central to the evolution of primates and swinging apes, to

the origin of bipedal humans, and to the origin of agriculture. Today, flowering plants provide a bit more than 90 percent of our caloric intake; and they are the primary food of our domesticated animals as well. In 1990, it was estimated that we humans were raising 1,294 million head of cattle, 856 million pigs, and 10,770 million chickens – mostly fed with flowering plants. Clearly, flowering plants are the foundations for larger human communities over the entire planet. Putting all these observations together, one can easily claim that without flowering plants we humans and our grand civilizations simply wouldn't be here".<sup>10</sup> Fifty years earlier, the naturalist Loren Eiseley put this sentiment in even starker and more poetic terms. He concluded his essay, 'How Flowers Changed the World', with these words: "Without the gift of flowers and the diversity of their fruit, man and bird, if they had continued to exist at all, would today be unrecognizable. Archaeopteryx, the lizard-bird, might still be snapping at beetles on a sequoia limb; man might still be a nocturnal insectivore gnawing a roach in the dark. The weight of a petal has changed the face of the world and made it ours".

Our world today, facing threats as well as possibility, continues this enduring relationship with flowering plants, not only through agriculture and medicine, but in our ceremonies and rituals around love and death, as well as our more refined sensibilities around class in consumer society. The Dutch horticultural industry invites us to wonder at this, and to ask: how should we manage resources, and how might we sustainably cooperate and compete? And fundamentally, what are the values, practices, and organization behind our economic institutions? Emily Dickinson wrote: Tell all the Truth, but tell it slant. That's what I attempt here, to look at the world through Dutch flowers, from that slant or vantage point, how the horticultural system plugs into contemporary Dutch life and our sphere at large.

Specifically, the book explores how the Dutch horticultural industry is built on a few fundamental things that intersect and complement each other in various ways. Male networks is an important one: social, artistic, scientific, and economic, this

Dutch variety of old-boy system launched the industry and has made it work at every stage. State planning and funding account for other huge aspects of the horticultural system's growth and success from its beginning until today. What makes these points characteristic of the Netherlands has to do with the size of the industry relative to the country (no one is far removed from the industry), and the prominence of horticulture in a lot of what the country has done, from colonial exploits in the seventeenth and nineteenth centuries to its legendary water and land management, from its models of economic success to its artistic achievements in still-life painting. In other words, horticulture has been integral to the modern nation. Another argument here relates to how this successful 'market system' works in actuality: it's not about only the strong surviving and the individual entrepreneur or company fighting it out to win and dominate. It's also about values and practices not usually associated with capitalism and contemporary industry: namely, cooperating, distributing risk, sharing knowledge, and pooling resources. The book explores how this cooperative institution actually functions in a dynamic global sector. One of the chief lessons is that economic practices do not really run on the basis of abstract principles, disinterested values, and other hackneyed but standard beliefs about 'the market'. When you look closely at FloraHolland, it is clear that beyond bottom-line profit, its daily working owes more to social mores, sentiments, loyalties, and historical patterns than to laws about the behavior of markets, or the ingenuity and character of entrepreneurship and capitalism.

Also, besides what they imply or suggest, the history and practices of the Dutch flower industry are themselves intriguing. In FloraHolland Aalsmeer's auctions and across the industry, I met quirky, passionate people with visions of the world that sometimes seemed charmingly off kilter, sometimes banal, but often insightful and steeped with implications. I learned a lot from them, and do my best to let them speak for themselves and to describe what they do and how their activities fit into larger contexts. I spoke with hundreds of people involved in the indus-

try at every step of the value chain, including breeders, growers, importers and exporters, FloraHolland officials, auctioneers, workers on the floor, office staff, and florists. Beginning in 2008, I spent many early mornings at the Aalsmeer auction observing, asking questions, and making notes, and befriended traders and workers on the floor. I attended industry events and meetings in the Aalsmeer auction and at venues around the country. I also spent six weeks in Ethiopia visiting flower farms, interviewing Dutch growers and officials, as well as people from Ethiopian civil society and Ethiopian commercial horticulture.

Through my interviews with growers and traders, and observations in greenhouses and at the auction, certain themes recurred. And as I read about Dutch history and the background of flower culture in the Netherlands, although the situations differed considerably from the contemporary world, I found a sort of family resemblance with these themes, a rhythm or echo from previous centuries. The connections are easy to overstate, but they nevertheless struck me as significant, and helped to structure the book. These leitmotifs run through each chapter, which is organized around a question or series of related questions. The questions are straightforward, but the leitmotifs deserve some explanation. Though this book looks at the Netherlands and the larger world through the *slant* of horticulture, the institution of FloraHolland Aalsmeer remains the focus.

~

I began my research just as the global financial industry collapsed and have made sense of Dutch horticulture in the seismic turmoil it has triggered in the years since. To be sure, financial elites accelerated trends well under way for decades in shaping the contours of this continuing catastrophe. Among its pernicious effects so far, it has bankrupted entire countries, impoverished millions of people, led to speculative frenzies, and driven up the price of commodities that have in turn devastated populations and inspired riots (among other places, in Haiti and in Egypt in