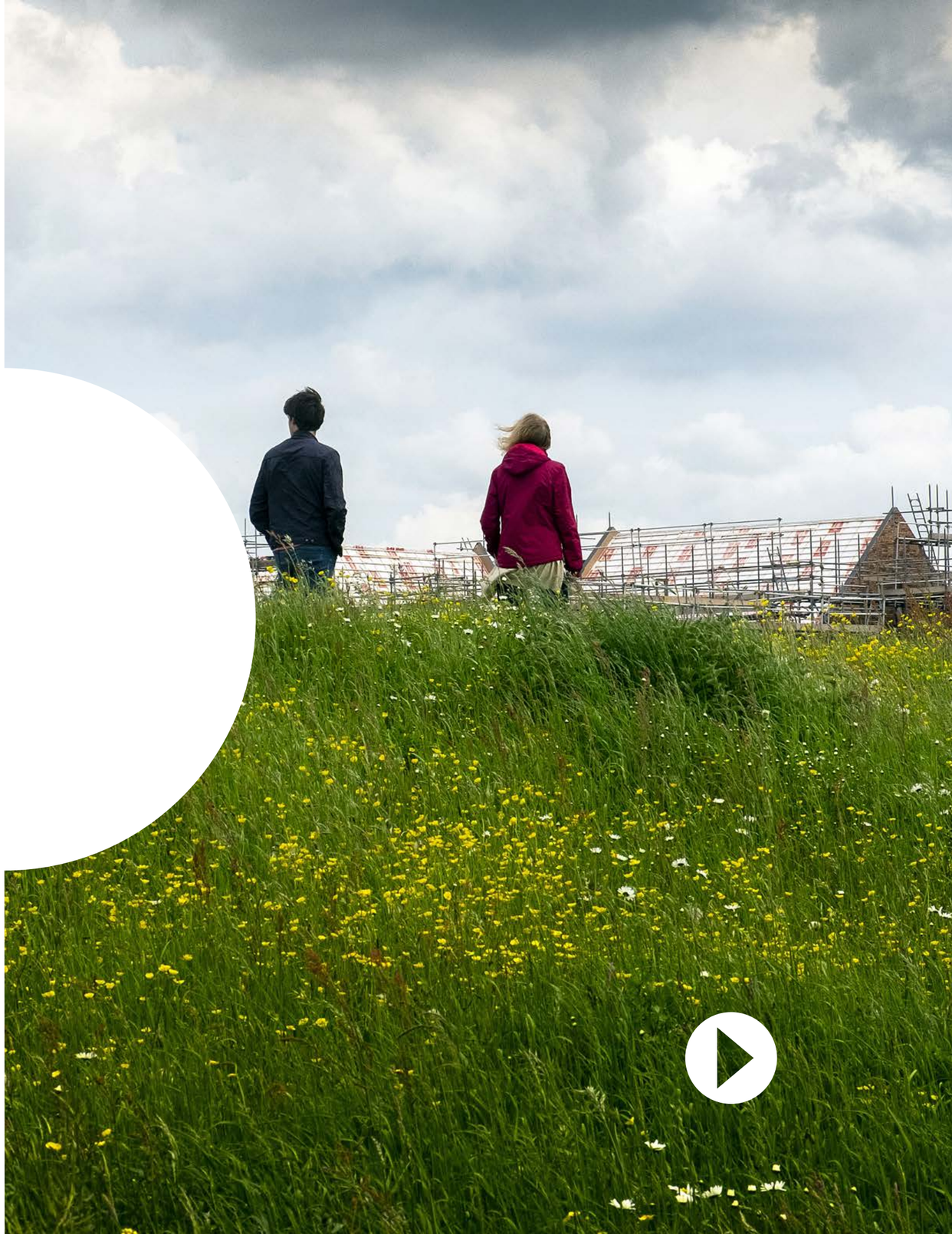
FAILURE AND RECOVERY

TOWARDS AN EFFECTIVE APPROACH TO PROBLEMS WITHIN THE LIVING ENVIRONMENT



MAY 2025

Council
for the Environment
and Infrastructure

About the Council for the Environment and Infrastructure

The Council for the Environment and Infrastructure (*Raad voor de leefomgeving en infrastructuur, Rli*) advises the Dutch government and Parliament on strategic issues concerning the sustainable development of the living and working environment. The Council is independent, and offers solicited and unsolicited advice on long-term issues of strategic importance to the Netherlands. Through its integrated approach and strategic advice, the Council strives to provide greater depth and breadth to the political and social debate, and to improve the quality of decision-making processes.

Council for the Environment and Infrastructure (Rli)
Bezuidenhoutseweg 30
P.O. Box 20906
2500 EX The Hague
The Netherlands
info@rli.nl
www.rli.nl

CONTENTS

Note: The Dutch version of the advisory report also includes a detailed elaboration of the reflection questions and their application to one of the most pressing current issues regarding the living environment: the nitrogen problem in relation to Dutch agriculture.

SUMMARY

The Netherlands is facing major problems within the living environment. These include an acute housing shortage, far too high CO_2 emissions, and the harmful effects of large-scale agriculture on the environment. Many of these issues are high on the political agenda. Successive governments have been formulating relevant policy for decades. However, the measures so far have not had the desired effect and the problems persist. What needs to change so as to come up with an approach that is in fact successful? That question is central to this advisory report by the Council for the Environment and Infrastructure (Rli).

In an initial exploration of these issues that we published in 2023, we sought explanations for the lack of an effective approach to issues regarding the living environment. Among other things, we realised that there is dysfunctional interaction between the players who bear responsibility within our system for collective interests within the living environment, such as public housing, public transport, the energy supply, and nature conservation. Those players are government,[1] the business sector, and groups of individuals working together in an organised manner to achieve a specific goal (‘communities’).

1 When this report refers to ‘government’, we mean the four tiers of government that the Netherlands has, i.e. the state (central government), the provinces, the municipalities, and the water authorities (the decentralised authorities). Within those tiers of government, we distinguish between politics, administration, and the civil service.

No effective interaction between government, communities, and the business sector

Over the past forty years, the emphasis as regards caring for collective interests has shifted to government and the business sector. That is the result of government increasingly making the operation of market forces the basis of its policy, while itself adopting more and more of the working methods of the business sector. As regards representing the public interest, the focus has increasingly shifted to management and implementation. Efficiency and a strong budgetary focus have also become increasingly important priorities for government. From a financial and economic point of view, that approach yielded good results. Business activity in the Netherlands developed successfully, GDP rose, and material prosperity increased significantly, but there were also many harmful side effects: environmental pollution, deteriorating quality of the water and soil, loss of biodiversity, etc. In short, the one-sided interaction between government and the business sector has led to the neglect of collective interests within the living environment.

This observation cannot be viewed separately from the fact that – for decades now – communities have virtually ceased to play a role in caring for collective interests within the living environment. In the more distant past, it was precisely communities that safeguarded society's collective interests. Currently, considerable attention is being paid to activating communities and to the democratic innovation that requires. In actual practice, however, this has so far been achieved to only a limited extent. In the present report, we distinguish between communities that create and communities that advise. Creative communities in such fields as housing (housing cooperatives), agriculture (area cooperatives), or public transport (neighbourhood bus services) face many barriers that limit their effectiveness. Communities that provide advice regularly become embroiled in conflicts between government and members of the public, for example because people who have been invited to advise are not kept informed about what is done with their advice.

In this advisory report, we conclude that the current dysfunctional interaction between government, the business sector, and communities fails to offer solutions for the complex living environment problems that face the country. We believe that a different approach – one based on a better understanding of the motives and modes of operation of government, communities, and the business sector – is needed in order to break through the deadlock in policy on the living environment. Depending on the type of issue, the interaction between government, the business sector, and communities may turn out differently and the range of policy instruments to be deployed will need to be appropriate.

Obstacles to an effective approach to issues regarding the living environment

In the current interaction between government, communities, and the business sector, we identify a number of difficulties that form a barrier to tackling living environment issues in an effective manner.

A lack of public discussion of values

Constructive public discussion is indispensable if we are to come up with solutions to the complex problems at play within the living environment. The questions to be addressed include: 'What are the long-term prospects for the Netherlands? Where do we want to be in 30 years time – what kind of country do we want to be then?' In addressing these questions, people want to be listened to and to be involved in the discussion. Such discussion is essential in order to clarify what values are at stake when we take action in the living environment, and also to clarify how those values are balanced up against one another and prioritised within the process of political decision-making.

At present, however, the process of weighing up values that underlies government decisions and measures that impact the living environment is often not discussed. As a result, many people do not know why government arrives at certain decisions and implements certain measures, for example regarding nitrogen, manure, wind turbines, nuclear power, and so forth. The result is a lack of understanding and acceptance by the public.

All that then remains is wrangling about facts. Because everyone today has access to large volumes of – sometimes conflicting – information, there is often a lack of consensus as to what the starting point for discussion ought to be. The debate about facts often obscures the fact that what is really involved is a debate about interests.

There is also a lack of forums such as those within which government, the business sector, and communities used to jointly seek workable solutions. Good old 'civil society' no longer fulfils that function; it has disintegrated into a fragmented array of advocates for particular interests. Public discussion that goes beyond simply expressing interests and devising solutions is therefore lacking, meaning that the underlying value trade-offs of solutions and objectives are not sufficiently discussed.

Interaction between government and the business sector fails to deliver effective solutions

Current government policy is strongly oriented towards promoting financial and economic interests. The importance of a healthy economy, increasing GDP, and purchasing power is central to policy decisions. It is becoming increasingly clear, however, that the financial and economic successes of recent decades have also had a negative impact on the living environment: biodiversity has declined, surface water pollution persists, and greenhouse gas emissions remain too high. The policy instruments deployed by government to counteract such negative effects – for example regulating polluting emissions and subsidising relatively 'clean' enterprises – have so far proved ineffective, partly because government has failed to vigorously enforce the rules that it has itself put in place. Moreover, some large established companies have long known how to block or weaken strict environmental regulations by means of lobbying. The lobbying power of these market parties is far greater than that of innovators and sustainability pioneers within the market, which could be of added value for the collective interests within the living environment.

No appreciation for the contribution of communities

For decades now, government has largely failed to appreciate the contribution that community initiatives can make to addressing problems

regarding the living environment. Over the years, numerous community initiatives have emerged in the Netherlands that address such issues on a smaller scale. As such, they do not offer a 'magic wand' to resolve all the deadlocked cases, but their efforts can nevertheless bring about breakthroughs precisely because of their great ability to adapt to changing circumstances. Communities that provide advice also have the potential to reinforce the democratic process as regards living environment issues. However, most politicians and civil servants still think according to a hierarchical model, in which government is the control centre. They tend to subject community initiatives that attempt to address living environment problems to all kinds of interventions that require them to comply with government standards, or they simply take over such initiatives entirely. Those who launch an initiative also find themselves facing bureaucratic accountability requirements as regards quality and financing, or rules and procedures for providing public services which they cannot properly comply with because they are not a business entity. Their projects are thus squeezed into an ill-fitting mould. This has a stifling effect and prevents communities from giving full rein to their creativity.

Lack of government oversight and decisiveness

The fact that thorny problems within the living environment have not been tackled effectively for so many years also has to do with a growing lack of decisiveness on the part of government. In part, this can be attributed to a culture that is risk-averse. Before making decisions, politicians nowadays ask their civil servants to map out all the risks and determine how they can be ruled out in advance. This slows down government's ability to take action and results in a failure to make bold decisions.

This lack of government decisiveness is also linked to an 'accountability culture' that has emerged within politics and indeed within society as a whole. Government lacks the freedom to make failures. It is precisely when tackling complex problems concerning the living environment that such freedom is crucial, given that these problems are riddled with uncertainties. Government decisiveness is further restricted by a compartmentalised organisational structure that encourages civil servants to focus on their own particular area of policy. Problems regarding the living environment are complex, however. If it is to tackle them effectively, government will need to act based on an understanding of how those problems are interrelated and how they influence one another. Such a systemic perspective is often lacking at present. Moreover, the fact that implementation of many policies has been positioned 'at arm's length' means that policymakers lack insight into the feasibility of measures. This also detracts from government's ability to formulate effective policy.

Recommendations

Over the years, the interaction between government, the business sector, and communities has often undergone change, as has the way everyone's institutional rationale played a role in this. On more than one occasion in the past, this has led to breakthroughs concerning complex issues. Developments are also underway within government, communities, and the business sector that give rise to hope because they can help resolve living environment issues that have become deadlocked.

So as to give a boost to these developments, we wish to offer five recommendations of an 'agenda-setting' nature. They must not, however, be interpreted as a definitive, specific solution to every conceivable complex problem; issues regarding the living environment are simply too diverse for that.

Recommendation 1: Engage in wide-ranging discussion of values concerning living environment issues
Problems regarding the living environment cannot be solved solely by means of scientific research and technological innovations. There are, after all, countless different values that need to be weighed up against one another. With that in view, government will need to enter into discussions with communities and the business sector about their reasons for wishing to protect certain financial and economic and public interests. Those discussions will need to focus on *why* they think something is important and not merely on *what kind* of intervention they think is important. When discussing values in this way, it is especially important to understand the consequences of emphasising one particular value rather than another, i.e. how opting for one value may be at the expense of another. Discussion of the values at stake in issues regarding the living environment is only really possible if participants have equal access to knowledge of the relevant facts, options, and impacts. That also involves participants acknowledging the past and present situation.

The aim of a discussion of values as we envisage it is not to reach agreement on a single shared set of values; rather, it is to enable government, communities, and the business sector to share properly balanced information about, and an understanding of, the diversity of values that are at play in an issue within the living environment.

In the current societal context, there is a need for direct forms of involvement on the part of communities and the business sector. The task for government is to involve precisely those people and organisations that are hardly, if ever, heard. With that in view, government will need to actively arrange discussions with input from the public, or organise citizen consultation bodies [*burgerberaden*], for example.

Recommendation 2: Involve communities in interaction as equals
Government and the business sector have become increasingly dominant in dealing with issues that concern the living environment. We believe nevertheless that the energy and strength of communities can also play a meaningful role in drawing attention to future issues and in finding effective (and timely) solutions to those issues. If they are to make maximum use of the power of communities in resolving living environment issues have become deadlocked, public authorities will need to view community initiatives in a fundamentally different manner. Communities deserve an equal place in safeguarding collective interests within the living environment – and not only subject to the conditions set by government. Government will need to become more service-minded and understand communities' way of thinking. In addition, it will need to cut back on various rules and procedures so as to give creative communities the scope they need to take on responsibility for their living environment. It will

also need to support them where necessary. Moreover, government will need to collaborate more frequently with communities in implementing its own policies, rather than looking solely to the business sector. It can also make far greater use of communities than at present to develop a better understanding of living environment issues. Finally, reciprocity is necessary: communities must be able to share in the benefits arising from decisions that have a far-reaching impact on their living environment.

Recommendation 3: Create forums where government, the business sector, and communities come together
To deal effectively with issues regarding the living environment, it makes sense to link the aims and rule-of-law principles of government with the sense of responsibility that communities have for their own living environment and with the entrepreneurship of the business sector. We therefore recommend that government, the business sector, and communities create organisation structures that link these different perspectives together so as to develop feasible, practicable approaches to finding solutions. These need to be aligned as closely as possible with initiatives that are already emerging within society. It is essential that parties from government, the business sector, and communities can all have their say within these partnerships. Specific options for giving practical shape to such arrangements include the reintroduction of product boards, the conclusion of agreements at consultation round tables, and the establishment of area cooperatives.

Recommendation 4: Position businesses for future-proof development
Government already deploys a variety of measures for reducing the harmful impact of economic activity. As yet, however, these have failed to have sufficient effect. To limit the harmful external impact of economic activity in an effective manner, government interventions are necessary that are better aligned with the rationale of the business sector. This can be achieved by creating a level playing field for pioneering sustainable enterprises and by setting clear targets to which businesses can adapt their operations. Government management policy will therefore need to consist of a combination of (1) factoring negative effects into pricing, (2) setting standards as regards undesirable activities and effects, and (3) investing in promising newcomers and innovative business models and production processes.

Recommendation 5: Reinforce the systemic capacity of government
Market parties and communities have a role to play in ensuring that the above recommendations are successful. It is specifically government, however, that has an important role to play, given that it can establish the formal frameworks within which the three parties must operate. Government also bears responsibility for overseeing complex societal issues and connecting them up where necessary. Currently, however, government lacks sufficient oversight and decisiveness to fulfil those roles. A number of improvements therefore need to be made as regards how government functions. To start with, it will need to break down the compartmentalisation within its organisation. That will require overarching coordination and structural alignment between policy departments and

government ministers regarding complex issues. Government will also need to improve the professional skills of its civil servants. It will need to ensure that it has the right inhouse mix of subject-related expertise and process skills. Politicians will also need to keep a closer eye on the long-term perspective when dealing with deadlocked issues regarding the living environment, even when formulating policy for the short term. If government only starts thinking about solutions when a problem within the living environment becomes acute, intervention will only be possible with a great deal of hardship and with many people being disadvantaged. Finally, in addressing problems within the living environment, decision-makers will need to be mindful of whether policies can in fact be implemented. Formulating policy and learning from actual implementation must go hand in hand.

Reflection questions for application of our recommendations in actual practice

There is unfortunately no quick fix for today's complex problems within the living environment because the relationships between government, communities, and the business sector have become skewed over many decades. The quest for opportunities for renewed interaction between government, the business sector and communities, and the restoration of mutual trust, offers the prospect of progress on issues that have become deadlocked. The five recommendations we have presented above are meant to assist in that quest.

To demonstrate how our recommendations can be made applicable in actual practice, we have included a set of reflection questions at the end of this report to help the reader follow our analysis of a specific case and consider the recommendations in further detail.

Figure 1: Recommendations

PART 1 | ADVICE

1 INTRODUCTION

1.1 Deadlocked issues within the living environment

A number of major problems exist as regards the Dutch living environment. Many of these issues are high on the political agenda. For example the acute housing shortage, far too high CO_2 emissions, and the harmful impact of large-scale agriculture on the environment and nature – to name just a few pressing issues. Some of these problems have been on the agenda for decades; for instance, the manure surplus produced by the livestock sector has already been a policy issue for some 40 years.

For some of these complex problems, potential solutions have long been known. Central government has expressed the actual approach as a variety of different 'challenges'. Current examples include building 981,000 homes so as to resolve the public housing problem; insulating 1.5 million homes and other buildings and/or disconnecting them from natural gas so as to reduce CO_2 emissions; and investing €500 million annually in agricultural nature management so as to combat the decline in the quality of nature and biodiversity. Policy memoranda have been drawn up for all these living environment challenges, and these have then been elaborated in the form of legislation, regulations, and programmes.

In the past, major living environment issues have been tackled successfully in this way, and some progress has also been made here and there as regards the challenges that currently face us. Nevertheless, the way many complex

current issues are being tackled is proving less than effective and too slow to get off the ground. The targets formulated in policy memoranda are often not achieved, for a variety of reasons. The approach adopted turns out not to actually work or seemingly obvious interventions encounter resistance. The approach often also turns out to be more complicated than was envisaged because one particular problem is intertwined with a number of others. The housing challenge, for example, cannot be tackled without taking account of the energy transition and considering the construction of infrastructure for accessibility. Moreover, no single party is capable of solving the problem on its own. There are all kinds of interdependencies, both between the relevant market parties themselves and between government, the business sector, and communities. Moreover, the space needed for solutions is becoming increasingly scarce.

