



30 years Netherlands Commission for
Environmental Assessment

Sustainability Analysis

Improving governmental capacity to address sustainability dilemmas in global value chains



Colophon

Title	Government capacity to deal with dilemmas in global value chains
Date	7 June 2024
Members of the working group	Simone Filippini (Chairperson) Frank Dietz Dennis van Peppen Louise van Schaik Katrien Termeer Sibout Nooteboom (Technical Secretary)
Contributions	Sandra Pellegrom Maarten Gischler Peter van der Knaap Hans Mommaas
Quality control	Anna Chadarevian Landry Fanou Howard Tomb
Reference	7367-01

© Netherlands Commission for Environmental Assessment (NCEA). *Government capacity to deal with dilemmas in global value chains*. 2024. 61 pages.

Contact:

w www.eia.nl

t +3130 234 76 60

e susan@eia.nl

Table of contents

Preface 3

1. Summary 4
 - 1.1 The world faces serious sustainability dilemmas 4
 - 1.2 The governance challenge 6
 - 1.3 A new sustainability analysis 7
 - 1.4 Conclusion 9
2. The world faces serious dilemmas in achieving sustainable development goals 10
 - 2.1 Urgent transitions to sustainable global value chains 10
 - 2.2 Many policies are incoherent with SDGs 12
 - 2.3 Political inconvenience can stifle societal dialogue about dilemmas 14
 - 2.4 Strategic capacity to improve policy coherency with SDGs 15
 - 2.5 This SusAn: a new sustainability analysis for global value chains 16
3. Global sustainability dilemmas take many forms 18
 - 3.1 Many dilemmas arise in global value chains 18
 - 3.2 Dilemmas as governance challenges 21
4. The sustainability governance challenge 23
 - 4.1 Networked power to weigh in the there and then: thinking fast 23
 - 4.2 Institutionalised knowledge feedback to power: thinking slow 25
 - 4.3 Leadership to enable deliberative democracy 27
5. A new sustainability analysis: Finding weak links in the governance system 29
 - 5.1 Analysing power in the governance system. Is it networked? 29
 - 5.2 Analysing knowledge. Does the governance system enable it and use it? 33
 - 5.3 Analysing leadership. Do leaders connect with each other? 34
6. Analysing the Netherlands: The Dutch connections 36
 - 6.1 Government to parliament (links 'A') 36
 - 6.2 Government silo to silo (links 'B') 37
 - 6.3 Silo to agency (links 'C') 39
 - 6.4 Government to private sector and civil society (links 'D') 40
 - 6.5 Government to citizens (links 'E') 42
 - 6.6 Citizens to each other (links 'F') 43
 - 6.7 Geographical scales (links A - F) 44
 - 6.8 Knowledge to power 45

6.9 Leaders to leaders 48

6.10 Conclusions 49

Annex 1. Example dilemmas and transition thinking 52

Annex 2. Acronyms and abbreviations 57

Annex 3. Glossary 58

Annex 4. Sources 59

Preface

All United Nations Member States adopted the 2030 Agenda for Sustainable Development, agreeing to transition to inclusive socioeconomic development that keeps humanity's use of natural resources and consumption within planetary boundaries. Around the world, governments, the private and civic sectors, and academia acknowledge the value of the 2030 Agenda's ambitions—and the enormity of the challenges in achieving those ambitions.

Governments must take the lead in finding pathways to positive change, since they are the guardians of Agenda 2030 and its sustainable development goals (SDGs) have broad convening power and are responsible for the public interest and common good. They must navigate a plethora of vested and diverging interests, within and outside government, to set priorities, develop adequate policies and craft feasible approaches to implementation. Most governments struggle to coordinate with societal stakeholders to make well-substantiated and transparent policy choices.

Since its establishment 30 years ago, the Netherlands Commission for Environmental Impact Assessment (NCEA) has helped environment and sectoral ministries, environmental assessment professionals and non-governmental organisations improve their environmental and social assessment practices. The NCEA advises on the quality of the processes and the content of these assessments, increasingly at the strategic level, such as in strategic environmental assessment or SEA. The NCEA adheres to three principles—expertise, independence, and transparency — to provide unbiased support and advice.

