



The launch of the SS Rotterdam at the Rotterdamse Droogdok Maatschappij shipyard in 1958.
(Source: Stadsarchief Rotterdam; photo taken by D. van de Ven)

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Dutch shipbuilding in the postwar period: increasing competition in a globalising World

PhD Candidate Economic History

On April 6 1983, the large shipbuilding conglomerate *Rijn-Schelde-Verolme Machinefabrieken en Scheepswerven NV* (RSV) was declared bankrupt. A serious consequence of this verdict was the massive unemployment of people previously working in shipbuilding or in related and supporting industries. Moreover, the Dutch government had been providing financial support to this shipbuilding conglomerate and thereby lost 2.7 billion guilders with the bankruptcy. What followed was the first Parliamentary Inquiry in the postwar era into how it could have been that a company with this enormous amount of government support was not able to survive. Though inquiry revolved around the years following the establishment of the *Rijn-Schelde* merger in 1965 until the bankruptcy, the origins of the decline lay in the years before.

Already in the early 1960s, shipbuilders were aware that developments were not looking very promising. An increasing number of ships were built by foreign shipyards and captains of industry expressed their concerns about the competitiveness of Dutch shipyards. However, Dutch shipbuilding had actually been doing very well in the years after World War II and the Netherlands was among the foremost ship-producing countries in the world. Although the subsequent interaction between the large shipyards and the government has been thoroughly studied, there is little understanding of the reasons for these economic dynamics in the years after 1945.

My research, which forms part of a collaboration between the ESHCC and the Maritime Museum of Rotterdam, focuses on the sea-going shipbuilding industry in the Netherlands between 1945 and 1983.

The bankruptcy of the RSV in 1983 denoted the decimation of the traditional large shipbuilding industry in the Netherlands and thereby forms, and symbolises, the end of this period. The case strongly adheres to the causes and consequences of global encounters as this industry faced turbulent times after World War II due to fierce international competition. In light of the surge in world trade, demand for ships grew and Dutch shipyards took the opportunity to increase their absolute and relative position in the shipbuilding market. Examples of Dutch shipbuilding companies, all located in the western part of the Netherlands, included *Rotterdamse Droogdok Maatschappij NV*, *Koninklijke Maatschappij De Schelde NV*, *Verolme Verenigde Scheepswerven NV*, and *Nederlandsche Dok en Scheepsbouw Maatschappij VoF*. However, increasing international competition put pressure on Dutch shipbuilding to maintain its competitiveness. Ultimately, the shipbuilding industry could not hold onto its competitive position, causing stagnating growth in production and a fall in market share from the 1960s onwards. The initial rise of Dutch shipbuilding in the global market made this industry an even more fundamental aspect of Dutch industry: after its postwar surge it provided direct and indirect employment to about eighty thousand people and was an important purchaser of industrialised products such as engines and metalware. Moreover, the conception of shipbuilding as part of the maritime tradition of the Netherlands was of strong cultural importance.

Central to the study of this historical case is the question of why the shipbuilding industry was able to be competitive after the war and why subsequently it was unable to sustain this position. Japanese competition was an important driver for the later dynamics in the global shipbuilding market, but it does not explain why from the 1960s onwards the Dutch shipbuilding industry also consistently performed worse than other main West European shipbuilding industries in terms of ship output. To find out the reasons for the economic fluctuations during this period, my research explores the developing structures and relationships between the Dutch shipbuilding industry's main economic agents: the shipyards, shipping companies, and maritime suppliers. The methodological choice of focusing on the range of regional suppliers and shipyards and internationally operating shipping companies also exemplifies the connection between the region and the world. Lloyd's Register of Shipping books, company archives, and maritime journals constitute a large part of the primary source material used to obtain the required information for this research. These sources shed light on aspects such as ship production, company performance, technological and organisational innovation, and supplier and customer relations.

The dynamics within the Dutch shipbuilding industry in the

postwar period is an example of the societal relevance and impact of studying global encounters. The case illustrates how an increasingly globalising world can have a strong effect on the lives of people in the region. International competition in shipbuilding not only became more frequent during this period, but it had immense consequences for socio-economic, political, and cultural aspects of the region.

Further reading

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