Many challenges within the living environment have thus slowly but surely developed into thorny problems, for which there is no quick and easy fix, and which are also interrelated and interact strongly. One such problem concerns building foundations, which we advised on in 2024 (Rli, 2024a). Where some issues are concerned, politicians and government would seem to have manoeuvred themselves into a hopeless position over a period of many years.

The fact that unresolved issues regarding the living environment have persisted for years is in itself a problem because the Netherlands is coming up against, or already exceeding, all kinds of spatial, natural, social, and statutory boundaries. To continue to live well here in the future, people need sufficient space to live, work, and do business. However, many people have for years been unable to find an affordable home. Clean air, healthy soil, good water quality, and a liveable climate are also essential. These basic preconditions are still under increasing pressure, however. Many people have health problems due to air or soil pollution, and the quality of the country's water is particularly poor. The public expect government to come up with solutions, and its failure to do so can undermine confidence in public administration.

In this report, the Council for the Environment and Infrastructure (Rli) explores what needs to change in order to make real progress in caring for the living environment.

1.2 Exploration of the problem: 'Systemic failure in policy on the living environment'

In preparation for this report, we explored the background to the problems regarding the living environment (Rli, 2023a). In the course of that exploration, we sought an explanation for the deadlocks that have existed for decades in tackling the challenges that we have just described. Why has it been impossible for so long to achieve – or even come close to achieving – the policy objectives for the living environment? We concluded that it was due to three main factors: (1) a lack of understanding of the *values* at stake in issues regarding the living environment; (2) dysfunctional *interaction* between the three central players in the domain of the living environment, namely government, communities, and the business sector; (3) the changing *nature* of the problems and a changing societal *context* within which the problems need to be resolved. In the present report, we expand on these observations, which we have summarised in two infographics.

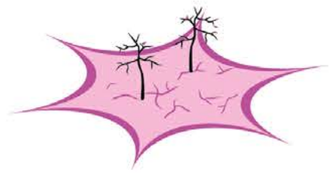
Figure 2: Summary of exploration of the problem 1/2

Systemic failure in policy on the living environment

Why has it been impossible for so long to achieve – or even come close to achieving – the policy objectives for the living environment?

Changing problems in the living environment

Current problems require **systemic changes** in our institutions and culture.



Transitions involve many technological and social **uncertainties**.

Problems need to be solved within an **international context**.

Solving one problem often has **unforeseen effects** in other domains.

Lack of space increases **tensions** between different policy goals.

Values not sufficiently clarified due to technocratic approach

Currently policies and the choice of measures are mostly technocratic and preferably presented as 'non-political'.

A choice or measure is **never neutral** or non-normative.

Debate on the **weight assigned to problems** is absent.

Policymakers reduce problems to what is **measurable**.

Future prospects not sufficiently clear and positive when changes are implemented.

Changing societal conditions

EU policy increasingly important for Dutch living environment policy, but it doesn't always find its way properly into Dutch policy decisions.

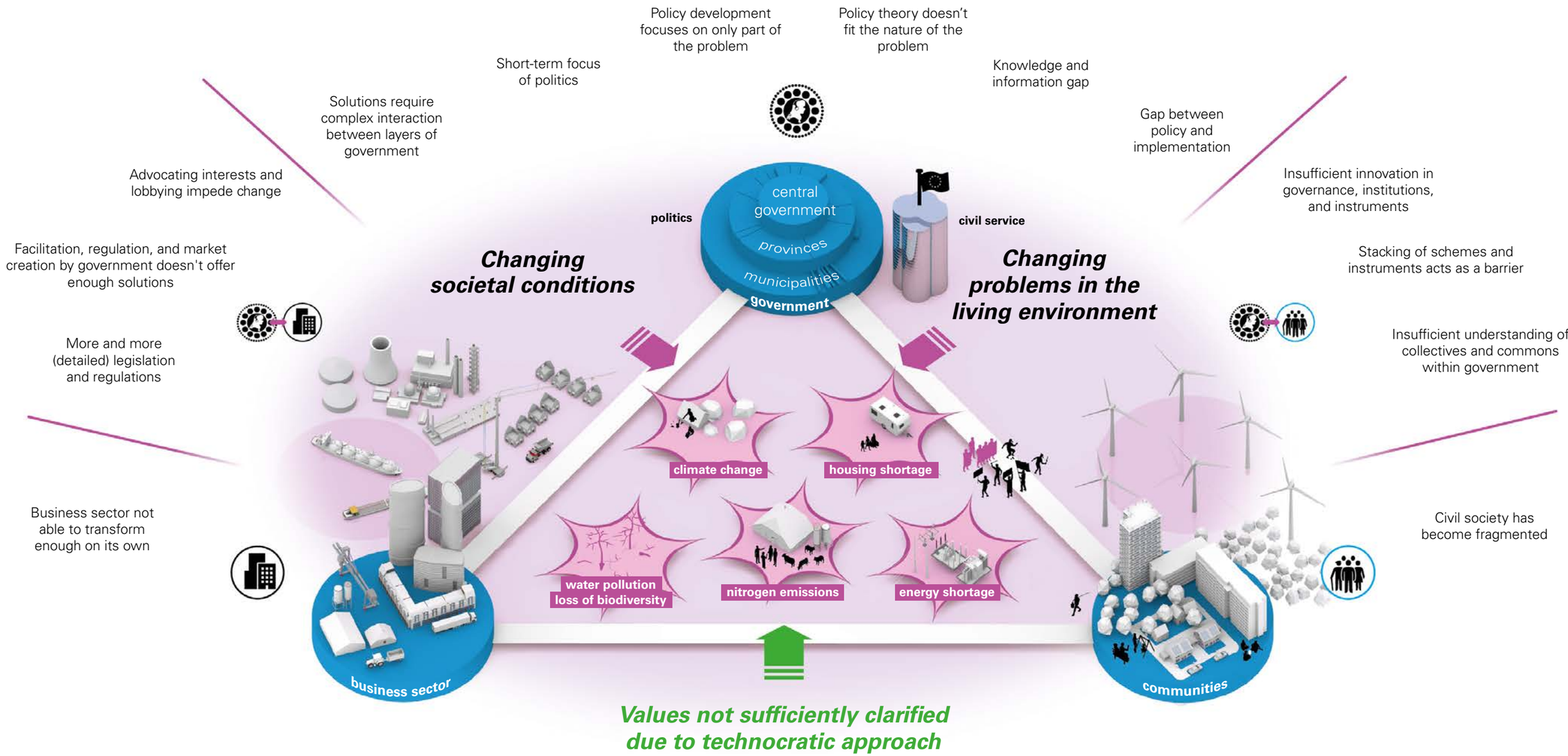
People expect government to **eliminate and compensate for risks**. This hinders personal responsibility and innovation.

Digitalisation means that people quickly have a lot of information (and disinformation) and opportunities to respond to it, resulting in **polarisation and short-term political points-scoring**.

Figure 3: Summary of exploration of the problem 2/2

Institutional relationships don't fit the problems

The nature of living environment problems has changed, social conditions have changed too, and values are not clarified sufficiently - so a new kind of interaction is needed between government, the business sector, and communities.



1.3 Purpose and question to be addressed

The problems within the living environment are so complex that addressing them demands a long-term approach. It is not the purpose of this report to offer ready-made solutions to particular problems within the living environment; the complexity and diversity of the issues does not allow for it. We conclude that progress in policy on the living environment can be achieved from multiple perspectives. In this report, we aim to contribute from the perspective of the relationships and interactions between government, the business sector, and organised groups of individuals (or 'communities'[2]), so as to initiate changes in how thorny problems regarding the living environment should be tackled. Our central focus is in on dealing with the complexity of the problems and the diversity within society.

In this light, the (multi-faceted) question to be answered in this advisory report is as follows:

What fundamental decisions are needed in order to solve major problems within the living environment? What kinds of organisation and management does this require, and what are the roles that government, the business sector, and communities need to play in this?

2 Whereas in our exploration of the problem we referred to 'society', in the present report we opt for the designation 'communities'; by this we mean members of the public who have organised themselves in order to achieve a specific goal. Where we previously referred to the 'market', we have now chosen the designation 'the business sector'. See further Chapter 2, Section 2.3 on this subject.

1.4 Scope

During discussions in the light of our aforementioned exploration of the problem, we noted that our observations were widely recognised, including outside the domain of the living environment, for example as regards tackling issues in the labour market, healthcare, and education. The latter domains are not considered in this report, however; we limit ourselves to issues regarding the living environment, focussing on the following aspects.

Interaction between government, market parties, and communities

As already noted, our focus in this report is on the interaction between government, the business sector, and initiatives from communities in tackling issues within the living environment. We realise that government occupies a special position within this interactive process. But market parties and initiatives by organised groups of individuals are also indispensable for finding and effectuating solutions.

Our exploration of the problem showed that the current interaction between government, the business sector, and communities is no longer well suited to the nature of the current problems within the living environment; this leads to the approach becoming deadlocked. In this report, we seek breakthroughs by examining the relationships between government, communities and market parties, as well as by identifying ways to improve political decision-making on complex issues.

The situation in the Netherlands

The problems we address in this report are not unique to the Netherlands. Other countries are also struggling with deteriorating water quality, loss of biodiversity, housing shortages, and/or the need for changes in agriculture. Some foreign examples of solutions to these problems are discussed in this report. We can and must learn from them, while taking account of the specific Dutch context, which differs in a number of relevant respects from the situation in other European countries. The Netherlands has traditionally had a characteristic governance culture, founded on the pursuit of consensus and shared decision-making ('poldering'). In addition, the living environment problems at play here are greatly influenced by three specific features: (a) heavy demand on the limited space as a result of above-average population growth; increasing economic activity and increasing urbanisation, which have led to changes in the allocation of resources within the physical domain; (b) poor soil, water, and nature quality (certainly compared to other European countries; Didde, 2022; TNO, 2022); (c) highly intensive land use (made possible by land reclamation and interventions in water management in the nineteenth and twentieth centuries).

1.5 Structure of this report

The rest of this advisory report is structured as follows:

- In Chapter 2, we discuss how collective interests within our living environment (public housing, public transport, the energy supply, nature conservation, etc.) have so far been safeguarded, and how the interaction between government, the business sector, and communities has developed.
- In Chapter 3, we describe some persistent difficulties in the current interaction between government, the business sector, and communities. These difficulties constitute an obstacle to solving the country's complex living environment problems.
- In Chapter 4, we discuss how roles need to be interpreted differently so as to address current issues within the living environment effectively. We also consider a number of promising examples from the past that show how effective interaction between government, market parties, and communities can lead to success.
- Finally, in Chapter 5, we make recommendations for bringing about a new kind of interaction between the three parties. New interrelationships are needed so as to jointly progress towards resolving persistent issues regarding the living environment.

At the end of this report, we have included a set of reflection questions intended for civil servants, politicians, entrepreneurs, and engaged members of the public who find themselves dealing with complex issues within the living environment that have become deadlocked and who wish to make use of the findings of this report. Answering the reflection questions will not provide any ready-made solutions to the problem, but it will encourage respondents to consider the problem from various different perspectives. This makes it possible to explore what underlying causes have led to a particular problem remaining unresolved, what breakthroughs are possible, and who will play what role in them.

2 INTERACTION REGARDING ISSUES IN THE LIVING ENVIRONMENT

In this chapter, we outline how collective interests within the living environment have up to now been safeguarded in the Netherlands. Specifically, we consider issues such as public housing, public transport, the energy supply, and protection of nature and the environment. Over the course of time, the role played by government, businesses, and communities in this regard has undergone change on a number of occasions. Effective interaction between these three parties is more crucial today than ever, given that population growth and economic development have brought with them problems within the living environment that need to be addressed urgently. The increased pressure on space and the living environment means, however, that every intervention, activity, or measure has direct consequences for others or for other collective interests. The current interaction between government, the business sector, and communities is proving unable to cope with the growing complexity and interconnectedness of problems within the living environment, and is in need of being updated.

2.1 The quality of the living environment: a collective interest

In our exploration of the problem (Rli, 2023a), we noted that complex, persistent issues regarding the living environment need to be considered in the light of changing societal circumstances. The interaction between government, communities, and the business sector must evolve accordingly, given that all of them have a role to play in promoting collective interests within the living environment.

Government has a duty of care as regards the collective interests of society, such as socioeconomic security, employment, health, a clean environment, and a properly functioning democratic constitutional state. In many cases, individuals and businesses are unable to protect these kinds of interests, which transcend the level of the individual. Section 21 of the Dutch Constitution states, for example, that 'It shall be the concern of the authorities to keep the country habitable and to protect and improve the environment.' In practice, however, looking after collective interests is never a matter for government alone; communities and market parties, too, have always played a role in this. Initiative and entrepreneurship within society constantly influence collective interests within the living environment. That is because they come up with new ways to improve the quality of the living environment, or because the activities of market parties and communities harm collective interests, for example company production processes that impact the environment and human health, or organised resistance on the part of residents to changes in their living environment. Where collective interests and solving problems within the living environment are concerned, there is therefore always interaction and shared responsibility between government, communities, and the business sector.

That interaction has undergone change more than once over the years. Since the 1980s, the emphasis has for decades been on the interaction between government and the business sector. Government placed great emphasis on promoting the free operation of market forces and a good competitive position for Dutch businesses. The assumption was that society as a whole would then benefit. That orientation towards the business sector was explicable in the light of the high unemployment rate at the time, as well as disappointing economic development and rising government costs. In its pursuit of efficiency and cost savings, government also increasingly assigned responsibility for fulfilling public tasks to the business sector. Caring for collective interests such as public housing, public transport, and the energy supply increasingly passed into private hands.

The abundant scope allocated to the business sector was accompanied by strong growth in material prosperity in the Netherlands and Europe, with per capita GDP rising steadily (CPB, 2023). That development also had its downsides, however. The one-sided focus on economic growth and corporate interests was accompanied by neglect of other collective interests. Pollution of the environment, deteriorating quality of the water and soil, and loss of biodiversity are just a few examples of the many unintended effects of financial and economic success. Businesses received hardly any government incentives to limit such harmful activities or to develop alternative products and production methods – and nor did they

do that of their own accord. In fact, enterprises were given a free hand to offload the negative effects of their operations onto society as a whole (WRR, 2023). And that is a situation that still exists.

There were also downsides from the social point of view. The operation of market forces did not automatically lead to socioeconomic security for everyone. Alongside the more prosperous groups within society, there were also structurally disadvantaged groups with fewer opportunities for participating fully in society. And that in fact remains so to this day. The current housing shortage and the high energy costs that many people are facing show that the interaction between government and the business sector is not working well in all respects as regards safeguarding collective interests. The one-sided interaction between these two parties has in recent decades provided too few solutions for persistent issues within the living environment.

This observation cannot be viewed separately from the fact that community initiatives have long since ceased to play more than an insignificant role in caring for the collective interests within the living environment. That was different in the more distant past, as we will explain in Section 2.3. In the next section, we first define the terms ‘government’, ‘the business sector’, and ‘communities’ more closely.

2.2 The terms ‘government’, ‘the business sector’, and ‘communities’

We define the terms ‘government’, ‘the business sector’, and ‘communities’ below. We also briefly describe the roles these three parties currently play in caring for the living environment and what their reasons are for doing so. We then outline historical developments in the interaction between them.

Government

‘Government’ is an umbrella term for the four tiers of government in this country, i.e. the state (central government), the provinces, the municipalities, and the water authorities (the decentralised authorities). Government has long been guided in its actions by such principles as legal certainty, equality before the law, and diligence. In the 1980s, these principles were joined by the effectiveness and efficiency of policy (see box).

Budgetary orientation in government thinking since the 1980s

In the 1980s, a new and influential management philosophy found its way into government thinking, namely ‘new public management’. The basic idea was that the private sector model needed to be applied to the public sector. Since then, efficiency and effectiveness have formed additional principles in government thinking (Nederhand et al., 2022; Van den Berg, 2023). This budgetary orientation has become increasingly important over the years, with decisions being arrived at based on the available budget rather than on the actual nature of the issues concerned. Where government organisation is concerned, this has led to a quest for

optimisation and efficiency in the development of policy for the various economic sectors (RIi, ROB & RVS, 2023). Policy focuses strongly on the short-term management and resolution of problems (Boutellier, 2019).

Each of the country's tiers of government has its own duties, powers, and responsibilities. Within the domain of the living environment, many powers have been devolved to decentralised authorities. For example, the provinces deal with nature and public transport policy and the municipalities with housing policy. In implementing these policies, the various public authorities play a variety of roles. They determine what is and is not permitted and subject to what conditions, they are the supervisory authority, and they take enforcement action if necessary. They can also provide grants or act as an investor.

The European Union (EU) also has a significant influence on policy regarding the Dutch living environment. Dutch legislation and regulations governing agriculture, nature, water and air quality, as well as our rules for the economy, are to a large extent determined by standards and conditions laid down in EU directives and regulations.

Within the different tiers of government and government organisations, a distinction can be made between politics, administration, and the civil service. Politicians and the political administration make decisions on the direction to be taken, on policy, legislation, and regulations. The civil service provides advice and support on the substantive elaboration and practical implementation of those decisions. The civil service comprises policymakers, executive organisations, supervisory bodies, and enforcement agencies.

Communities

The term 'communities' as used in the present report refers to organised private initiatives that are launched outside government and the business sector, or to groups of residents whom government involves so as to utilise their local knowledge to improve policy and decision-making. Examples include active members of the public who set up a housing cooperative, an energy cooperative, or a neighbourhood bus service. Such initiatives serve a common interest and are aimed at creating added value for society in the longer term. The people who launch these initiatives are clearly motivated by different reasons than businesses, which generally pursue economic added value from a short-term perspective.

Communities have different reasons to government for their involvement, however, focussing not on the common good but on a specific interest within a local community. The essence of a community initiative is that it is set up by members of the public themselves so as to improve sustainability or well-being within the local community concerned (De Moor et al., 2025). Those who launch the initiative determine their own objectives and methods (Driessen, 2024). Participation in community initiatives is voluntary; the key factor is people's personal involvement in an issue. Decisions are generally taken jointly by all the participants. People are usually members of multiple communities. For example, someone

can simultaneously be a member of an energy cooperative and an action committee opposing a housing project, and also be a volunteer at a football club. Others may be members of several communities but not socially active, but they do have local knowledge that is needed for appropriate interventions within the living environment. Similarly, people can play a role in different capacities, whether in the context of government, the business sector, or communities. An action committee member may concurrently work in the business sector, and/or be active politically.

Communities are not therefore uniform and are constantly subject to change. They operate at various levels of scale, from local to international, sometimes representing collective interests and sometimes individual interests. Community initiatives can have an informal or a formal status. They can take the form of professional or semi-professional lobby groups that promote interests vis-à-vis government or businesses. They may also be activist groups that participate in peaceful demonstrations or acts of civil disobedience with a view to influencing public debate, or members of the public who engage in action at local level of their own accord or who are invited to advise local government.