The NCEA helps governments and other stakeholders manage complex decision-making and governance challenges as they work towards internationally agreed-upon sustainability goals. The NCEA has focused on sustainability since 2012, when it analysed dozens of sustainability dilemmas at the request of the Netherlands Ministry of Foreign Affairs. Each analysis includes potential sustainable development policy options. This process tends to lead to small advances more often than transformative changes, since individual policymakers and even ministries can seldom address the global problems or economic value chains at the root of local unsustainability.

This report develops a new approach to sustainability analysis that could help governments have more impact on global issues. It is the first product of the new NCEA Sustainability Analysis (SusAn) programme. The programme's mandate is to analyse dilemmas emerging from SDG policy incoherencies, without prejudice, to inform and inspire stakeholders to act. These dilemmas afflict the Netherlands and low- and middle-income countries, where the NCEA does most of its work.

How can policymakers develop more consistent and coherent policies to achieve the SDGs domestically, while taking responsibility for cross-border effects and helping to accelerate sustainable development in low- and middle-income countries? The NCEA, with this first SusAn, intends to offer a governance perspective on policymakers' dilemmas. Every country must step up to solve its sustainability dilemmas. By analysing the Netherlands' sustainability challenges, the NCEA hopes to encourage discussion and knowledge-sharing at home and abroad and to inspire others.

Simone Filippini (MA), Chairperson, NCEA working group of experts

Working group members (à titre personnel): Dr. Louise van Schaik, Prof. Dr. Katrien Termeer, Dr. Frank Dietz, Dennis van Peppen (MA). Technical Secretary: Dr. Sibout Nooteboom

1. Summary

1.1 The world faces serious sustainability dilemmas

How can policymakers achieve domestic sustainable development goals while helping other countries meet theirs? All of the world's interwoven economies depend on scarce natural resources, from minerals and arable land to clean air and water; all humans need space to live and depend on natural ecosystems. These and other vital assets are not distributed equitably, of course—many people are left behind. Policymakers face huge sustainability dilemmas: they often must choose between short-term domestic goals and long-term international goals, for example. Understandably, many leaders ignore these and other dilemmas and simply decide what's best for them in the short term. Planetary systems are immensely complex, and the results of government action may be uncertain for many years, creating doubts and dilemmas that vary by stakeholder.

The UN's Sustainable Development Goals (SDGs) envision peaceful societies and inclusive socioeconomic development within planetary boundaries, leaving no-one behind. To achieve those goals, governments, industry, and citizens will need to accelerate the transitions of global economic systems. Policymakers should work harder to present dilemmas to politicians and society and work with them to find socially acceptable alternatives. Policymakers from ministers and CEOs to operational staff and policy influencers at large all have roles in advancing domestic *and* global economic and social wellbeing in the long term. They have power and a stake in outcomes, and they compete for the support of voters and consumers in the governance system that drives a country's development. (The authors place advisory councils and other independent knowledge institutions outside the governance system if they are widely seen as politically neutral and if they have no powers to decide or to implement policy).

The UN (2022) reports that progress toward many SDGs has slowed, and that 'urgent, scaled-up and coordinated actions by all countries are needed to accelerate SDG implementation'.

There is no time to waste: the UN (2022) reports that progress toward many SDGs has slowed, and that 'urgent, scaled-up and coordinated actions by all countries are needed to accelerate SDG implementation'. Transitions take time, and too many policymakers pay little attention to sustainability dilemmas or the long term. Countries must quickly improve their dialogues on sustainability dilemmas to protect natural resources, stay within planetary boundaries and permit peaceful development.

A new sustainability analysis

This report offers a governance perspective on policymakers' sustainability dilemmas. It presents a new kind of sustainability analysis that aims to discover new action to promote sustainability transitions. Until now, most sustainability analysis has focused on the impacts of one action by one policymaker on sustainability and identify the best possible alternatives. With this approach, however, each development decision still appears incoherent with at least some SDGs, as they all have side effects and have only marginal impact on global transitions.

A new analysis should not aim to determine which individual decision is or is not sustainable, or even which alternative is sustainable in this way or that. Rather, it should aim to reveal weak links in

governance and policymaking, such as how dialogues are organised, and decisions emerge. The new sustainability analysis depends on leadership to enable dialogue and to give it direction, and to account for the balance of powers in the governance system that drives a search for consensus and that prevents policymakers from arriving at decisions without accounting for the impacts. Such balance can stimulate dialogue about common interests and shared knowledge which may influence development decisions.