In short, there are a wide variety of community initiatives. We can, nevertheless, distinguish between two types of community initiative within this category, each relating to government and the business sector in its own way:[3]

1. *Citizen collectives that organise public services and facilities 'from the bottom up'*
   These initiatives comprise members of the public who have organised themselves as a group so as to actively tackle problems within their own living environment (Hendriks & Dzur, 2022). They focus on issues that are not provided for by government or the business sector (or only to an insufficient extent) (Wagenaar & Bartels, 2024) or that are not (yet) on the agenda of government or the business sector. In doing so, they sometimes offer alternatives to the approach adopted by government or the business sector. They may also be able to take over some of the roles of government or the business sector because they are better able to meet society's needs (Roorda et al., 2015). In this report, we refer to this category of community initiatives as 'creative communities'.
2. *Participatory processes in which members of the public participate in policy-making and planning at the invitation of government*
   The starting point for these initiatives often lies not with individuals but with a (local) government body that invites residents to contribute ideas to a planning or policy-making process.[4] Individuals then participate actively in social/political debate and share their (local) knowledge. They act as a discussion and sparring partner for the government body concerned. In this way, account is taken of their individual living environment in the development of plans and policies. The process is usually directed by a government body. Under the new Dutch Environment and Planning Act, the starting point for participation will

3 This division is based on Van de Donk (2001). It should be noted that there are also hybrid community initiatives that incorporate features of both the roles described here.

4 This is not a new phenomenon. There have been experiments with various kinds of citizen participation since the 1960s (Arnstein, 1969; Fischer, 2006).

also more frequently lie with individuals or businesses themselves. The extent to which participating individuals can actually influence decision-making varies enormously (Fung, 2006). In this report, we refer to this category of community initiatives as ‘advising communities’.

It is important to keep these two types of community initiative separate, given that they involve different preconditions and dilemmas; we will discuss the latter in greater detail later in this report. Both types play a role in the interaction between government and the business sector, each in their own way.

The business sector

The business sector is a highly diverse array of large and small enterprises, controlled by individual owners or shareholders. Its main drivers are basically *continuity* and *the creation of financial value*. The latter involves realising profit so as to acquire income or to create shareholder value. Such aspects as efficient production on the one hand and service-orientedness on the other play an important role. Particularly when businesses aim to maximise value for their shareholders, they focus strongly on realising short-term profits.

Because there are so many different types of businesses, there are also obviously many other drivers at play, such as making high-quality products, building a good reputation, caring for the well-being of employees, or improving the living environment. From a government perspective, the free operation of market forces is viewed as a means for achieving the greatest value creation for society through competition, pricing policy, and matching of supply and demand.

Intermediate forms

Traditionally, the Netherlands has also had many hybrid types of organisation, which in terms of their drivers and ways of operating do not fit exactly into any of the above definitions of government, the business sector, and communities. At the heart of the interaction between these three parties are very different organisations in which the various different drivers and institutional rationales converge.

There are, for example, professional umbrella organisations that we classify as part of the business sector and which promote the interests of businesses, but which do not themselves strive to make a profit, for example the VNO/NCW employers’ federation and SME Netherlands.

On the communities’ side are organisations that promote the interests of communities and individuals but that are also highly formalised, organised along business lines, and/or generate income from sales or services; examples include the Dutch Consumers’ Association or the ANWB mobility and tourism association.

There are also hybrid government-business sector organisations. These include several public-private partnerships in the field of infrastructure construction and management, such as Rijkswaterstaat and the Levvel construction consortium; these two collaborated to reinforce the Afsluitdijk.

Such partnerships combine working on public tasks with the profit motive and the innovative strength of businesses. At the interface between government and the business sector there are also enterprises that are wholly owned by government and that focus on public tasks, such as Netherlands Railways and the national electricity transmission system operator TenneT.

There are also hybrid types of organisation that have features of government, the business sector, and communities alike. These include social enterprises that put social impact before profit (such as the Emmaus thrift shops) and cooperatives that have expanded into multinational businesses (such as FrieslandCampina, now a multinational dairy co-operative).

Finally, hybrid ways of working are now sometimes emerging from the institutional rationale of government, the business sector, and communities in the shape of informal partnerships. Players from government, the business sector, and/or the community then seek one another out so they can work together to promote collective interests within the living environment (Trommel, 2016). One recent example is the partnership entered into by the company ASML, the municipalities of Eindhoven, Veldhoven and Helmond, and some housing corporations so as to provide affordable housing in the region (Woonbedrijf, 2024). Other examples are the various regional and landscape funds, in which government bodies, businesses, and community initiatives work together to raise money and invest in the Dutch landscape (Van Vollenhoven et al., 2015).

2.3 Historical developments as regards concerted action

In this section, we outline the historical developments in the interaction between government, the business sector, and communities regarding care for the living environment.

2.3.1 Constantly changing division of roles

Government, market parties, and communities have all long played a role in tackling issues within the living environment. However, the way their roles are divided within the context of that interaction has never been fixed for very long. The extent to which government, the business sector, and communities concerned themselves with collective interests within the living environment has undergone change on a number of occasions in the course of time. How much their way of thinking has shaped the search for solutions has therefore varied significantly.

Until the twentieth century, government shouldered responsibility for collective interests to only a limited extent. Back then, local initiatives and religious institutions played a major role (Roorda et al., 2015). The necessary organisational capacity for collective interests within the living environment – such as housing, land management, and the water supply – also came from the communities themselves. Nature conservation, for example, emerged in the late nineteenth century mainly from initiatives by people who wished to improve their immediate environment (Coesèl et al., 2007).

Subsequently, under the influence of industrialisation, the business sector also adopted a position as regards caring for the living environment.

Businesses were active in the fields of housing, health and environmental quality, often for economic reasons. Government played only a limited role during that period, due to the power of religious institutions and because of a lack of funds (Roorda et al., 2015).

Over the course of time, political attention increasingly began to focus on such issues as housing, nature conservation, and the preservation of cultural heritage. In response, government began to assume greater responsibility for the living environment. The tax system became more comprehensive and more legislation and regulations were introduced. This process of nationalisation reached its peak in the years following the Second World War, with government becoming the central player as regards care for the living environment and providing a wide range of public services.

From the 1980s on, the economic downturn and high government spending meant that collective interests such as employment, the competitiveness of Dutch companies, and economic growth came to be prioritised in government policy. This set in motion a development whereby businesses and employers gradually gained greater power. ‘Scope for the market’ became the guiding principle behind government action. Through their activities, market parties gained increasing influence over the living environment,
with management thinking – originating from the business world – slowly but surely becoming dominant within government. In representing the public interest, the focus came to be managerial and implementation-oriented (Roorda et al., 2015). This was accompanied by the privatisation, corporatisation, and liberalisation of public utilities. Markets were also created in areas where previously none existed, such as for public transport and the energy supply (Van der Steen, 2014).

Government had high expectations of what the operation of market forces would deliver, namely optimisation of solutions, increased innovation, and cost reduction. Government increasingly exchanged the role it had played until then – providing public services and safeguarding collective interests – for the role of market supervisor, with a strong culture of control.

It was not just utilities but also countless organisations that promoted collective interests within a hybrid structure (with features of both government, the business sector, and communities) that disappeared from view or were driven away from their original function. Take, for example, the agricultural product boards – disbanded in 2015 – within which government and the business sector had worked together (see box).

Working together for collective and private interests in agriculture: the product boards

Between 1950 and 2015, the product boards were specialised organisations with semi-public status that played an important role for specific agricultural sectors. They had the power to levy taxes and lay down certain rules, including on supervision, market regulation, quality assurance, environmental issues, and working conditions. They also acted as advocacy groups for businesses in particular agricultural sectors and as advisory bodies. Examples include the Dairy Product Board and the Horticulture Product Board. The product boards were disbanded in 2015 as part of the wider process of deregulation and decentralisation of agricultural policy. They were viewed as unnecessary government interference in the market. Their roles were taken over by private sector organisations, sector associations, and government agencies. In an exploration of the possibilities for a broad-based agricultural agreement in 2021, the Social and Economic Council of the Netherlands (SER) stated that the disbanding of the product boards had a significant impact because there was no longer a party with sufficient implementation capacity to drive, connect up, and manage change effectively within the sector (SER, 2021). In other words, disbanding the product boards meant that 'organised solidarity' had disappeared from the production chain.

2.3.2 Example: transformation of housing associations into housing corporations

The history of housing associations in the Netherlands is a prime example of the development that we have described above. We outline this development in greater detail below (Tweede Kamer, 2015).

Initiative from within communities

The first housing associations emerged in the nineteenth century as private initiatives. Concerns about the health and employability of workers prompted wealthy individuals and industrialists to promote healthy housing. With the housing associations, they aimed to provide a solution to the housing shortage and the poor housing conditions, particularly of many workers. There was no government involvement at that time.

Government enters the picture

After the Second World War, a solution needed to be found to the economic malaise. One initial measure – announced as part of a moderate wage policy – was a rent freeze. However, that measure made it less attractive to invest in housing construction, despite the latter being very much necessary. The government led by Willem Drees considered housing associations to be the ideal vehicle for solving this problem and they became crucial players in the country's reconstruction in the 1940s-50s. This was accompanied by increasing government involvement, with government planning, subsidising, distributing, and controlling housing construction. Little thus remained of the private character of the housing associations.

Increase in government involvement and regulation

After the Second World War, a solution needed to be found to the economic malaise. One initial measure – announced as part of a moderate wage policy – was a rent freeze. However, that measure made it less attractive to invest in housing construction, despite the latter being very much necessary. The government led by Willem Drees considered housing associations to be the ideal vehicle for solving this problem and they became crucial players in the country's reconstruction in the 1940s-50s. This was accompanied by increasing government involvement, with government planning, subsidising, distributing, and controlling housing construction. Little thus remained of the private character of the housing associations.

Professionalisation and commercialisation

From the 1960s on, the independence of housing associations was re-emphasised: they needed to stand on their own two feet and become economically independent. As far as government subsidy policy was concerned, they were now treated the same as commercial investors. This was accompanied by robust growth in the housing corporations sector, with up to 42% of the housing stock now consisting of housing corporation homes. Actual financial corporatisation followed in 1995. In line with this, the housing associations were converted into foundations and from then on were referred to as 'housing corporations'. Housing sales and commercial property development became the core business of many corporations.

A further shift toward market thinking

From around the turn of the century, the housing corporation sector flourished thanks to a low interest rate and a boom in the owner-occupied housing market. This also led, however, to increased criticism of the sector: were the substantial assets of the housing corporations being utilised sufficiently for social housing, and was there proper monitoring and accountability? In 2005, EU Commissioner Neelie Kroes (holder of the competition portfolio) argued that Dutch housing corporations were distorting the level playing field within the housing market. A years-long discussion ensued as to what should be understood as state aid. Ultimately a landlord levy was introduced in 2010: housing corporations had to start paying tax on the value of the rental homes that they owned. The sector thus underwent a major turnaround, from financial affluence to financial hardship. Within housing corporations and the social rented housing sector, the emphasis was now on efficiency and austerity. In 2023, it was decided to abolish the landlord levy again because it too severely limited the investment capacity of the housing corporations.

After a century of shifting relationships, the same systemic questions continue to occupy politicians: what is the place of the housing corporations within the housing market, how do they relate to commercial investors, and what should the relationship be between government and the housing corporations (Rli, 2022)? Given that the circumstances in which the housing market operates are constantly changing, the answer to these questions will also vary over time.

2.3.3 Recent shifts in the interaction between the parties

Since the 2008 credit crisis, shifts have once again become apparent in the interaction between government, communities, and the business sector. Doubts about free market thinking, the advent of social media, and ongoing internationalisation are impacting the power positions of government and the business sector. At the same time, the self-reliance of organised groups of individuals appears to be increasing, whether or not this is forced on them by government. It is precisely in areas that directly affect people's lives – and where government and the business sector have failed in recent decades to meet society's needs – that community initiatives are increasingly emerging aimed at taking direct action (see box). This has been a recurring phenomenon throughout history: people organise themselves voluntarily and take on responsibility for a particular aspect of their living environment.

Housing cooperatives

Housing cooperatives come in various different forms but their basic aim is to provide affordable, high-quality housing. They are often cooperative associations in which residents are co-owners and contribute capital themselves. People assume joint responsibility for managing their home and their surroundings. These cooperatives are neither part of government nor market parties. They are initiatives that arise within the community. They can contribute to the permanent availability of housing at an affordable price.

2.4 Conclusion

Tackling complex issues within the living environment requires effective interaction between government, the business sector, and communities. Currently, it is government policy that is leading as regards tackling such issues, partly due to the disappearance of a robust civil society. Government generally leaves devising and implementing solutions to businesses; it pays virtually no attention to the solutions that communities can offer.

The complexity of issues within the living environment and the far-reaching transitions involved impose new demands on the interaction between government, communities, and the business sector. In the past, that interaction has repeatedly adapted to changing issues and circumstances; such adaptation is now once again necessary. That is not yet happening to a sufficient extent, however. In the next chapter, we consider why that is the case.

3 OBSTACLES TO PROGRESS AND CHANGE

In the past, interaction between government, the business sector, and communities in varying roles has provided solutions for tackling problems within the living environment. However, a number of issues have persisted for decades without getting any closer to a solution. The interaction referred to currently seems to be acting as a barrier to solutions rather than bringing them closer. In this chapter, we describe a number of persistent difficulties in the relationships between the various parties that impede progress and change.

3.1 A lack of public discussion of values

To achieve solutions to the complex problems within the living environment, constructive public discussion is indispensable. This should address such questions as: what are the long-term prospects for the Netherlands? Where do we want to be in 30 years time, what kind of country do we then want to be? Such discussion is essential in order to clarify what values are at stake when we take action in the living environment, and also to clarify how those values are balanced up against one another and prioritised within the process of political decision-making.

Unfortunately, we do not seem to have mastered the art of 'constructive conflict'. The weighting of values that lies behind decisions and measures with an impact on the living environment often remains undiscussed. As a result, many people do not know why government arrives at certain decisions and implements certain measures. For example regarding nitrogen, manure, wind turbines, nuclear power, and so forth. The result is a lack of understanding and acceptance by the public. All that remains is then wrangling about facts, while the underlying debate often concerns opposing interests.

Insufficient articulation of the values underlying political decisions and policies

The current generation of politicians, administrators, and civil servants often approach complex living environment issues as straightforward problems that can be 'managed' in a non-political manner by opting for solutions that are 'objectively' considered to be the best. They emphasise (apparent) neutrality and scientific substantiation. On that basis, they refer to 'unavoidable challenges' – such as the energy transition, the agricultural transition, and the housing challenge – which require 'unavoidable measures'. The underlying discussion of issues within the living environment therefore focuses above all on how certain issues should be resolved rather than why they are a problem.

The Council for Public Administration (ROB) has already explained why a government approach that disregards values is unsuitable for tackling problems regarding the living environment (ROB, 2022). The main reason is that measures for resolving such problems are never neutral or value-free. After all, these are choices about prioritising problems within the living environment and measures to accommodate 'losers' (i.e. the people who will be disadvantaged by a policy decision). Where such matters are concerned, it is impossible to determine unequivocally and objectively what the best decision will be. That requires broad-based discussion beforehand about the values that are at stake and about which of them carry the greatest weight. After all, political considerations do not originate in politics but in society. People want to be listened to and to participate in the process of weighing up values. Most of the time, however, such discussion fails to take place. There are persistent complaints about the ability of representative democracy in particular to listen and to follow up on issues (Hendriks, 2024).

If there is insufficient scope for discussion of values, then it is virtually impossible to arrive at well-considered decisions. Moreover, people will be unable to properly understand or accept the choices that politicians make because it is not clear to them *why* a particular policy choice is necessary, what future prospects that choice contributes to, what values it detracts from, and how it relates to their own concerns and drivers.

What do we mean by ‘values’?

Values are basic principles that determine the choices people make in life – and also in politics. Examples include freedom, honesty, tolerance, socioeconomic security, material prosperity, equality, justice, and peace. The values that individuals consider important can vary widely. For an individual, moreover, a given value will be probably be more important than another. The values that people consider important determine how they view societal issues. The same applies to policymakers and politicians (EU, 2021).

Values are not the same thing as interests. Interests are about what people find important given the situation they are in, while values are less dependent on a specific situation. They are about why people consider something to be important.

Administrators and politicians often fail to make explicit the full spectrum of values involved in problems regarding the living environment. In discussing how to tackle the nitrogen problem – a debate that has now been dragging on for decades – politicians have so far avoided discussing the socio-economic values of future agriculture in an increasingly urbanised country like The Netherlands. We believe this is one of the reasons for the total deadlock in this area of policy (see box).

Deadlocked approach to tackling the nitrogen problem

The political turmoil surrounding the nitrogen issue in recent years illustrates what happens when conflicting values are not explicitly included in discussion of the approach to be adopted.

Debate in the Dutch House of Representatives focused mainly on models, on whether farms should be held accountable on the basis of ‘deposition’ or of ‘emission’, and on how exactly ammonia actually spreads. The most relevant underlying question became completely obscured, namely: what is the socio-economic value of agriculture in an urbanising Netherlands? Other relevant values, such as global food security, people’s living environment, freedom of enterprise for farmers, and the importance of the quality of nature in the Netherlands were also barely discussed. Pursuing an apparently value-free policy based on models with technical standards turns out not to actually work. This led mainly to a great deal of discussion about facts, the underlying assumptions for the models, and the standards applied. A broad discussion of divergent values, based on an understanding of the trade-offs between different values, failed to materialise. After more than 40 years of ineffective manure policy, a future-proof solution is therefore still not in sight.

Society no longer has a shared view of what constitute facts

Conducting meaningful discussion about complex issues within the living environment is currently made very difficult by society no longer having a shared view of what constitute facts. There is no consensus on what exactly the issues are within the living environment that require solutions.

An important factor here is that people have easy access to large amounts of often conflicting information and disinformation via the internet, social media, and other channels. As a result, public debate largely takes the form of a discussion about the facts, a discussion that is frequently exploited so as to reinforce one's own position. The necessary deeper discussion of underlying values and finding out about one another's values fails to take place.

Discussion within civil society is becoming less significant

Dutch 'polder culture' has long played an important role in public discussion and in tackling social problems. 'Poldering' refers to the involvement of a range of civil-society organisations and market parties that promote various interests regarding a specific topic. Together with government, they seek consensus on objectives, measures, and the action to be taken. Arrangements are made as to the role that each party will fulfil in this regard. The organisations within this civil-society base represent both economic themes (for example employers' organisations, sector associations, and trade unions) and social and living environment themes (for example nature and environmental organisations). They engage in institutionalised discussion with one another in order to tackle societal problems. That discussion focuses mainly on knowing and taking account of different interests, whereas orientation towards the underlying values is only weak. This 'poldering' approach is primarily a quest for support for policy. Although various different interests are given a voice through representative organisations, underlying conflicts about values are avoided. Decisions are ultimately made on the basis of consensus between administrative elites.

Some problems can be dealt with effectively by means of this conflict-avoiding polder model, but that is by no means true in all cases. Complex issues where fundamental values clash – for example living environment issues whereby a dwindling amount of space has to be (re)distributed – actually require the diversity of values and the conflict between them to be made clear, as well as more opportunities for the direct involvement of members of the public (Mensink & Bosse, 2022). According to Mouffe (2005), always attempting to iron out differences by building consensus poses a risk to democracy. Scope for constructive social and political conflict is essential. This does not automatically solve the problem, but it does provide scope for different voices to be heard, for understanding the consequences of different choices, and for making transparent decisions based on such understanding. This provides a more solid basis for substantiating political decisions.

Moreover, working with a strong civil-society base in the polder model has slowly but surely become less significant since the 1990s. This is linked to two developments that have taken place more or less simultaneously:

- The support base for the established parties within civil society has shrunk considerably. That applies, for example, to traditional employer and sector organisations and the trade unions. As a result, these have less authority and a weaker voice, including as a negotiating and discussion partner for government.

- New organisations have emerged that represent sections of the original support base for established civil-society organisations. They often focus on specific sectional interests and have different objectives, strategies, and working methods than established parties. The civil-society base has thus become fragmented.[5]

The consequence of these two developments is that it is now not always clear who represents which sections of society in the many consultations that take place.

3.2 Interaction between government and the business sector fails to deliver effective solutions

In recent decades, solutions to problems within the living environment have often been sought in the interaction between the business sector and government (WRR, 2012). Government assumed the role of neutral market supervisor and apparently expected a great deal from the problem-solving capacity of the business sector. At the same time, a growing tangle of detailed rules and legislation in fact betrayed a lack of confidence in businesses' ability to solve problems independently. However, interventions by government proved inadequate to set limits to the activities of market parties and protect the living environment. For their part, businesses have proved adept at getting government to champion their interests. This dysfunctional interaction between government and the business sector is one of the factors that have led to complex living environment issues remaining unresolved right up to the present.

Strong orientation towards vested financial and economic interests

Current government policy is strongly oriented towards promoting financial and economic interests. Fostering a well-functioning economy and a strong free market are central elements in policy choices. Values such as competition, growth, materialism, individualism, and freedom of choice have become the norm. The underlying assumption is that collective interests can 'hitch a ride' on the success of the business sector. Growth in GDP is thus the criterion for the country's prosperity. There are civil servants and politicians at work today who have never known any other policy rationale than this. The financial and economic perspective is also widely accepted in the media and among the public as the yardstick for prosperity. Indeed, we would seem to have accepted that perspective as the undisputed basic principle, without even realising that it is based on a normative choice.

It is becoming increasingly clear, however, that a one-sided focus on financial and economic interests can be counterproductive. The way government has steered investment in the energy transition in recent years is a striking example. The decision to keep a tight hold on public spending has had a negative impact for both individuals and businesses (see box).

5 In 2023, for instance, more than fifty parties participated in the negotiations aimed at reaching an agricultural agreement. The differences in opinion made it impossible to agree on mutually acceptable solutions, and the process ground to a halt.

Too much focus on efficiency: power grid expansion at risk

The transition to clean electricity generation is of great importance for the sustainable prosperity of the Netherlands. Part of that development involves ensuring that the power grid has sufficient capacity; network operators must therefore invest in doing so. The Netherlands Authority for Consumers and Markets (ACM) – acting on behalf of government – approves only investments that can be expected to be efficient; their affordability, reliability, and sustainability must be properly balanced. From the perspective of efficiency, that would seem to be a logical approach. However, this scrutiny of the efficiency of investment has led to underinvestment in the grid infrastructure. As a result, numerous companies are at present unable to obtain a connection to the grid, and the success of the energy transition is threatened. In order to ensure the success of the energy transition, preventive (over)investment in the electricity networks must be assigned priority, with less weight being assigned to efficiency considerations (Bolhuis, 2024).

Policy that emphasises financial and economic interests is not of course problematic in itself. What is problematic, however, is that those interests have become a taken-for-granted basic principle in the interaction between the various parties, whereas the consequences for other values and interests are hardly considered, if at all, and are therefore not factored into the equation.

Government interventions do not effectively limit the negative impact of business activity

In recent decades, GDP growth and successful business activity have generated increased material prosperity for the Netherlands. Nevertheless, those same successes have also had a negative impact on the living environment: biodiversity has declined, surface water pollution persists, and the climate has been disrupted. Government is in a position to take action against such negative impacts, and has a responsibility to do so. However, the policy instruments deployed by government for this purpose (such as subsidising, facilitating, and regulating businesses) have so far proved insufficient. In recent decades, neither positive nor negative incentives have led to market parties fundamentally altering their behaviour as regards the living environment. Problems such as pollution and loss of biodiversity persist or are even increasing.

Achieving real breakthroughs will require more fundamental measures that either encourage the right kind of changes or discourage the wrong ones, for example by setting clear statutory standards or making use of measures regarding pricing. In many cases, current policy fails to include such measures. Setting limits to negative external effects is made harder because the companies concerned often operate within international markets, so that national measures have little impact.

A key factor preventing companies from taking the initiative to reduce their negative impact on the living environment is the lack of a *price tag* for such a negative impact. Currently, the damage a company causes is borne not by

the company but by society as a whole. Although government confidence in the operation of market forces has for many years been very high, the same government appears reluctant to apply market mechanisms such as 'polluter pays' (Rli, 2019).

There are now a number of successful examples showing that market parties do indeed bring their activities into line with collective interests as soon as they are required to pay a price for causing environmental damage. The CO_2 emissions trading scheme, which puts a price on enterprises' emissions, is an example. In many sectors, however (for example agriculture; see box), enterprises are not yet billed for damage that they cause to the living environment. Consequently, enterprises that voluntarily seek to reduce their negative impact on nature or the climate are at a disadvantage compared to enterprises that continue to pollute and can therefore operate less expensively.

Negative impact of agriculture not factored into prices

Agriculture has negative effects on the environment and on the health of local residents. The costs to society of these negative effects are not however charged to farmers or other players within the agricultural supply chain. The funds required to remove fertilisers and pesticides from surface water, for example, are provided by society as a whole through water authority levies.

Currently, the negative effects of agriculture are tackled mainly by regulating activities on farms. This increases the costs for farmers but has little or no effect on the price they receive for their produce; they absorb that loss by accepting a lower income. In the longer term, this may lead to farmers pulling out of agriculture entirely. It is likely that the production area that thus becomes available will then be taken over by other farmers, so that there will be no actual reduction in the negative effects. This process may also be associated, for example, with socio-economic and quality-of-life problems in rural areas.

Some established businesses are blocking change

Because of their business model, some large established businesses benefit from the perpetuation of cautious government policy when it comes to environmental rules for businesses. They have long had easy access to those with political power and are able to influence countless policy decisions by means of lobbying. They argue, for example, that stricter environmental rules would weaken their competitive position and make the Netherlands less attractive as a business location. in some cases they even threaten to leave the country if too many or too strict rules are imposed. In this way, they are able to safeguard their interests and maintain their commercial success. The risk here is that considerations regarding wellbeing are not factored into the equation and that the interests of a company or sector are equated with the country's interests as regards national income. This has a negative impact within the living environment but also in other areas of society. One case in point is the

complex issue of labour migration. Thanks to successful economic choices and the maintenance of relatively low minimum wages, automation and robotisation are only slowly gaining ground in some sectors, or activities that are incompatible with a high level of prosperity are continuing. This results in an enormous demand for migrant workers, which in turn leads to high additional demand for homes and contributes to the housing problem. It also has a whole series of social consequences for society. Established business interests are therefore more likely to hinder rather than contribute to resolving living environment problems.

The behaviour of companies is closely linked to the dominance of what is referred to as 'shareholder capitalism', i.e. an economic model in which the primary goal of businesses is to maximise value for their shareholders. Those shareholders are often at a great distance from the company, both literally and metaphorically. As a result, they have little or no understanding of its negative effects on the living environment. Consequently, local or national sustainability issues, such as water quality (PFAS) or public health, may not be in line with the international sustainability strategy of multinational companies because their priority lies, for example, with the climate and water scarcity. In addition, not all shareholders feel concerned about a company's longer-term profitability. The result has been declining attention to sustainable value creation within the business sector, even though, from a long-term perspective, solving problems within the living environment is also an important factor where company profitability is concerned.

All this is at the expense of companies that do in fact strive to create sustainable value. These are often newcomers and innovators within the market or smaller businesses that do not have the same exposure, lobbying power, or access to power as large established businesses. This perpetuates a situation in which frontrunners that attempt to implement alternative, more sustainable and more socially responsible business models all too often lose out to companies with conventional business models.

3.3 No appreciation for the contribution of communities

Due to their unique involvement with issues that arise at local level and/or around a specific issue within the living environment, communities harbour an enormous amount of knowledge and problem-solving potential. That is not to say, of course, that it is within the capacity of communities to solve all the thorny problems within the living environment all on their own. But government, which focuses mainly on its interaction with the business sector, has for decades failed to appreciate what communities are in fact capable of and how their contributions on a local or regional scale can be linked to major national issues. For government, the contribution communities can make has become a blind spot. Community initiatives that attempt to do something about living environment issues often run into problems because the dynamic and creative way they approach such issues does not fit within the dominant conceptual frameworks and is not understood by government.

Government finds it difficult to break free from its managerial role

Within government, there is a tendency to centralise control of the approach to tackling living environment problems. Although society is changing and communities are contributing to resolving problems in all kinds of ways, most politicians and civil servants still have a hierarchical mindset in which government acts as the control centre and the community consists of compliant individuals and organisations. Moreover, public authorities have but little trust in individual members of the public. As a result, the problem-solving capacity of communities is overlooked and their potential for bringing about change is not utilised.

This contrasts sharply with the way government views the business sector, from which it expects a great deal. As regards its policy approach in such areas as agriculture, nature conservation, energy and housing, government focuses primary on parties such as farmers, energy companies, project developers, and housing corporations.

Government's managerial role is perpetuated by the fact that in practice community initiatives aimed at solving collective problems quite often tend to seek support from government. That is by no means illogical; certainly when initiatives are aimed at safeguarding collective interests, it stands to reason that they should be (partly) publicly funded. That is all the more so given that (a) fundraising generally fails to raise sufficient funds and (b) taking out a loan is usually not an option because of the requirements that banks impose and the interest rates that they charge (Driessen, 2024). The resulting dependence on government support means, however, that many community initiatives end up aligning themselves with government policy. The risk is then that the creativity and energy available within the community will be stifled and that people will lose their motivation for joining in with such an initiative.

For their part, public authorities have a tendency to interfere with community initiatives or even take them over completely (Hoogenboom, 2011). This is usually because although such an initiative may well operate within the same domain as government policy, the initiators are not exactly the partners whom the authority wishes to work with, due to their different approach. Creative communities tend to be adaptive; they can quickly adapt their methods to changing circumstances (De Moor, 2015). The government bodies that draw up the rules are quite the opposite. The rules governing how citizen initiatives must operate in order to provide sustainable alternative public services therefore often constitute an obstacle. For example, the initiators may find themselves facing accountability requirements as regards quality, finances, and so forth. This kind of government interference quickly stifles such initiatives. At a certain point, those involved are more concerned with the question of 'What does the executive councillor want?' than with 'What do we want?' (Provincie Limburg et al., 2020). Particularly in the field of spatial planning, alternative plans proposed by communities often therefore fail to get off the ground (Bisschops & Beunen, 2018).

Market-oriented rules and procedures are also an obstacle that many community initiatives encounter in their dealings with government. When it comes, for example, to building homes, government applies exactly the

same procedures and rules for community initiatives as for market parties. Their projects are thus squeezed into the mould of the prevailing mindset of bureaucratic government and free market forces. This has a stifling effect and prevents the unique dynamics and creativity of communities from being given free rein (see box).

Community initiatives the victim of market-oriented government procedures and rules

Various kinds of community initiatives are active in the domain of housing, with their basic aim being to provide affordable, high-quality housing at local level. They are often cooperative associations in which residents are co-owners and contribute capital themselves.

These initiatives regularly run up against procedures and rules designed for the business sector that do not fit in with the way such initiatives think and work. For example, a group of residents who wish to combine affordable housing and social care within a housing cooperative are obliged to take out a commercial mortgage because of their organisational form (the cooperative); this involves high financing costs. Moreover, under existing government rules they are required to pay corporate income tax even though they have no profit motive. Government rules on ownership can also form a barrier to community initiatives, given that most of the rules are based on private ownership, which clashes with one of the core objectives of cooperatives, namely the collective management of their affairs.

Communities do not always take action of their own accord

Although a significant number of Dutch people participate in community initiatives, including regarding issues within the living environment, by no means everyone finds it straightforward to become involved. For many people, the barrier to joining an organisation for the benefit of a collective interest is a high one – indeed too high.

From the personal point of view, a lack of time often plays a role. The busy demands of everyday life can make it difficult to participate in community initiatives. People may also feel uncertain about whether they have the skills needed to participate. That applies, for example, to some people with a practical education, who feel that their ideas carry insufficient weight (Noordzij et al., 2020). A lack of visibility can also be prohibitive: people may often be unaware of the existence of an initiative or not know enough about it and how they can contribute. Finally, there may be cultural and social barriers to taking part. Initiatives may appear to be exclusive, for example, because only people from similar backgrounds are involved.

Advisory potential of communities not properly used

Government is attempting with the aid of citizen participation processes to involve underrepresented groups and local knowledge in government policy. It does so in various ways (Hendriks, 2024). In this report, we refer to the organisations concerned as ‘advisory communities’. In an advisory role, members of the public can share crucial knowledge and expertise. That contributes to public discussion and enables decisions about the

living environment to be properly aligned with the local situation and local implementation.

Despite the Netherlands having decades of experience with these processes, they often result in conflict. This is because it is not made clear at the outset what the objective, resources, and degree of influence are, or because participation processes are merely ticked off as a 'must' (Verloo, 2023). It often remains unclear for participants what government will in fact do with the input provided by communities, resulting in participants being disappointed and in conflict between government and members of the public. In this way, these processes tend to foster distrust of government rather than contributing to effective cooperation and to resolving problems regarding the living environment.

3.4 Lack of government oversight and decisiveness

In its interaction with the business sector and communities, government has a unique role to play because in our democratic system it is only government that has the power to determine the rules of the game, including for others. In doing so, government must not only set limits on the activities of businesses and communities but also on its own action. This also makes it responsible for overseeing our complex society, connecting issues with one another, and monitoring the consequences of developments and interventions. Government is after all meant to rise above the individual and private level and keep its sights set on the longer term. Within both government and society, however, a widespread feeling has arisen in recent years that government's decisiveness and its ability to monitor and solve complex problems are inadequate. Government seems stuck in ineffective, ingrained patterns and unable to extricate itself from them.

Decisive political decisions are blocked by a risk-averse culture and lack of freedom to make mistakes

A risk-averse culture has developed in politics, hampering government's ability to take decisive action. Before making decisions, politicians nowadays ask their civil servants to map out all the risks and determine how they can be ruled out in advance. And knowledge institutions and committees are repeatedly asked to re-examine certain issues, even though that has already been done and a great deal of knowledge is therefore available. This culture slows down government's ability to act and as a result policy measures can no longer be implemented in good time. By the time implementation of a solution to a problem can finally begin, the context and environment in which that solution will be applied have already changed and new, unforeseen obstacles then often arise. Moreover, the desire to eliminate all risk means that decisive choices with major potential consequences for society are not taken and there is just a lot of tinkering around on the periphery – which is no way to resolve thorny problems.

This lack of decisiveness on the part of government is also associated with the 'accountability culture' that has developed in the public sector and indeed within society as a whole. There is no longer any room for failure on the part of government: everything must turn out well, otherwise there will

be public recriminations in the media, in the social arena, or in the political arena.

Attention focuses almost exclusively on the short term
The limited scope of political debate also plays a role in the lack of decisiveness on the part of government. In the political arena, by far the most attention has in recent years been paid to short-term interventions. But persistent problems within the living environment and solving them actually require a vision of what the Netherlands should look like in the longer term and strategies with a horizon of decades.

An underlying explanation for why visions for the long term receive little attention is that they usually do not pay off in electoral terms. Many politicians therefore spend more time on short-term interventions than on formulating and implementing long-term policy. Furthermore, a self-reinforcing interactive relationship has developed with the news media, which are generally looking for something that will grab the public's attention in the short term. Politicians feel compelled to go along with this for fear of forfeiting media attention and thus also losing votes.

Too little emphasis on substantive knowledge within the government organisation
Changing the approach to complex problems within the living environment requires an active, directive, and coordinating role on the part of government. Currently, however, government lacks the knowledge and skills to take on that role. Civil service professionalism has in recent decades laid the emphasis more on process and management skills and less on substantive knowledge of the relevant domain (WRR, 2024). Civil servants are valued according to how far they can make policy processes run quickly and smoothly and less on their substantive input. This has led to a weakening of the volume of substantive knowledge within the civil service. But if one is to steer and guide the changes needed to supervise the work of tackling living environment issues, one needs more than just process skills; one also needs substantive knowledge (Braams, 2023; WRR, 2024).

Lack of oversight due to a compartmentalised organisational structure
The compartmentalised organisational structure within government is partly to blame for the lack of solid cross-domain knowledge among civil servants and ministers. Civil servants are encouraged to focus mainly on their own particular area of policy (WRR, 2024).
Problems regarding the living environment are complex, however. Countless other problems are associated with them, a wide range of interested parties are involved, and there are points of contact with a variety of other domains. Politicians and civil servants rarely have an overview of this complex whole. The issue of making agriculture more sustainable is illustrative in this context (see box).

Limited policy focus in agriculture

At present, the focus of policy for making agriculture more sustainable is limited to the negative effects that agricultural production has on the living environment and to the financial and economic position of the farmers concerned. At first sight, that would seem logical, but it in fact fails to pay attention to an important part of both the problem and the solution. What happens 'down on the farm' cannot be viewed separately from how the global food system functions as a whole. After all, farmers run their operation within a framework of international supply chains, with suppliers and customers who often have far more power to change things than the farmers themselves. Farmers are asked to make changes that they can hardly – if at all – implement independently, given the dependencies of their revenue model within the international chain. This international economic context does not currently form part of government's policy focus. The measures that are introduced consequently focus on only a limited aspect of the overall problem while the bigger issue remains.

If it is to tackle complex problems within the living environment effectively, government will need to act based on a sound understanding of how they are interrelated and how they influence one another (Rli, 2023b). Politicians and administrators must therefore understand the interrelationships and cause-and-effect relationships within a given policy issue and the interdependence of policy issues. At the moment, such understanding is often lacking. In some situations, acting on the basis of an understanding of how things are interconnected and learning from actual implementation also means that government must have the courage to reverse course if the chosen policy turns out to have unintended and undesirable effects for society (see box).

Narrow focus of housing market policy

Government policy to encourage home ownership was originally intended to help households build up capital. However, the policy also had unintended effects. While demand for owner-occupied homes was driven by supportive measures such as mortgage interest relief and purchase premiums, the supply of owner-occupied homes lagged behind. Construction could not keep up with demand and the result was a constant upward trend in house prices. Home ownership thus became increasingly unattainable for a large group of people, while the commercial rental market also became less and less accessible due to continuous price increases.

In fact, those who wish to move from rented to owner-occupied housing now have virtually no chance of doing so. A gap has thus emerged between insiders (homeowners) and outsiders (non-homeowners).

The root cause of the problem is that government has failed to pay sufficient attention to the interrelationship between policy for the different sectors of the housing market, namely owner-occupied, commercial rented, and public-sector rented housing.

Housing policy also has all sorts of consequences in other areas, for example in social terms: young people are living with their parents for longer and couples are postponing having children. The labour market also functions less effectively if people are less flexible about moving house. In addition, society is increasingly experiencing the consequences of segregation, homelessness, poverty, and feelings of insecurity.