Constructive tension to restore balance

If countries subscribe to the notion that SDGs should ideally benefit all people on earth equally, politicians should weigh options and manage dilemmas based on detailed, plausible scenarios. Politicians rarely talk about policy dilemmas in ways that independent scientists or other experts would consider balanced, however. Most politicians tend to cherry-pick SDGs to work on in the short term and ignore long-term trade-offs that would complicate their efforts to reach immediate goals.

If not enough politicians work to restore the balance, other policymakers and influencers must step up. Tension in the governance system can include loud protests and legal action against policies which some people see as unsustainable, such as subsidies for fossil fuel or intensive cattle husbandry. Activists may cite official studies that point to dilemmas between business as usual and more sustainable alternatives, but even the most alarming reports may create little constructive action in the governance system if the tension weakens social cohesion rather than inspiring stakeholders to come together to search for better alternatives.

Even the most alarming reports may create little constructive action in the governance system if the tension weakens social cohesion rather than inspiring stakeholders to come together to search for better.

Wide dialogue can help reveal paths to sustainable development that leave no-one behind. Tension, such as between environmental activists and oil companies, can drive a fact-based dialogue among stakeholders in a governance system on new action that drives sustainability transitions. Policymakers can propose action not only to cause alarm but to drive a search for constructive action. In many scenarios, however, extreme uncertainty makes it impossible to know which specific actions, if any, will have meaningful positive impacts. Policymakers can reduce these uncertainties if they engage in dialogue not only with each other but also with their constituencies—the required knowledge may emerge in a broad dialogue. Scientific researchers, advisory councils and impact assessors often reveal incoherence in policies but seldom propose solutions that are easy to understand or implement.

The strategic capacity of our governance system

The authors define strategic capacity as the ability of policymakers and governance systems to take action that simultaneously serves goals in the short term and global SDGs in the long term. This is the central idea of the new sustainability analysis we propose: it analyses strategic capacity, finds its weaknesses, and discovers how to deal with them.

If the governance system and policymakers do not have the strategic capacity to accelerate the sustainability transition of a value chain, they can make its dilemmas transparent and analyse what improvements might be helpful. Policymakers can use this new kind of sustainability analysis to identify concrete steps they can implement or recommend. Policymakers may substantiate their proposals by

explaining how they contribute to transitions under uncertain conditions, and what can be done to limit uncertainties. To that end, they can propose interventions including governance arrangements that strengthen the weak spots of the strategic capacity of the governance system.

1.2 The governance challenge

Knowledge as countervailing power to a governance that is naturally skewed against sustainability

The silos of government are structured according to the main needs of society in the here and now, not the 'there and then'. By default, this makes orphans of the SDGs' cross-cutting issues. The solution is not to build another silo but to build *countervailing power*: knowledge about the there and then that creates constructive tension in the governance system.

A new sustainability analysis aims to unravel connections to enable dialogue throughout the governance system, build trust, and improve dialogue on the dilemmas of global sustainable development.

It takes time to acquire knowledge, but people working in silos rarely have much time to learn or think before they act. Fast and slow thinking are therefore both important in the strategic capacity of government. Knowledge institutions specialise in giving slow feedback, and a governance system can support their work and prepare to demand, receive, and use the knowledge of specialised institutions. But the governance system also itself must be able to engage in dialogue on long-term issues: slow thinking.

A new sustainability analysis aims to unravel connections to enable dialogue throughout the governance system, build trust, and improve dialogue on the dilemmas of global sustainable development.

Are the required connections there?

A new sustainability analysis must first help identify the crucial feedback cycles in the governance system that are too slow or weak to help it develop strategic capacity. We define a governance system as a chain of connections such as between politicians and ministries, among silos, between silos and lobbyists, politicians and voters, companies and consumers. No governance system allows for strategic dialogue by default: each system needs interfaces such as platforms for small and large group dialogue to convey clear, frank messages, and these platforms require resources. Leaders preoccupied with the short term may see deliberation as costly and unnecessary.

How can these connections help build trust?

Trust is a foundation of a shared analysis. Simply organising an interface may not do it: the number and complexity of sustainability dilemmas make it impossible to organise their governance only as official arrangements to connect. Informal connections are much more flexible as they need no prior approval. Across a networked governance system, leaders connect with each other behind the scenes to build trust to enable platforms for a scaled-up and constructive public dialogue.

How can organisations advance dialogue about sustainability dilemmas?