Policymakers lack an understanding of whether policy is feasible

The relationship between policy and its implementation has become weaker in recent years (Rli, 2023b). The fact that the implementation of policy has been positioned 'at arm's length' means that policymakers do not properly understand whether measures are in fact feasible. Signs from the public about the effects of policy often fail to reach government, or only do so too late. Even when policymakers receive timely comments from implementation experts, these often carry little weight (WRR, 2024). Government measures are primarily designed on the basis of legal, financial, economic, and ICT-related considerations (is the policy lawful, affordable, and compatible with existing ICT systems?) rather than on the basis of considerations regarding their feasibility in actual practice (Maat et al., 2024). This undermines government's ability to formulate policy that is effective. In practice, relatively little often remains of the intended results.

3.5 Conclusion

For many years, a number of persistent difficulties in the current interaction between government, the business sector, and communities have contributed to a failure to address problems within the living environment in an effective manner:

- Politicians and society seem to have forgotten how to engage in constructive discussion of issues regarding the living environment, focusing on the essential question of what values we consider important for our country. At the moment, they mainly squabble about facts.
- It is also becoming increasingly clear that the market-based approach to problems within the living environment that has dominated the Netherlands in recent decades is not working. Among other things, established financial and economic interests are holding back the necessary changes.
- In the meantime, government – focused as it has been in recent decades on its interaction with the business sector – has failed to properly appreciate the contribution that communities can make to resolving issues within the living environment.
- An additional problem is that government seems stuck within ineffective, ingrained patterns and a compartmentalised organisation. It lacks decisiveness, problem-solving capacity, and a thorough understanding of how matters are interrelated and affect one another.

All in all, there are currently a large number of obstacles to tackling living environment issues in an effective manner. In the next chapter, we turn our attention to ways of changing this situation and providing government, the business sector, and communities with a set of tools geared to the complex living environment issues that need to be addressed.

4 TOWARDS EFFECTIVE INTERACTION

Changes in the relationships between government, the business sector, and communities can help ensure breakthroughs in tackling major problems within the living environment. The current contribution made by these three parties is no longer aligned with the problems and society of today. In this chapter, we discuss how roles need to be interpreted so as to tackle current living environment issues in an effective manner. Before doing so, we first briefly consider a number of promising examples from the relatively recent past that demonstrate how effective interaction can produce excellent solutions.

4.1 Recent examples of successful interaction

A country where everyone – regardless of their income, age, or other background – can find affordable housing, where there is scope for entrepreneurship, and where people can live and enjoy their leisure time in a clean, healthy, green environment: such a vision of a prosperous country demands sustainable solutions to persistent problems within the living environment. Unfortunately, there is no ‘magic wand’ for achieving such

solutions. Government, businesses and communities will need to engage with one another to arrive at shared solutions to complex issues.

Over the years, the interaction between government, the business sector, and communities has often undergone change, depending on the types of problems that society was facing. On numerous occasions, breakthroughs were achieved with regard to complex issues affecting the living environment by successfully utilising the strengths of all parties involved.

From 1985 on, for example, manufacturers of refrigerators, air conditioners and aerosol cans, among others, were urged by means of international agreements and national rules to reduce the use of CFCs, the aim being to protect the earth's ozone layer. The result was impressive: CFC emissions were reduced by 80% in less than a decade, resulting in the ozone layer slowly but surely recovering. By 2018, there had been a 99.7% reduction in emissions (Marselis, 2024).

Another frequently cited example of how new ways of interacting have led to a successful approach is the government's 'Room for the River' programme that was launched in 2006. At the time, flood protection mainly involved reinforcing and raising the height of the country's dykes, work that was managed by government. That traditional approach was replaced by one focussing on making 'room for the river', with public authorities, residents, and companies working together to design solutions that would ensure not only flood protection but also spatial and ecological quality and economic development.

A final, current example is the transition to more sustainable electricity generation. From 2020 – after a hesitant start in the first couple of decades of the present century – the proportion of renewable sources of electricity in the Netherlands increased sharply. By 2024, more than half the country's electricity was already generated from renewable sources (CBS, 2024). That result was achieved through the work of government, market parties, and engaged citizens alike. Government formulated clear targets, made incentive grants available, and deployed market mechanisms (such as the EU's CO_2 emissions trading system) so as to promote the use of renewable energy. Market parties were responsible for an enormous amount of technological innovation. At the same time, individual members of the public and community initiatives also made a significant contribution by themselves generating sustainable energy on a large scale, both individually and within cooperatives.

But despite these successes, progress in tackling various pressing issues within the living environment is currently stalled. In the previous chapter, we discussed a number of obstacles that are responsible for this. Nevertheless, some modest positive signs are becoming apparent. Developments are underway in both the business sector and communities that we believe deserve to be reinforced and to which government should respond. They are not a definitive solution to all the thorny problems regarding the living environment, but they do have the potential to provide part of the solution or to bring about necessary breakthroughs.

4.2 Role of creative communities: contributing to problem-solving

Efforts on the part of communities can bring about breakthrough in deadlocked cases, precisely because of their great ability to adapt to changing circumstances (De Moor, 2015). They can contribute in their own way to collective interests within the living environment, even when only quite small-scale projects are involved. Communities are able to organise cooperative arrangements that enable them to provide and jointly manage scarce resources – such as water, energy and housing – over a long period of time and in a sustainable manner (Ostrom, 1990). The local energy initiatives in Denmark are a frequently cited example (Kooij et al., 2018; Kunseler et al., 2024). They have enjoyed freedom to experiment for decades, with Danish legislation and regulations evolving concurrently. Ultimately, these initiatives have developed into reliable and professional alternatives to market parties within the energy transition and have become an integral part of the Danish energy landscape.

Numerous community initiatives have also emerged in the Netherlands over the years that concern themselves with issues regarding the living environment on a relatively small scale, for example cooperatives in such areas as housing, mobility, energy, and agriculture (see box).

Initiatives by creative communities in agriculture

Many farmers belong to a cooperative. These large, traditional cooperatives, such as FrieslandCampina, arose originally from a need to work together to reduce costs, guarantee the purchase of products, and gain access to new markets.

However, there are also new, smaller community initiatives in agriculture that aim (in part) to solve problems regarding the living environment. These include area cooperatives in which farmers in a defined area attempt to tackle various tasks jointly. Revenue models are being developed for landscape, nature, and soil management. Other new kinds of cooperative focus on promoting sustainable small-scale food production, such as 'Herenboeren' (a concept involving local communities setting up their own farm), or 'Aardpeer' and 'Land van Ons' (initiatives that make land available for sustainable agriculture). Such initiatives tap into the communal strength within agriculture, which seems to have been neglected by the large, traditional cooperatives.

The strength of such initiatives lies in the fact that it is easier for them than for government to reach out to residents and involve them in the issues concerned and in resolving them. It is important for government to link up these positive forces at local level with the challenges that exist at the national or international level.

However, new partnerships that emerge in agriculture to resolve problems within the living environment often still come up against one or more of the obstacles we discussed in Chapter 3. A current example is the situation in the Boterhuis polder near Warmond (see box).

Successful sustainable community initiative jeopardised by financial and economic interests and market forces

In the Boterhuis polder near Warmond, four farmers and a number of area stakeholders (both concerned local residents and public authorities), drew up an area plan in 2014 focussing on small-scale, sustainable and nature-inclusive livestock farming.

The plan has since been implemented successfully but recently threatened to come to a premature end. The reason: the lease for the 36 hectares of land in the polder will be put out to tender again. Re-tendering is obligatory so as to give newcomers a chance. However, the way the municipality of Teylingen initially set up the tendering procedure (with the price that is bid for the land being the decisive criterion) actually worked in favour of conventional intensive agriculture. The existing innovative tenant lost out to a conventional farmer, putting the future of the entire area initiative at risk. The new tenant wanted to use the land to dispose of surplus manure and to extensify his business (Boon & Van Noort, 2025). Following widespread media coverage, questions from the public and political debate, the municipality decided to cancel the tendering procedure. The way the selection procedure had been organised turned out to have caused too much uncertainty among entrepreneurs, and the tender criteria were not transparent. A new selection procedure is currently being organised, with an extra focus on due diligence, comprehensibility, and transparency (Gemeente Teylingen, 2025).

This example shows how government rules can have unintended effects but also – more importantly – how persistent the dominance is of financial and economic interests and the focus on the operation of market forces. These have the upper hand, even at the expense of an initiative that makes a positive contribution not only to the local community but also to achievement of government sustainability objectives.

4.3 The role of advisory communities: encouraging discussion of values

Communities that provide advice have the potential to reinforce the democratic process concerning issues within the living environment. Individuals or organised groups of individuals can advise government on how to tackle problems; they can contribute relevant knowledge about the values at stake and the local conditions. Advisory communities can also contribute to broad public discussion of decisions that are to be made. Finally, they can identify and raise issues regarding the living environment of their own accord and shape public discussion of those issues.

Many of these ways in which organised groups of individuals can contribute to plans for resolving living environment problems are recognised in the

new Dutch Environment and Planning Act and by local authorities. These processes do not always run smoothly, however. Individuals sometimes feel they are not listened to because government adopts an unwieldy approach to the process, or because it has raised too high expectations and made promises it cannot keep (Verloo, 2023) (see Section 3.3). Government also regularly excludes minority groups from the process unintentionally (Visser et al., 2023).

Government therefore needs to think carefully about both the form and the preconditions for citizen participation processes. So-called 'citizen consultation bodies' [burgerberaden], for example, are regularly used nowadays to gain input from residents (paid or unpaid) about complex issues (see box).

Citizen consultation bodies

'Citizen consultation bodies' are often organised nowadays as a means of involving the community directly in political discussion of issues regarding the living environment and in drawing up policy on those issues. This involves, for example, the G1000 method. A large group of individuals (up to a thousand) then engage in discussion with one another about a specific societal issue. Participants are chosen at random so that the group is representative of the population. The aim is for them to jointly come up with specific ideas and solutions for the issue concerned. Since 2014, a number of local authorities in the Netherlands have adopted the G1000 method; these include Amersfoort, Heerenveen, Uden, and Maastricht. National government also arranges citizen consultation bodies, with a slightly different format. These consist of a smaller group of 175 participants, selected by lot. This approach has been applied, for example, in the National Citizen Consultation Body on Climate that was launched in January 2025.

As a method, the system of citizen consultation bodies can reinforce democratic participation and involve individuals more with local policies. It is an excellent way for government to acquire knowledge and ideas or to get things moving again in cases that have become deadlocked (Hendriks, 2024).
If carefully designed, citizen consultation bodies are therefore a valuable complement to representative democracy (Fung, 2006; Hofer & Kaufmann, 2023).

Sometimes, however, expectations are too high (Hendriks, 2024), and the influence of such consultations on political decision-making is sometimes limited in actual practice. After all, following up on proposals depends on whether government is willing to do so – and that willingness is not always present.

A recent report by the National Citizen Consultation Body on Climate looked for ways in which follow-up to proposals from these bodies could be increased (Nationaal Burgerberaad Klimaat, 2024). Key factors, according to the report, are to ensure political support and create civil-service

co-ownership. They stress, however, that one first needs to determine whether convening a citizen consultation body is the right way to get people involved with the issue concerned. If it is, then one should determine beforehand what role the results will play in decision-making.

4.4 Role of market parties: taking the lead in change processes

In order to be able to take effective action to solve persistent problems within the living environment, it is important that market parties also take on responsibility for the living environment through innovative entrepreneurship. Taking the lead as regards changes that result from EU environmental directives or international climate agreements – and which will therefore need to be implemented eventually in any case – can prove beneficial in the long term for the competitive position of Dutch companies. Timely adaptation to future realities offers opportunities for sustainable competitiveness (Draghi, 2024; Europese Commissie, 2025). Moreover, the adaptation that companies will need to implement involves more than merely optimising existing business processes. Companies are needed that dare to innovate and to develop entirely new business models.

More and more companies are following that route. They aim to operate within the boundaries of the natural living environment or even to contribute actively to strengthening and restoring it. Many Dutch farmers, for example, aim to make a sustainable contribution to society (Rli, 2021). They do so in a variety of ways: by taking on nature and landscape management, by adopting organic and nature-inclusive production methods, or by reducing harmful emissions using innovative technology. Companies in the housing construction sector are also working to make their operations more sustainable. It is currently estimated that one in five construction companies are already able to build homes with sustainable materials (Rli, forthcoming).

Individual businesses can make a big difference. However, contributing effectively to collective interests within the living environment often requires cooperation between businesses, for example within sector, area-based, or other contexts. For an individual business, making a contribution is usually quite difficult because the benefits of such an effort accrue only to a small extent (or not at all) to the business, or because the business is unable to shoulder the financial risks itself. If businesses collaborate within networks around a societal challenge, opportunities arise to share the benefits and risks in an equitable manner (Vosman et al., 2023). This enables them to work with partners from different networks to jointly create both social added value and sound business models. Companies located at business parks, for example, can jointly implement sustainability measures that they would not be able to implement individually, for example sharing waste flows or reusing raw materials. Some business parks have already arranged such cooperation, especially for sustainable energy generation (Rli, 2023c).

Companies that lead the way in solving environmental problems are still the exception, but there is increasing pressure on businesses to align their operations with the principles of International Responsible Business

Conduct (IRBC). Increasingly, there are also statutory obligations to take action towards sustainability. For example, the EU's CSRD Directive[6] for corporate sustainability reporting came into force in 2022. It requires large enterprises and listed SMEs to report on sustainability issues such as human, social, and environmental rights. In addition, the EU's CSDD Directive[7] on corporate sustainability due diligence was adopted by the European Parliament in 2024. It requires large enterprises to prevent adverse impacts for human rights and the environment both in their own operations and within their value chain.

4.5 Role of government: determine new working methods and responsibilities

As we have argued, ensuring that collective interests within the living environment are properly safeguarded requires effective interaction between all parties: government, the business sector, and communities. These parties will need to fulfil a different role to the one they currently play. That will not be an easy process; it will require altering ingrained habits and routines. It means changes in culture that will take time.

An important factor that can play a guiding role, and which we have not yet addressed, is the entire set of rules, working methods, and allocation of formal responsibilities that limit the activities of the three parties. As regards that factor, government has a unique position of power. In our democratic system, it is only government, after all, that can determine the formal frameworks within which communities, market parties, and also government bodies themselves must operate.

Central government has been working for some time to align its own working methods more effectively with what is needed so as to act decisively in representing collective interests. In 2023, for example, the Ministry of the Interior and Kingdom Relations (BZK) presented the programme 'Management Philosophy and Organisation of Central Government'. Various government organisations are now working in a 'task-oriented' manner; they attempt to break down compartmentalisation by focusing on the task at hand and not on the existing organisational structures.

In addition, initiatives have been launched within central government to reshape its interaction with communities and market parties. The Ministry of Infrastructure and Water Management (IenW), for example, has established a Participation Platform within which members of the public and businesses can provide input on policy that is being drawn up. Another central government initiative that should be mentioned in this context is the Physical Living Environment Consultative Body (OFL). This is a hybrid formalised organisation form in which representatives of government, market parties, and communities engage and collaborate so as to improve the physical living environment. Another telling example is the participation of public authorities in the Nature Inclusive Collective, which works with businesses, civil-society organisations, communities,

6 CSRD: Corporate Sustainability Reporting Directive.
7 CSDDD: Corporate Sustainability Due Diligence Directive.

and knowledge institutions on the topic of nature inclusiveness. At the local level, for example, residents, municipalities, funds, and the Association of Netherlands Municipalities (VNG), have explored new ways of collaborating in the *SAMEN!* [TOGETHER!] programme.

We have mentioned just a few examples of the initiatives launched within government to improve its own functioning and its interaction with the business sector and communities. More is happening, of course, and these signs are encouraging. However, these efforts have not yet proved sufficient to bring about real breakthroughs in the way society deals with issues within the living environment. In the next chapter, we make some recommendations for additional action that is needed.

4.6 Conclusion

In this chapter, we have identified the contribution that communities, market parties, and government bodies can make to effective interaction in tackling issues within the living environment.

- We see a role for 'creative' communities – i.e. citizen collectives that organise local public services and facilities independently – in proposing practical solutions to local problems.
- We believe that 'advisory' communities (groups of individuals who participate in policymaking and planning) can (a) contribute knowledge about the values at stake in living environment issues; (b) contribute to discussion of societal choices that need to be made; and (c) identify and raise issues regarding the living environment of their own accord.
- In our view, the challenge for market parties is to take the lead in the change processes that lie ahead. Companies are needed that dare to innovate and to develop entirely new business models.
- Finally, we consider that government can contribute to improved interaction with the business sector and communities, including by setting up participation forums, consultation groups, and collaborative bodies for members of the public and the business sector.

5 RECOMMENDATIONS

The Netherlands faces major problems regarding collective interests within the living environment. Those issues affect many different parties and stakeholders and are also interrelated in various ways. In order to come up with effective solutions, one needs to understand just how they interrelate. Without the efforts of government, the business sector, and communities alike, the problems associated with issues cannot be solved. However, the interaction between these three parties has for years been dysfunctional. In our view, what is needed to break through the deadlock is an approach to complex living environment issues that does justice to the different drivers and ways of thinking among government, the business sector, and communities. In this chapter, we make recommendations that contribute to a collaborative approach, one that enables progress to be made in resolving complex thorny issues regarding the living environment.

The recommendations that we make in this chapter do not comprise a definitive, specific solution to every conceivable complex problem within the living environment. There are too many problematic factors at play, and the issues are of too diverse a nature. The housing problem, for example, calls for very different measures to issues in the areas of

agriculture, surface water, or accessibility. We nevertheless seek with our recommendations to place a number of essential points on the agenda, points that can contribute to finding a way out of the thorny problems regarding the living environment or help break through the deadlocked situation. We have chosen to focus on changes in how communities, the business sector, and government bodies interact with one another.

So as to link our recommendations to potential courses of action, we present a set of reflection questions further on in this advisory report. These are intended to link our findings in this report to a specific problem regarding the living environment, to clarify why that problem remains unresolved, and to determine who plays what role in that regard. In many cases, this will provide pointers for taking action.

5.1 Recommendation 1: Engage in wide-ranging dialogues on values concerning living environment issues

Problems within the living environment are not challenges that can be tackled by scientific research and technological innovations alone. When seeking solutions, there are after all countless different values that need to be weighed up against one another, for example everyone's right to affordable housing against everyone's right to access to the countryside. Another example: the enjoyment of material prosperity (in an economy with polluting industry and agriculture) against the enjoyment of a clean environment (in an economy with benefits and burdens that are shared equally).

If we are to break through the current deadlocks in policy regarding the living environment, there will need to be public dialogues about such values. Not that that will make it possible to break through every deadlock, nor because it will reconcile widely divergent values and public interests, but because it will provide a solid foundation for political decision-making. It can also help understand why decisions have been taken. Such dialogue on values is an appropriate way to start the decision-making process, for example when setting out strategic objectives and goals in an environmental strategy pursuant to the Environment and Planning Act. It is important to clearly identify the values that are at stake beforehand, as well as the expected consequences of the policy options that are under consideration. The consequences that short-term decisions will have for long-term developments must not be ignored. Government (i.e. politicians, supported by civil servants) will therefore need to enter into discussion with communities and market parties about the arguments and reasons for wishing to protect certain economic and public interests and striving to future-proof the country. Dialogue will need to focus on *why* people think something is important and not merely on *what kind* of intervention they think is important. There will need to be balanced input from communities, the business sector, and government regarding their views on a future-proof Netherlands. The consequences that emphasising a particular value will have for other values and for collective and private interests – both now and for future generations – must be made clear. Consideration should also be given to what the business sector and communities can contribute based on their own drivers and working methods. Above all, it is essential for policy decisions to be well thought out and for their consequences

for other interests to be identified and assessed, both now and for future generations.

The dialogue on values that we envisage will not so much involve disputing facts – such as how much nitrogen or CO_2 is emitted by a particular sector and what the effects are on the living environment – but will be about determining the priorities for the various values and the consequences that entails. This approach will involve such questions as: how important do we consider the effects of emissions and what are we willing to do or not do to reduce them? Discussion of such issues is only really possible if participants have equal access to knowledge of the relevant facts, options, and effects. That also involves participants acknowledging the past and present situation. People's narratives, personal experience, and expectations are indispensable here. Where agriculture is concerned, for example, there is little public recognition of the major changes that farms have undergone in recent decades and how individuals have or have not contributed to collective problems. The necessary knowledge of facts also includes knowledge of historical developments and previous (policy) decisions relating to an issue.
Knowledge institutions have a role to play in this process by contributing knowledge and information to the discussion. The way EU decisions are preceded by a mandatory impact assessment, for example, can serve as inspiration (see box).

Impact assessment of draft policies in the EU
When formulating proposals for policies with significant economic, social, or environmental consequences, the European Commission has been preparing 'impact assessments' in advance since 2002. These are drawn up during development of the policy concerned. The Directorate-General (DG) most closely involved is responsible for conducting the impact assessment; this is generally done after stakeholders and experts have been consulted. If a proposal has features spanning multiple DGs, a group of officials from all the DGs involved is brought together to produce the impact assessment, an 'Interservice Steering Group'.
The results of an impact assessment are attached to the proposal and may lead to it being amended, supplemented, or withdrawn.
(Source: www.kcbr.nl)

Conducting a dialogue on values must take place not only within the political arena, but within society as a whole. Communities and the business sector will both need to be actively engaged, for example by consulting existing organised bodies such as advisory community initiatives (see Section 2.2). In the current societal context, however, there is also a need for more direct forms of involvement on the part of the community and the business sector. The task for government is to involve precisely those people and organisations that are hardly, if ever, heard.
The latter requirement also means that lobbying (see Section 3.2) must be clearly distinguished from conducting a dialogue on values. Rather than contributing to collective interests, lobbying usually aims to

preserve or enhance private financial and economic interests, ecological interests, or personal situations (i.e. 'NIMBY' arguments). Transparency about lobbying is therefore important for the proper functioning of our democratic society. In 2021, the Organisation for Economic Cooperation and Development (OECD) found that the Netherlands was lacking as regards such transparency. What is more, where the representation of interests in the Netherlands is concerned, the emphasis tends to be on the interests of established parties within the market. What is important is specifically that newcomers and innovators also have access to public discussion, so that government receives information from various different points of view. With that in mind, government will need to actively arrange dialogues that include input from the public (see box).

Organising dialogues with input from the public

There are various ways to give shape to public discussion; what form is appropriate will need to be considered on a case-by-case basis (Hendriks, 2024). Some tried-and-tested options include:

- organising a citizen consultation body or citizen forum (see Section 4.3);
- organising a national discussion with government, communities, and the business sector;
- organising a subject-related parliamentary debate at the end of each year on a specific 'theme for the year', intended to achieve consensus on the nature of the issues and the difficult choices and dilemmas involved, and on (future) opportunities and approaches to finding solutions.[8]

Whatever dialogue structures are chosen, it is important to involve not only those directly affected but also people who are not so closely involved with the issue. Such people can inspire participants to consider issues, underlying values, and their own actions in a different manner.

Conducting a public dialogue of values takes time. Participants' reasons for wishing to prioritise certain values will need to be addressed clearly and in a balanced manner. Everyone will need to listen carefully to one another, and everyone's drivers will need to be carefully articulated and explained.

The final weighting assigned to the various values when selecting a particular policy approach is a matter for the politicians, acting within the framework and procedures of our democratic constitutional state. Decision-makers will need to clearly state which values played a role prior to the decision-making process, how the chosen direction does justice to multiple value clusters, and/or how they weighed up the different values against one another. They will also need to be clear about how they have incorporated the outcomes of the public discussion into their final decision-making. That is still not enough, however, because in order to make real progress in tackling problems within the living environment, it is essential that

8 The theme for the year could already be the subject of investigation during the year prior to the debate. Discussion meetings, hearings, etc. on the subject could also be organised.

decision-makers are also open about the long-term consequences of their decisions (see also Rli, 2024b).

5.2 Recommendation 2: Involve communities in interaction as equals

In the (distant) past, society had a number of powerful creative communities. Citizen collectives and religious communities largely arranged care for their own living environment themselves (see Section 2.3). Over the course of the twentieth century, however, those communities have gradually faded from view. Government and the business sector have become increasingly dominant in dealing with issues that concern the living environment. We believe, nevertheless, that the energy and strength of communities can also play a meaningful role today in drawing attention to future issues and in finding effective (and timely) solutions to those issues (see Section 4.2). It therefore need not always be government or the business sector that takes on responsibility for the living environment. Given the values they hold, communities – alongside government and businesses – are often very well able to play a role in resolving issues concerning their living environment (Ostrom, 1990; De Muijnck & Tieleman, 2021).

In order to enable communities to contribute effectively to breaking through deadlocks regarding such issues, government bodies will need to fundamentally alter their perspective on creative initiatives that originate from communities and on the role of advisory communities. For their part, members of community initiatives will need to be more assertive and less ready to leave decisions to government. Communities deserve an equal place in safeguarding collective interests within the living environment, engaging in public discussion, and considering appropriate solutions – and not just subject to conditions set by government. It is they, after all, who are developing forest farms and setting up neighbourhood energy collectives, not government. Government bodies also need communities to play an advisory role so as to understand how living environment issues can be tackled in an appropriate manner.

Government will need to adopt a more service-oriented approach and understand the mindset behind citizen initiatives, which, amongst other benefits, will enable it to coordinate what are often local initiatives with national challenges. If government bodies wish to involve communities in environmental policy, they must always first investigate what types of communities are active and engaged, at what level they are active, and how different groups can best be involved or facilitated. Government will also need to cut back on regulations so that creative initiatives have the scope to take on responsibility for their living environment. It will also need to support them where necessary. We make a number of recommendations below for what government can do to reset its relationship with communities.

1. Facilitate and support communities, but 'at arm's length'

Many communities are committed to caring for their (immediate) living environment, for example as regards energy, housing, mobility, or agriculture. It is high time government recognised the distinct contribution

that community initiatives make to collective interests and sought to understand what motivates them. The relationship between government and communities needs to be reset on that basis. That will require taking the following action:

- Central government will need to identify whether legal rules – and if so which rules – present unnecessary barriers to initiatives by creative communities. It will then need to make targeted reductions in the rules that it declares applicable to such initiatives. Municipalities and provinces will need to utilise the legal scope available to them to act flexibly towards initiatives by creative communities. The Environment and Planning Act, for example, offers scope for customisation through its provision for experimentation (Section 23.3). It will also be necessary to remove taxation, administrative, and/or spatial planning constraints. It is important that government (a) establishes appropriate rules for community initiatives that take account of the fact that they are not market parties and (b) helps them to understand and comply with those rules. One example of such an approach is the way housing cooperatives in the German city of Munich are supported by the municipality. Forty per cent of all municipal building plots there are reserved for housing cooperatives, which can also count on favourable local loans in exchange for rents being set for 25 to 30 years (Boer, 2022).
- All public authorities will need to critically review their procedures, working methods, and policy rules in the light of the service-mindedness principle.[9] They will then need to make any necessary alterations so as to enhance accessibility for community initiatives. In citizen participation processes where communities take on an advisory role, the methods, objectives, and roles will need to be clearly communicated in advance so as to ensure that those processes are transparent, with the knowledge and ideas of members of the public being given a place in decision-making.

2. Engage with creative communities

Government must also actively seek to interact with creative communities so as to safeguard collective interests within the living environment. The political goals set by government will then be leading, but the power of communities can be harnessed by involving them in achieving those goals. An important point here is to link up what is often local action with the national (or international) agenda regarding the living environment issue concerned. One option for central government, for example, is to involve community initiatives in tendering processes (for example for public transport) and procurement (for example as regards sustainable food). Calls for tenders can include provisions to ensure that the social added value offered by initiators receives greater weight (Driessen, 2024). The situation in the Boterhuis polder (see box in Section 4.2) shows that there is definitely room for improvement in this respect. Another option is for government

9 The Parliamentary bill to strengthen the guarantee function of the General Administrative Law Act [Wet versterking waarborgfunctie Awb] contains a provision (Section 2:4a) on the principle of being service-minded: 'In performing its duties, the administrative body shall act in a manner that is service-minded.'

bodies to grant concessions to community initiatives for undertaking certain tasks within the living environment (either wholly or partly) (Kwast, 2019).

3. Learn from communities

To maximise the potential of community input, it is also important for government to constantly learn from successful creative and advisory communities that have local knowledge and expertise. Government will need to make much greater use of communities as a valuable source of knowledge from which to draw inspiration for improving its own policies. One way of doing that is to connect up with citizen science projects.[10] Government will also need to approach citizen participation as a process of knowledge development, rather than a process aimed at overcoming resistance or increasing support.

4. Ensure reciprocity with communities when far-reaching decisions are concerned

Decisions at national level can have far-reaching consequences for local communities. Familiar examples include the construction of wind turbines on land or the installation of high-voltage power lines to make the energy supply more sustainable, but also the proposed construction of nuclear power plants. If clear local or regional effects are to be expected, we advise central government to investigate how communities can benefit from the project concerned (for example through an area development process) or receive financial support in some other way. As regards the latter option, we do not mean standard compensation on an individual basis for loss resulting from a government planning decision; rather, we are referring to community budgets that can be utilised at the discretion of the community to fulfil a dual purpose and ensure that the encroachment on the landscape is accompanied by innovations that are perceived by the community as improvements.

10 Citizen science projects are scientific projects carried out by volunteers who are not affiliated with a research organisation as professional researchers but who collaborate with – or are supervised by – professional researchers.

5.3 Recommendation 3: Create forums where government, the business sector, and communities come together

In order to address living environment issues in an effective manner, it is advisable to link up government ambitions and constitutional principles with communities' feeling of responsibility for their own living environment and with businesses' entrepreneurial spirit. Organisational structures within which these different perspectives come together provide a platform for developing feasible, practicable approaches to finding solutions. The conclusion of the Energy Agreement for Sustainable Growth (SER, 2013), for example, shows what is possible when players from government, the business sector, and communities work together to promote collective interests rather than solely their own short-term interests.

Against this background, we recommend that government, communities, and the business sector organise targeted cooperation regarding complex living environment problems in the form of sector, area-based, or other partnerships. It is essential that parties from both government, the business sector, and the community have a say in these partnerships. These need to

be aligned as closely as possible with initiatives that are already emerging within society.

Specific options for giving practical shape to such partnerships are:

- *Reintroduction of product boards.* The agricultural product boards – disbanded in 2015 – within which government and the business sector worked together (sometimes supplemented by community parties) could be re-established in modernised form (see box in Section 2.3). Such an organisational structure – bringing together entrepreneurs, government, education, research, and practical knowledge – can be of great significance for individual farmers to jointly achieve collective (sustainability) goals. They can act as a bridge between practice and policy, connect different agricultural sectors together, and develop implementation capacity (Hoogendijk, 2025).
- *Conclude agreements at consultation round tables.* As with the adoption of the 2019 Climate Agreement, representatives from government, the business sector, and communities can engage in discussion under scientific guidance so as to achieve consensus on solutions to issues within the living environment. Such an agreement-building process must be rooted in discussion of the values that the issue involves (see Section 5.1) and cannot replace such discussion. If the competent authority is itself a party to the negotiations, it will be possible to conclude a binding agreement. In that case, parliament will only need to check the outcome of the negotiations against the frameworks provided in advance; it will not need to renegotiate them.[11] An agreement may also lead to the provision of advice to government (RIi, 2019).
- *Establish area cooperatives.* Within an area cooperative, entrepreneurs, civil-society organisations, educational and knowledge institutions, and if possible also government bodies can work together to safeguard collective interests within a particular area, for example nature management, employment, the quality of the living environment, and culture. By working together, costs and benefits can be redistributed and greater effectiveness achieved.

5.4 Recommendation 4: Position businesses for future-proof development

In recent decades, an economy has emerged that is focused on material profits. This has been accompanied by a range of negative impacts for the living environment (Claassen et al., 2024). Government already deploys a variety of measures for reducing the harmful impact of economic activity. but as we noted in Section 3.2, this is not having sufficient effect, for several reasons.

To limit those harmful external effects of economic activity in a truly effective manner, different kinds of government intervention are necessary that are better aligned with the rationale of the business sector. This can be achieved by creating a level playing field for pioneering sustainable

11 In the case of the 2019 Climate Agreement, this did not work out; it is therefore a relevant point to consider.

enterprises and by setting clear targets to which businesses can adapt their operations. Government management policy will therefore need to consist of a combination of (1) factoring negative effects into pricing, (2) setting standards as regards undesirable activities and effects, and (3) investing in promising newcomers and innovative ecosystems. Only then will it be possible, on the one hand, to respect the carrying capacity of the living environment and, on the other, to leave room for businesses to respond to ongoing digital and other developments (Draghi, 2024; Europese Commissie, 2025).

We explain below how these three measures can be deployed.

1. Put a price on negative effects on the living environment
As long as businesses do not need to pay a price for the harmful impact of their operations on the living environment, they will obviously not restrict themselves in this regard. The harmful effects are thus offloaded onto society as a whole, for example air pollution, undesirable use of space, or unhealthy working conditions.

It is up to central government to develop mechanisms for charging – perhaps in an international context – for the harmful effects of business activity; specifically, mechanisms similar to the current CO_2 Emissions Trading Scheme (ETS) could be considered. Businesses could then acquire the right to cause certain negative impacts, but only if they pay for doing so. Government could set emission caps so as to limit the overall effect. This would motivate businesses to invest in reducing emissions, cleaner production processes, and sustainability.

Another example of a pricing instrument that government could deploy is a modified form of motor vehicle tax, which would no longer put a price on ownership of a vehicle but on its use. There could also be a levy, for example, on the use of unsustainable building materials, charged to owners of the land concerned. Such a measure would help ensure a smooth transition to building sustainable new homes (Rli, forthcoming).

2. Restrict undesirable economic activities and set strict limits for them
The pricing instruments we have mentioned can contribute to bringing about desired changes in the economy. However, their exact benefits – whether and how quickly they will be sufficient to tackle persistent living environment problems – are uncertain. Government management policy will therefore also need to (a) encourage the *phasing out* of activities that no longer fit in with the desirable economy of the future and (b) *accelerate* the development of desirable activities and new markets (Rli, 2019).

We advise central government to develop targeted rules, guidelines, and standards for businesses. This can compel market parties to bring their activities into line with the collective interests within the living environment, and help to safeguard those interests (Rozendaal & Vollebergh, 2022). In this context, temporary permits, prohibitions, and emission caps can be useful measures. For the approach to be successful, however, strict enforcement will be crucial.

Government will also need to set standards for future behaviour. It can, for example, encourage innovative entrepreneurship by imposing a clean production obligation from a set date (Bolhuis, 2024). This will give new market parties a fairer chance to compete with existing businesses. It will also encourage coordination between parties within the existing market, who will need to come up with solutions within production chains, networks, or regions to comply with the set standards.

Focusing rules and standards on links in *production chains* is expected to be more effective than imposing obligations only on businesses engaged in primary production. Indeed, the greatest capacity for change is usually to be found within the production chains. The agriculture sector is illustrative here, with the capacity for change lying not so much with farmers themselves but rather with the major players within the chain, such as the food industry, retail companies, suppliers of raw materials and machinery, and financiers. As long as government continues to impose more and more policies and regulations on primary production while leaving the larger food system untouched, the problems will not be solved. Moreover, regulation will not be effective as long as enforcement remains inadequate.

The imposition of standards and rules can have far-reaching consequences for companies' existing business models. They will not all be able to keep up with the desired changes. In some cases, support in transitioning to the economy of the future may be desirable, for example when businesses have too little time to adapt (incrementally) to new rules or policies. Government should therefore set up transition funds, including to provide financial compensation for those that are disadvantaged. Additional policies could include offering *training and retraining programmes* and helping employees find new jobs that are well suited to the economy of the future.

3. Drive progress by investing in innovation and new market parties
Innovative new entrants to the market can contribute to changes that will future-proof the economy. Currently, the market does not offer them a level playing field: they find it more difficult to attract capital than established companies, and in many cases their production processes and business models do not yet comply with existing legislation and rules. Government will need to develop targeted support policies for building new markets, aimed not only at new entrants but also at existing businesses that seek to transform their operations. That will also involve government investing in knowledge development, aimed at innovation and at making business models and production processes more sustainable.

Government can support innovation and newcomers in various ways: (a) by investing in *knowledge and innovation* and in scaling up promising businesses; (b) by using its own *procurement and tendering policy* for this purpose; (c) by pursuing a targeted *spatial planning policy*; (d) by focusing the provision of *subsidies* exclusively on the economy of the future; and (e) by *actively involving newcomers* in shared organisational structures and coordination between government, the business sector, and the community.

In short, we recommend that central government develop policies to financially support new market entrants (which contribute to collective

interests) with targeted investment when they are starting up and scaling up.

5.5 Recommendation 5: Reinforce the systemic capacity of government

Market parties and communities have a role to play in ensuring that the above recommendations are successful, but government in particular has an important role to play, given its unique position in the interaction with the business sector and communities already mentioned, and its responsibility to oversee complex societal issues and connect them up where necessary. Government can determine the formal frameworks within which communities, market parties, and also government bodies themselves must operate. At present, however, government lacks sufficient oversight and decisiveness to fulfil that role (see Section 4.5). Improvements therefore need to be made as regards how government functions.

1. Break down compartmentalisation to enable systemic work

Complex issues within the living environment require an approach in which government considers the entirety of the issues concerned. This means paying attention both to the particular problems involved and to how they relate to issues in other policy areas. In other words, government needs to be able to think and work 'systemically' in order to deal with complex issues. For example, when tackling the housing shortage, government will also need to consider such aspects as tax incentives for home ownership, mobility within the housing market, and how the market for land operates. It will also need to consider how all this relates to areas of policy such as care for the elderly and migration. Only in this way will the consequences of the various approaches to finding solutions be properly understood. A cross-domain approach to living environment issues is therefore crucial. Such an approach is currently lacking because there are too many partitions between the various areas of policy.

We advise government to *eliminate the current compartmentalisation within its organisation*. We realise that that is no easy matter. It will require overarching coordination and structural alignment between policy departments and responsible ministers regarding complex issues. Interdepartmental teams that work on issues in a task-oriented manner can provide a solid basis for such coordination (Kunseler et al., 2024). Eliminating compartmentalisation will allow civil servants to take account of the interconnection between different living environment problems when formulating policy.

2. Ensure the right mix of skills and subject-related expertise

Government will need to improve the professional skills of its civil servants. It will need to ensure that it has the right mix of (a) subject-related expertise and (b) process skills (see also WRR, 2024). Subject-related expertise is required in order to fully understand the nature of problems – underlying facts, developments over time, relationship to other issues etc. – and to arrive at well-founded assessments of the feasibility and effectiveness of potential solutions. Process skills are needed so as to 'bring in' parties from outside government. Involvement of market parties and community

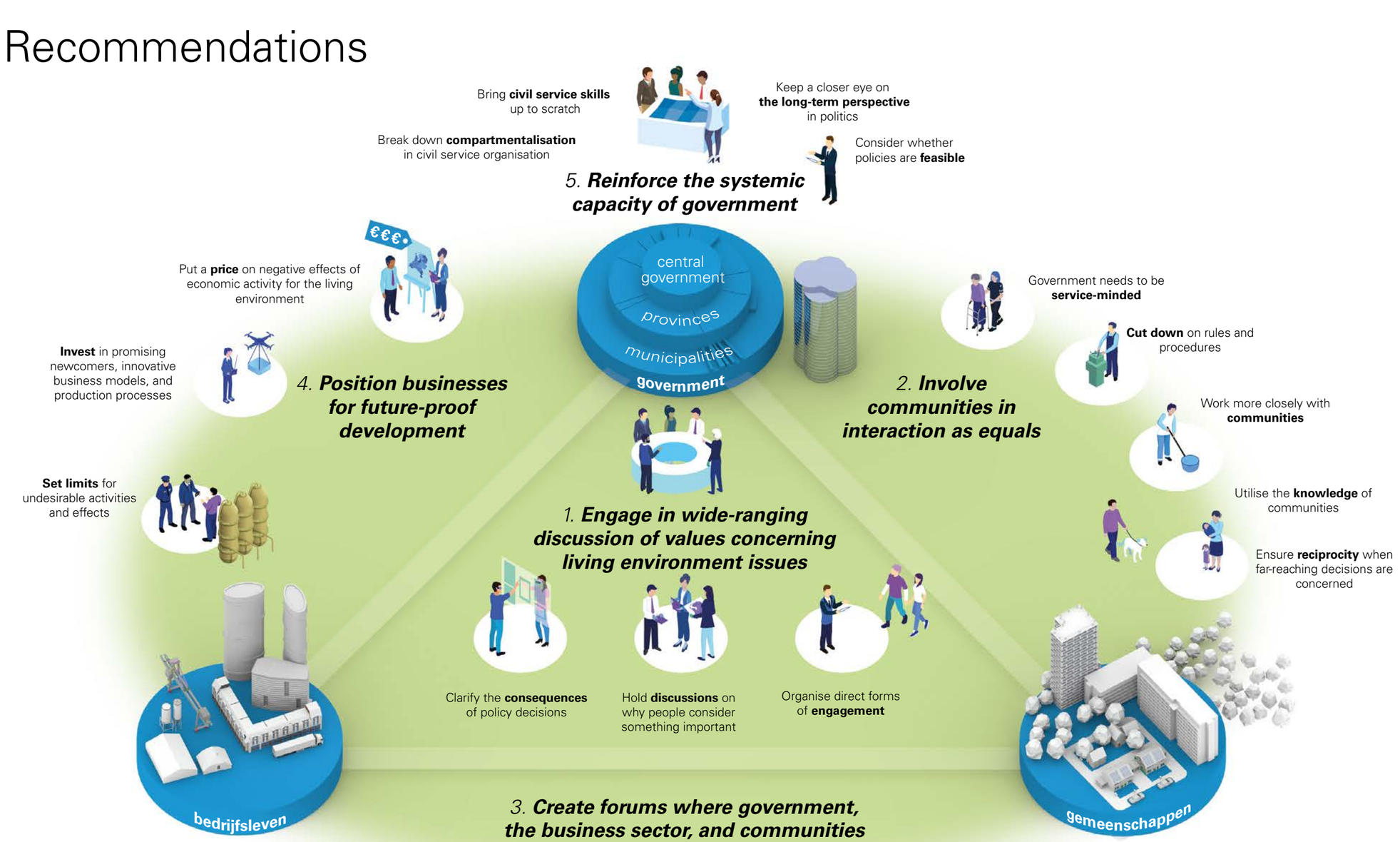
organisations at an early stage will assist in thoroughly understanding the various different facets of an issue.

3. Deal with the short term with an eye on the long term
In order to resolve deadlocked issues regarding the living environment, politicians will need to keep their sights set on the long term, even when formulating policy for the short term. The issues concerned have often been building up for many years, or it may currently seem that they are not yet urgent. Nevertheless, they may well develop into the deadlocks of the future. In the case of transitions, they may be issues that require a long-term approach involving society as a whole. If government only starts thinking about solutions when a problem becomes acute, structural intervention will only be possible with a great deal of hardship and with many people being disadvantaged.

The nitrogen issue is a glaring example of this. In adopting a long-term perspective to seeking solutions, solid subject-related preparation by civil-servants is essential. Politicians should therefore make greater use of the expertise that civil servants can contribute, and do so right at the start of political decision-making. This is also necessary during the phase when political decisions are being fleshed out as plans for implementation. In these processes, it is the civil service organisation that is the constant factor ensuring continuity.

4. When formulating policy on the living environment, make maximum use of the insights derived from actual implementation
To address problems within the living environment, decision-makers will also need to consider the feasibility of policies. After all, solving complex problems does not begin and end with formulating policy. As we emphasised in our advisory report *Implementation Capacity* (Rli, 2023b), formulating policy and learning from actual implementation must go hand in hand. There must be scope for implementing parties to indicate – authoritatively – the conditions under which policy is feasible or to question whether (more) policy is necessary at all.

Figure 4: Recommendations



PART 2 | REFLECTION QUESTIONS

1 ABOUT THESE QUESTIONS

The following reflection questions are presented as a series of seven steps (with three questions per step) and are intended to guide readers through the findings of this advisory report. The questions will help to identify the underlying causes of a particular problem within the living environment that remains unresolved, and who plays what role in that regard.

They are intended for civil servants, politicians, people working in businesses, or participants in a community initiative who are dealing with complex living environment issues that have become deadlocked and who specifically wish to get down to work with our report's insights and recommendations. Our aim with these questions is to offer them a means of breaking through the deadlock. Answering the reflection questions will not provide any ready-made solutions to the problem, but it will encourage respondents to consider the problem from different perspectives. Doing so is not always easy, but it will give readers a better idea of how various matters are interrelated. Such new insights can help in taking targeted action.

The answers to the questions can also serve as a basis for engaging with others about the topics that our report has addressed, not only within one's own organisation but specifically also with other parties. Within central

government, they can also be used as a supplement to the questions in the Policy Compass.

In Chapter 3 of this part 2 of the advisory report, we have used the reflection questions, by way of illustration, to address the current nitrogen issue in agriculture. In doing so, we have provided answers from an imaginary agriculture official in the Ministry of Agriculture, Fisheries, Food Security and Nature (LVVN). That official is assumed to be advising the minister as regards her participation in the process of formulating policy. This chapter is intended solely as an illustrative example; it must *not* be read as the Council's advice regarding the nitrogen issue. Chapter 3 is only available in Dutch.

2 REFLECTION QUESTIONS WITH ADVISORY REPORT 'FAILURE AND RECOVERY'

2.1 Clarification of the issue

Step 1: Definition of the issue

Issues regarding the living environment are not always easy to pin down clearly. After all, whether something is perceived as a problem and how that problem is subsequently defined depends on the perspective from which someone views the issue. That often involves differing assessments and diverging interests.

The purpose of this step is to consider the issue from different perspectives and identify the factors that prevent it being resolved. With that in view, please answer the following questions:

- Why is this issue a problem; what are the underlying facts and what are the political and/or societal perspectives on the problem?
- Why does the problem continue to exist?
- Which government, community, and business sector parties are involved with the issue?

Step 2: Considering the issue in its broader context

Issues regarding the living environment are often complex and so is the context in which they need to be resolved. That complexity may stem from the fact that (a) the problem has points of contact with other issues within or outside the physical domain; (b) potential solutions may have certain undesirable consequences and side-effects; and/or (c) there is complicated interaction between the various parties involved.

The purpose of this step is to consider and understand the problem in its broader context. With that in view, please answer the following questions:

- What points of contact does this issue have with other issues?
- Who else are affected by the issue and in what ways?
- What is the current approach to the problem and what are its intended and unintended consequences?

Step 3: Clarifying the interests regarding the issue

For many complex problems within the living environment, potential technical solutions have long been known. Nevertheless, it has not proved possible to actually resolve the issues. One reason for this is that people have different views as to how important an issue is compared to other issues.

The purpose of this step is to clarify divergent opinions regarding the issue. With that in view, please answer the following questions:

- Who are the stakeholders as regards the issue and what is their interest?
- Why are those interests worth promoting?
- What interests are being overlooked?

Step 4: Clarifying the values regarding the issue

Seeking consensus by means of 'poldering' with all the interested parties is a characteristic feature of Dutch society. Interests are traded off and differences are bridged over or otherwise eliminated. When complex issues arise within the living environment, however, that approach often leads to clear-cut decisions being postponed and to a policy of just 'kicking the can down the road', i.e. patching things up temporarily. Discussing the values involved can help to clarify the positions of the various parties and shed light on the consequences of the various options.

The purpose of this step is to clarify the values that are at stake and how those values relate to one another. With that in view, please answer the following questions:

- What values do those involved with the issue consider important?
- To what extent are these values complementary or conflicting?
- What values and interests should be the focus when seeking a solution to the issue – and why?

2.2 Options for effective interaction

Once the issue has been pinned down, the context clarified, the competing interests recognised, and the values associated with the issue made

explicit, it is time to move forward. This requires effective interaction between government, communities, and the business sector. However, the interaction between these three parties has for years been dysfunctional, and has failed to provide solutions to complex problems within the living environment. In our recommendations, we call for a new kind of interaction between government, the business sector, and communities. The three parties must improve their understanding of one another's drivers and ways of thinking. Only then can they take joint responsibility for collective interests within the living environment.

It is therefore essential to identify as clearly as possible how government, communities, and the business sector relate to one another, whether they have the right mechanisms to take on responsibility, and what options are available to achieve long-term progress. Steps 5 to 7 provide some guidelines for doing so.

Step 5: Prospects for the desired change

The best way to structure the interaction between government, the business sector, and communities depends on the specific issue concerned and the long-term prospects that society wishes to achieve.

The purpose of this step is to clarify those long-term prospects and the decisions that can assist in achieving them. With that in view, please answer the following questions:

- What are the promising long-term prospects as regards this issue?
- What can we learn from the past and/or from other countries?
- What decisions and action are needed right now to bring those long-term prospects closer?

Step 6: Division of roles within the new interaction

Companies, communities, and government each leave their mark on Dutch society in their own way.

Businesses create prosperity on the one hand, but on the other cause pollution of nature and the environment and depletion of resources.

Communities contribute to society in different guises: as residents' associations that have a say in new construction projects in the neighbourhood, as food collectives that make food affordable and available for the local community, or as pressure groups that campaign for a cleaner environment and so forth.

Government is the only party to the interaction that can formally impose rules on businesses and communities. Moreover, government has been entrusted with the task of protecting and improving the living environment.

The aim of this step is to clarify the relationships that are needed to make the best possible use of the strengths of the business sector, communities, and government. With that in view, please answer the following questions:

- How can communities be mobilised to contribute to solving the living environment issue concerned?
- What action is needed on the part of businesses to resolve the issue concerned?
- Which parties within government need to work together to tackle that issue?

Step 7: Necessary measures and working methods

Currently, government bodies, communities, and market parties are hampered by a whole range of factors from assuming responsibility in tackling issues within the living environment. Sometimes, it is procedures and rules that stand in the way, or necessary change is blocked by someone or other's private interests. Government interventions may also be insufficiently effective or lack policy coherence due to the compartmentalised way government is organised.

The purpose of this step is to identify the measures and working methods that are necessary for government bodies, community initiatives, and market parties to take on responsibility for tackling issues within the living environment. With that in view, please answer the following questions:

- What rules, procedures, and arrangements for the business sector and communities need to be altered so as to make progress?
- What kinds of collaboration between the business sector, government, and communities can help bring about change?
- What is needed to organise collaboration between policy domains within government?

REFERENCES

Arnstein, S. R. (1969). A ladder of citizen participation. *Journal of the American Institute of Planners*, *35* (4), p. 216-224.

Berg, M van den (2023). *De beleidsbubbel: en hoe we die liefdevol leeg laten lopen.* Deventer: Verhaal Met Impact B.V.

Bisschops, S., & Beunen, R. (2018). A new role for citizens' initiatives: the difficulties in co-creating institutional change in urban planning. *Journal of Environmental Planning and Management*, *62* (1), p. 72-87.

Boer, J. (2022). Geef wooncoöperaties de ruimte. *ROmagazine.nl*. Geraadpleegd op 25 februari via: https://romagazine.nl/artikel/28072/geef-wooncooeperaties-de-ruimte

Bolhuis, W. (2024). Beleidseconomen moeten weten wat transitiefalen is. *ESB*, *109* (4831), p. 136-139.

Boon, F. & Noort, W. van (2025). De gemeente kiest liever voor geld dan voor grutto's'. *NRC Handelsblad*, 8 februari 2025. Geraadpleegd op 11 februari 2025 via: https://www.nrc.nl/nieuws/2025/02/07/de-gemeente-kiest-geld-boven-gruttos-a4882442#:~:text=%E2%80%9EDe%20gemeente%20kiest%20geld%20boven,aandacht%20kreeg%20voor%20de%20kwestie

Boutellier, H. (2019). *Het seculiere experiment: over westerse waarden in radicale tijden (tweede, herziene druk).* Den Haag: Boom.

Braams, R. (2023). *De transformatieve overheid.* Den Haag: Ministerie van Infrastructuur en Waterstaat. Te raadplegen via: https://www.rijksoverheid.nl/documenten/rapporten/2023/09/19/proefschrift-de-transformatieve-overheid

CBS (2024). *Meer dan de helft van elektriciteitsproductie komt uit hernieuwbare bronnen.* Geraadpleegd op 30 januari 2025, via https://www.cbs.nl/nl-nl/nieuws/2024/39/meer-dan-de-helft-van-elektriciteitsproductie-komt-uit-hernieuwbare-bronnen

Claassen, R., D. Schoenmaker & W. Schramade (2024). 'Ruim twee derde bedrijfswinsten is ten koste van mens en milieu'. *ESB*, *109* (4838), 24 oktober 2024.

Coesèl, M., Schaminée, H.J. & Duuren, L. van (2007). *De natuur als bondgenoot: de wereld van Heimans en Thijsse in historisch perspectief.* Wageningen: Wageningen University & Research.

CPB (2023). *De Nederlandse economie in historisch perspectief: economie.* Geraadpleegd op 4 februari 2025, via Webpublicatie De Nederlandse economie in historisch perspectief: 4 Economie | CPB.nl

Didde, R. (2022). Bottom of the class for water quality. *Wageningen World*, 3, p. 10-14. Te raadplegen via: https://www.wur.nl/en/show-longread/bottom-of-the-class-for-water-quality.htm

Donk, W.B.H.J. van de (2001). *De gedragen gemeenschap: over katholiek en maatschappelijk organiseren de ontzuiling voorbij.* Nijmegen: SDU.

Draghi, M. (2024). *The future of European competitiveness. Part A: a competitiveness strategy for Europe*. Brussel: Europese Commissie.

Driessen, E.M.M.A. (2024). *Stimulering en facilitering van burgerinitiatieven door de overheid: over de invulling van de 'dienende overheid' bij derde generatie burgerparticipatie.* Den Haag: Boom.

EU (2021). *Values and identities. A policymaker's guide*. EU Joint Research Centre publication. JRC Publications Repository. Te raadplegen via: https://op.europa.eu/en/publication-detail/-/publication/d4be714d-4757-11ec-91ac-01aa75ed71a1

Europese Commissie (2025). *Het EU-kompas voor concurrentievermogen. Mededeling van de commissie aan het Europees parlement, de Europese Raad, de Raad en het Europees economisch en sociaal comité en het comité van de regio's.* 29.1.2025 COM(2025) 30 final. Brussels.

Fischer, F. (2006). Participatory governance as deliberative empowerment: the cultural politics of discursive space. *The American review of public administration*, *36* (1), p. 19-40.

Fung, A. (2006). *Empowered participation: reinventing urban democracy*. New Jersey (USA): Princeton University Press.

Gemeente Teylingen (2025). *Pacht agrarische gronden Teylingen.* Geraadpleegd op 26 maart 2025 via: https://www.teylingen.nl/pacht

Hendriks, F. (2024). Democratische innovatie: waarom zou je dat doen? *Bestuurswetenschappen, 78* (4). p. 9-22.

Hendriks, C. M. & Dzur, A. W. (2022). Citizens' governance spaces: democratic action through disruptive collective problem-solving. *Political Studies*, *70* (3), p. 680-700.

Hofer, K. & Kaufmann, D. (2023). Actors, arenas and aims: a conceptual framework for public participation. *Planning Theory*, *22* (4), p. 357-379.

Hoogenboom, M. (2011). Particulier initiatief en overheid in historisch perspectief. *Beleid en Maatschappij*, *38* (4), p. 388-401.

Hoogendijk, A. (2025). Naar nieuwe collectiviteit. In: Veerman, D. & Gravesteijn. E. (red.) (2025). *Daarom zijn boeren boos: de werkelijkheid achter de verhalen* (p. 69-90). Amsterdam: Prometheus.

Kooij, H.J., Oteman, M., Veenman, S. , Sperling, K., Magnusson, D., Palm, J. & Hvelplund, F. (2018). Between grassroots and treetops: community power and institutional dependence in the renewable energy sector in Denmark, Sweden and the Netherlands. *Energy Research & Social Science*, *37*, March 2018, p. 52-64.

Kunseler, E., Verwoerd, L., Vandenbussche, L., Boonstra, H., Swinkels, S. & Hel, S. van der (2024). *Klimaatbeleid richten op maatschappelijke transformatie: eindrapport lerende evaluatie klimaatbeleid*. PBL & VU: Den Haag.

Kwast, O. (2019). Een andere benadering van het right to challenge: de concessie als kern van een algemene regeling? *RegelMaat, 34* (6), p. 430-447.

Maat, M., Noordink, M., Faassen, M. van & Veld, R. in 't (2024). *In de diepte is het stil. Chaos en onrecht in het sociaal domein: diagnose en therapie. Een onderzoek, in het bijzonder naar besturingstechnologie.* Concept september 2024. Te raadplegen via: https://www.kwinkgroep.nl/wp-content/uploads/2024/09/0.-In-de-diepte-is-het-stil-In-t-Veld-e.a.pdf

Marselis, D. (2024). Het gat in de ozonlaag gedraagt zich na jaren weer 'normaal: de ozonlaag boven de Zuidpool is weer terug in haar oude ritme. *Trouw*. Geraadpleegd op 30 januari 2025, via: https://www.trouw.nl/duurzaamheid-economie/het-gat-in-de-ozonlaag-gedraagt-zich-na-jaren-weer-normaal~b691cb85/

Mensink, W. & Bosse, A. (2022). Het failliet van het poldermodel? Leren van publieke beleidsbemiddeling. *Beleid en Maatschappij, 49* (3), p. 242-245.

Meulder, K. de (2025). Rechters brengen slecht nieuws met oog voor alle belangen, ook die van de boeren. *De Telegraaf*. Geraadpleegd op 10 februari 2025, via: https://www.telegraaf.nl/watuzegt/906231543/rechters-brengen-slecht-nieuws-met-oog-voor-alle-belangen-ook-die-van-de-boeren

Moor, T. de (2015). *The dilemma of the commoners: understanding the use of common-pool resources in long-term perspective*. Cambridge: Cambridge University Press.

Moor, T. de, Czischke, D., Eijk, C. van, Groep-Foncke, M., Held, L., Horlings, I., Reinhout Kleinhans, L.J. & Meerkerk, I. van (2025). Burgercollectieven aan het roer? In co-creatie met de overheid naar succesvolle transities. *Bestuurswetenschappen*, *79* (1), p. 64-83.

Mouffe, C. (2005). *On the political*. Londen: Routledge.

Muijnck, S. de & Tieleman, J. (2021). *Economy studies: a guide to rethinking economy education.* Amsterdam: Amsterdam University Press B.V.

Nationaal Burgerberaad Klimaat (2024). *Sleutelfactoren voor succesvolle opvolging.* Geraadpleegd op 10 februari 2025, via: https://open.overheid.nl/documenten/4e9a2374-4df5-415d-9be3-7dbd3f230cf2/file

Nederhand, J., M. van der Steen & M. van Twist (2022). *Het verbinden van botsende institutionele logica's: een typologie van strategieën.* Den Haag: Nederlandse School voor Openbaar Bestuur.

Noordzij, K., Visser, V., Koster, W. de, & Waal, J. van der (2020). Politiek onbehagen onder lager opgeleiden. *Sociologie Magazine*, *28* (3), p. 16-18.

Provincie Limburg, Gemeente Peel en Maas, Universiteit Maastricht, Vereniging Kleine Kernen Limburg & Synthese (2020). *Uw initiatief past niet in ons kader! En wat doen we nu?* Te raadplegen via: https://stade-advies.nl/praktische-tool-uw-initiatief-past-niet-in-ons-kader-en-wat-doen-we-nu/

Rli (2019). *Naar een duurzame economie.* Den Haag: Raad voor de leefomgeving en infrastructuur.

Rli (2021). *Boeren met toekomst.* Den Haag: Raad voor de leefomgeving en infrastructuur.

Rli (2022). *Onderdak bieden: sturen op prestaties van woningcorporaties.* Den Haag: Raad voor de leefomgeving en infrastructuur.

Rli (2023a). *Systeemfalen in het leefomgevingsbeleid: een probleemverkenning*. Den Haag: Raad voor de leefomgeving en infrastructuur.

Rli (2023b). *De uitvoering aan zet: omgaan met belemmeringen bij de uitvoering van beleid voor de fysieke leefomgeving.* Den Haag: Raad voor de leefomgeving en infrastructuur.

Rli (2023c). *Samen werken: kiezen voor toekomstbestendige bedrijventerreinen*. Den Haag: Raad voor de leefomgeving en infrastructuur.

Rli (2024a). *Goed gefundeerd: advies om te komen tot een nationale aanpak van funderingsproblematiek.* Den Haag: Raad voor de leefomgeving en infrastructuur.

Rli (2024b). *Waardevol regeren: sturen op brede welvaart*. Den Haag: Raad voor de leefomgeving en infrastructuur.

Rli (nog te verschijnen). *Bouwen met toekomst: werken aan woningen van duurzame materialen*. Den Haag: Raad voor de leefomgeving en infrastructuur.

Rli, ROB & RVS (2023). *Elke regio telt! Een nieuwe aanpak van verschillen tussen regio's.* Den Haag: Raad voor de leefomgeving en infrastructuur, Raad voor het Openbaar Bestuur & Raad voor Volksgezondheid en Samenleving.

ROB (2022). *Gezag herwinnen: over de gezagswaardigheid van het openbaar bestuur. Signalement van de Raad voor het Openbaar Bestuur.* Den Haag: Raad voor het Openbaar Bestuur.

Roorda, C., Verhagen, M., Loorbach, D. & Steenbergen, F. van (2015). *Doe-democratie: niche, visie of hype?* Rotterdam: DRIFT.

Rozendaal, R. & Vollebergh, H. (2022). Stringente standaarden stimuleren innovatie in doorbraaktechnologieën. *ESB*, *107* (4814), p. 455-457.

SER (2013). *Energieakkoord voor duurzame groei.* Den Haag: Sociaal-Economische Raad.

SER (2021). *Naar duurzame toekomstperspectieven voor de landbouw: verkenning naar een landbouwakkoord.* Den Haag: Sociaal-Economische Raad.

Steen, M. van der (2014). De geboorte van de moderne verzorgingsstaat en de herontdekking van oude vormen. *Christendemocratische Verkenningen*, p. 42 – 52.

TNO (2022). *Factsheet emissies en depositie van stikstof in Nederland*. Oktober 2019, update augustus 2022. Den Haag: TNO.

Trommel W. (2016). In de diepte daagt het glokale. In: Buijs, G. & J. Hoogland (red.), *Ontzuilde bezieling,* p. 146-160.

Tweede Kamer (2015). *Deelrapport Literatuurstudie parlementaire enquêtecommissie woningcorporaties.* Vergaderjaar 2014-2015, 33606, nr. 8.

Verloo, N. (2023). *Struikelen over participatie: tien 'kritieke momenten' voor betere burgerparticipatie in lokale besluitvorming.* Amsterdam: Van Gennep.

Visser, V., Koster, W. de & Waal, J. van der (2023). Understanding less-educated citizens' (non-) participation in citizens' initiatives: feelings of entitlement and a taste for politics. *Current Sociology*, *71* (5), p. 924-942.

Vollenhoven, P. van, Schaminee, J.H.J., Zanden, A. van der & Swanenvleugel, B. (2015). *Monumenten: inspiratiebron voor natuur! Eindrapport Commissie van Vollenhoven.* Den Haag: Rijksoverheid.

Vosman, L., Coenen, T., Volker, L. & Visscher, K. (2023). *Ecosystemen in de infra-sector: innovatie door projectoverstijgende samenwerking.* Enschede: Universiteit Twente.

Wagenaar, H., & Bartels, K. (2024). Introduction: Advancing the commonsverse: the political economy of the commons. In: *International Journal of the Commons*, *18*(1), p. 337-350.

Woonbedrijf (2024). *ASML en gemeente Eindhoven leveren financiële bijdrage aan projecten in de regio.* Geraadpleegd op 29 januari 2025, via: https://www.woonbedrijf.com/News/6405/

WRR (2012). *Publieke zaken in een marktsamenleving.* Amsterdam: Amsterdam University Press.

WRR (2023). *Goede zaken: naar een grotere maatschappelijke bijdrage van ondernemingen*. Den Haag: Wetenschappelijke Raad voor het Regeringsbeleid.

WRR (2024). *Discussienotitie deskundige overheid.* Den Haag: Wetenschappelijke Raad voor het Regeringsbeleid.

APPENDICES

RESPONSIBILITY AND ACKNOWLEDGEMENT

Composition of the Council committee

J. Jantine Kriens, Rli council member and committee chair

Dr B. (Bernard) ter Haar, external committee member (self-employed, former consultant at ABDTOPConsult)

Prof. J.C. (James) Kennedy, external committee member (Utrecht University)

Y. (Yourai) Mol, junior Rli council member until 31 August 2024, external committee member from 1 September 2024

K. (Krijn) Poppe, Rli council member

Dr N. (Nanke) Verloo, external committee member (University of Amsterdam)

Composition of the Project team

B.N.S.M. Bart Swanenvleugel, project manager

R.F. (Robert) Ewing, project officer

Dr M.J.M. (Mariska) Versantvoort, project officer

C.I.A. (Katja) de Vries, project assistant

Consultees 'Systemic failure in policy on the living environment: a problem exploration' (publication 21 December 2023)

Rob Aalbers, Netherlands Bureau for Economic Policy Analysis
Hans Boutellier, VU University Amsterdam
Paul Frissen, Netherlands School of Public Administration
Maarten Hajer, Utrecht University
Pieter Hasekamp, Netherlands Bureau for Economic Policy Analysis
André Hoogendijk, BO Akkerbouw
Frank Kalshoven, The Argumentation Factory
James Kennedy, Utrecht University
Tine de Moor, Erasmus University
Wieke Pot, Wageningen University & Research

Consultees advisory report 'Failure and Recovery'

Chila van der Bas, Groningen Safety Advisory Board
Marije van den Berg, Democracy in Progress
Marten van den Berg, Ministry of Agriculture, Fisheries, Food Security and Nature
Wimar Bolhuis, TNO
Eppy Boschma, Association of Netherlands Municipalities (VNG)
Rik Braams, TNO
Marlies van Breugel, Groningen Safety Advisory Board
Frank den Brok, municipality of Oss
Jan van Burgsteden, municipality of Meierijstad
Paul Frissen, Netherlands School of Public Administration
Sander Gerritsen, Ministry of Economic Affairs
Annelieke van der Giessen, Advisory Council for Science, Technology and Innovation (AWTI)
Paul 't Hart, Scientific Council for Government Policy (WRR) and Utrecht University
Michel Heijdra, Ministry of Climate Policy and Green Growth
Marjolein Jansen, Ministry of Housing and Spatial Planning
Robert Kohsiek, Wonam
Eva Kunseler, Netherlands Environmental Assessment Agency
Fieke van Leest, Association of Netherlands Municipalities (VNG)
Tine de Moor, Erasmus University
André Nijhof, Nyenrode
Erik Nijsse, Ministry of Economic Affairs
Wim Oosterveld, Ministry of the Interior and Kingdom Relations
Nicky Pouw, University of Amsterdam
Afke van Rijn, Ministry of Infrastructure and Water Management
Diana Sadek-Van Dorresteijn, Association of Netherlands Municipalities (VNG)
Gijs van Schouwenburg, Ministry of the Interior and Kingdom Relations
Donné Slangen, Ministry of Agriculture, Fisheries, Food Security and Nature
Jaap Slootmaker, Ministry of Infrastructure and Water Management
Esther de Snoo, Nieuwe Oogst
Ab van der Touw, chairman of the Board of Governors of Leiden University and the Supervisory Board of TenneT
Lisa Verwoerd, Netherlands Environmental Assessment Agency
Joyce Vink, Groningen Safety Advisory Board

Discussion with other advisory councils 8 March 2024

Catrien Bijleveld, Scientific Council for Government Policy
Mariet de Boer, Council for Public Administration
Nynke Cornelissen, Groningen Safety Advisory Board
Lennart Langbroek, Netherlands Sports Council
Merel Langelaar, Council on Animal Affairs and Utrecht University
Bastiaan Meerburg, Council on Animal Affairs
Joyce Vink, Groningen Safety Advisory Board
Mariëtte van der Voet, Social Impact Team
Tim Wagelaar, Education Council

Agriculture round table 21 May 2024

Gerben Biermann, Ministry of Agriculture, Fisheries, Food Security and Nature
Martine Boon, Rabobank
Willem Ferwerda, Commonland
Tamara Metze, Delft University of Technology
Roy Meijer, Nederlands Agrarisch Jongeren Kontakt
Hermen Vreugdenhil, Collective Rivierenland
Fred van de Wart, Ministry of Agriculture, Fisheries, Food Security and Nature

*Housing round table 24 May 2024**

Esther Agricola, Bouwfonds Area Development
Olaf Cornielje, Ministry of the Interior and Kingdom Relations
Marja Elsinga, Delft University of Technology
Kristel Jeuring, LSA Bewoners
Erwin van der Krabben, Radboud University
Arie Lengkeek, ERA Contour
Judith Norbart, Association of Institutional Property Investors (IVBN)
Karin Schrederhof, municipality of Delft

* *Joost van der Zon (OPENRED) presentation expert meeting with a consideration of some housing deals based on data*

Discussion with strategic group DeltaDoorDacht, organised by the Water and Soil DG, Ministry of Infrastructure and Water Management 12 September 2024

Marianne Aalbersberg, TNO
Stefan Aarninkhof, Delft University of Technology
Lilian van den Aarsen, Staff Delta Commissioner
Willemien Bosch, NL-Ingenieurs
Marlouke Durville, Rijkswaterstaat
Louise van der Heijden, Delta Platform/SIA
Simon Molenaar, Wageningen University & Research
Annemieke Nijhof, Deltares
Willem den Ouden, Delta Platform/SIA
Klaasjan Raat, KWR Water Research Institute
Werenfried Spit, Royal Netherlands Meteorological Institute (KNMI)
René Vrugt, Ministry of Infrastructure and Water Management
Marjolein van Wijngaarden, Association of Hydraulic Engineers
Mariëlle van der Zouwen, KWR Water Research Institute

Departmental contact board 7 January 2025

Martijn Eskinasi, Ministry of Housing and Spatial Planning
Thomas Groenink, Ministry of Housing and Spatial Planning
Anne Reitsma, Ministry of Agriculture, Fisheries, Food Security and Nature
Erik Schmieman, Ministry of Infrastructure and Water Management
Frank Stevens van Abbe, Ministry of the Interior and Kingdom Relations
Otto Thors, Ministry of the Interior and Kingdom Relations

Discussion with other advisory councils 7 January 2025

Chila van der Bas, Groningen Safety Advisory Board
Godfried Bogaerts, Council for Public Health and Society
Marlies van Breugel, Groningen Safety Advisory Board
Jeffrey de Hoogen, Advisory Council for Science, Technology and Innovation
Lennart Langbroek, Netherlands Sports Council
Merel Langelaar, Council on Animal Affairs
Nicole Leijendeckers, Council for Culture
Bastiaan Meerburg, Council on Animal Affairs
Maurits Meerwijk, Health Council
Han Moraal, Council for the Administration of Criminal Justice and Protection of Juveniles
Gerber van Nijendaal, Council for Public Administration
Harm Rienks, Council for Public Administration
Victor Toom, Scientific Council for Government Policy
Tim Wagelaar, Education Council

Reviewers

Paul Frissen, Netherlands School of Public Administration and Tilburg University
Chris Kalden
Tine de Moor, Erasmus University
Annemieke Nijhof, Deltares

OVERVIEW OF PUBLICATIONS

2024

Meaningful government: promoting wellbeing. [‘Waardevol regeren: sturen op brede welvaart’]. July 2024 (Rli 2024/04)

Judging the right balance: juridification in the living environment. [‘Met recht balanceren: juridisering in de leefomgeving’]. June 2024 (Rli 2024/03)

Spatial planning in a changing climate. [‘Ruimtelijke ordening in een veranderd klimaat’]. June 2024 (Rli 2024/02)

Firm Foundations: recommendations for a National Approach to the Problem of Unsound Foundations. [‘Goed gefundeerd: advies om te komen tot een nationale aanpak van funderingsproblematiek’]. February 2024 (Rli 2024/01)

2023

Systemic failure in policy on the living environment: a problem exploration. [‘Systeemfalen in het leefomgevingsbeleid: een probleemverkenning’]. December 2023 (Rli 2023/08)

Bridging the implementation gap: tackling factors impeding policy for the physical living environment. [‘De uitvoering aan zet: omgaan met belemmeringen bij de uitvoering van beleid voor de fysieke leefomgeving’]. December 2023 (Rli 2023/07)

Phasing out the throw-away society. [‘Weg van de wegwerpmaatschappij’]. November 2023 (Rli 2023/05)

Working together: opting for future-proof business parks [‘Samen werken: kiezen voor toekomstbestendige bedrijventerreinen’]. October 2023 (Rli 2023/04)

Good Water, Good Policy. [‘Goed water goed geregeld’]. May 2023 (Rli 2023/02)

Every region counts! A new approach to regional disparities [‘Elke regio telt! Een nieuwe aanpak van verschillen tussen regio’s’]. March 2023 (Rli 2023/01)

2022

Finance in transition: towards an active role for the financial sector in a sustainable economy [‘Financiering in transitie: naar een actieve rol van de financiële sector in een duurzame economie’]. December 2022 (Rli 2022/05)

Towards a sustainable food system: a position paper on the framework law. December 2022 (Rli/EEAC)

Splitting the atom, splitting opinion? Decision-making on nuclear energy based on values [‘Splijtstof? Besluiten over kernenergie vanuit waarden’]. September 2022 (Rli 2022/04)

Providing shelter: maximising the performance of housing associations [‘Onderdak bieden: sturen op prestaties van woningcorporaties’]. May 2022 (Rli 2022/03)

Nature-inclusive Netherlands, Nature Everywhere and for Everyone. [‘Natuurinclusief Nederland. Natuur overal en voor iedereen’]. March 2022 (Rli 2022/01)

2021

Farmers with a future. [‘Boeren met toekomst’]. December 2021 (Rli 2021/06)

Give direction, make space! [‘Geef richting, maak ruimte!’]. November 2021 (Rli 2021/05)

Investing in sustainable growth. [‘Investeren in duurzame groei’]. October 2021 (Rli 2021/04)

Towards an integrated accessibility policy. [‘Naar een integraal bereikbaarheidsbeleid’]. February 2021 (Rli 2021/03)

Digitally Sustainable. [‘Digitaal duurzaam’]. February 2021 (Rli 2021/02)

Hydrogen: the missing link. [‘Waterstof: de ontbrekende schakel’]. January 2021 (Rli 2021/01)

2020

Access to the city: how public amenities, housing and transport are the key for citizens. [‘Toegang tot de stad: hoe publieke voorzieningen, wonen en vervoer de sleutel voor burgers vormen’]. October 2020 (Rli 2020/06)

Stop land subsidence in peat meadow areas: the ‘Green Heart’ area as an example. [‘Stop bodemdaling in veenweidegebieden: Het Groene Hart als voorbeeld’]. September 2020 (Rli 2020/05)

Green Recovery. [‘Groen uit de crisis’]. July 2020 (Rli 2020/04)

Changing Tracks: Towards Better International Passenger Transport by Train. [‘Verzet de wissel: naar beter internationaal reizigersvervoer per trein’]. July 2020 (Rli 2020/03)

Soils for Sustainability. [‘De Bodem bereikt?!’]. June 2020 (Rli 2020/02)

A Grip on Hazardous Substances. [‘Greep op gevaarlijke stoffen’]. February 2020 (Rli 2020/01)

Original title
Falen en opstaan: naar een doeltreffende aanpak van problemen in de leefomgeving

Copy editing (Dutch version)
Saskia van As, Tekstkantoor van As, Amsterdam, The Netherlands

Infographics
Frédérik Ruys, Vizualism, Utrecht (pages 12, 16, 17 en 66)

Photo credits
Cover: Hans van Rhoon / ANP
Page 5: Dingena Mol / ANP - Hollandse Hoogte
Page 14: Hans van Rhoon / ANP - Hollandse Hoogte
Page 20: Marcel van den Bergh / ANP - Hollandse Hoogte
Page 31: Anton Kappers / ANP - Hollandse Hoogte
Page 46: Anton Kappers / Hollandse Hoogte
Page 54: Kzenon / Shutterstock

Graphic design
Jenneke Drupsteen, Graphic Design, The Hague, The Netherlands

Publication RIi 2025/01
May 2025

Translation
Acolad, Maastricht, The Netherlands

Preferred citation
Council for the Environment and Infrastructure (2025). Failure and Recovery: towards an effective approach to problems within the living environment. The Hague.

ISBN 978-90-83469-77-5
NUR740