With connections in place and trust among stakeholders, dialogue can be productive. The shape of these governance networks and their topics may for example follow the sustainability dilemmas that scientists believe are the most urgent. It should be about joint transitions before more consensus can emerge on the appropriate interventions in society and in the economy. Transition thinking is about understanding

each other's values (which may be possible only after a global transition), identifying transition pathways likely to deliver on these values, and agreeing on small steps on these pathways. Dialogue does not have to lead to unanimity, but it should prevent unnecessary conflict around short-term issues and help participants find common ground.

1.3 A new sustainability analysis

We propose the following links as crucial to strategic capacity in country governance systems. They all need an interface, trust and dialogue on sustainability dilemmas.

Links between the government and parliament

To enable constructive tension in political dialogue, the government should substantiate its policies with an analysis of their impacts in general (including there and then), and clear explanations for why it rejected alternative options. These can include doubts that arise when policymakers need to make assumptions about the behaviour of other actors in the same global value chain. If this works, inconvenient truths can become the subject of political dialogues, thereby transmitting constructive tension. It can lead to decisions such as, 'we choose policy X for now because we have no choice, but we are also choosing to invest Y in dialogue about alternatives, so that in the future we will not be forced to make the same choice again'.

Links between the silos of government

The government should link silos to represent the country's broad public interest in global value chains. Relevant silos must join their analyses and commit to implementing their part of the policy. Integrating or 'mainstreaming' the policies of different silos maximises the impact on value chains. Weaker silos—those that represent interests there and then—must employ enough skilled capacity to improve the government's internal dialogue. Each silo also needs to connect with deliberative public-private-civil society organisation (CSO) platforms and translate its thinking into their siloed contribution to public interest narratives that they consider feasible in their current political context. Silos should merge their public interest narratives and synchronise their contributions to those narratives. Networked government silos need to work behind the scenes to develop alternative courses of action that fit these narratives. The strategic function of government therefore depends on a 'safe' collaboration infrastructure.

The strategic function of government depends on a 'safe' collaboration infrastructure.

Links between siloed policymaking and implementation

Policy silos are by default part of political turbulence, but they can organise a separate collaboration infrastructure to apply transition thinking. An implementing agency, for example, can work for several silos to pursue a specific global transition. It can be their institutional memory, filter and absorb relevant knowledge from outside the government, convene the silos for strategic dialogue, and facilitate dialogue without choosing sides.

Links between public sector, private sector, and civil society

Direct dialogue on global transitions is required between national representatives of the public sector (the same silos), the private sector (their associations), and the civil sector (labour unions and environmental

and social SCOs). If one sector dominates, trust may be undermined, and transition thinking cannot be applied.

Links between the government and citizens

The whole of government must find ways to engage in dialogue with citizens, applying transition thinking. Innovative connecting platforms include citizen's assemblies and panels, but they must scale up so that transition become an issue in elections and consumer behaviour, and perhaps in referenda on values that inform transition thinking.

Links between groups of citizens

A government may facilitate links among citizen groups when it engages in dialogue with citizens on sustainable value chains. It can address citizen's assemblies, for example, sharing insights and gathering citizens' input about policies.

Links between geographical scales

Public governance should extend beyond the country level to contribute to global sustainability transitions. These transitions have impacts on international trade, for which there are platforms like the EU. But the transitions also have impacts on the use of physical space: affected areas need to connect with governance systems with larger geographical scale in an area-oriented or landscape approach. In the Netherlands for example, many people resist spatial investments that support global transitions, like wind turbines. The energy transition, the biodiversity (agricultural) transition, the transition to adapt to climate change and the circularity transition have led to spatial claims that together may prove unrealistic given the scarcity of land and the trade-off between assured adverse local environmental impact versus perceived less certain beneficial global environmental impact.

Connecting knowledge to the power of governance systems

Since knowledge is easily politicised, societies need to rely on knowledge institutions seen as politically neutral. As governance systems engage in dialogue about transitions, they can raise questions about possible futures of global economic systems, how these relate to public values, and possible transition pathways and first steps. Knowledge institutions can answer these questions either directly as advisory

Any country may apply a new sustainability analysis to increase its strategic capacity to help accelerate sustainable development in their own interest and in the interest of the whole world.

councils, or indirectly by appearing in the media or participating in the education system. Box 10 shows some good practices of independent knowledge institutes that publish their work without the need for consultation.

Connecting leaders

The connections required for strategic capacity do not emerge by default. They need active support from leaders who control the required resources and who can personally invest in building the trust required to build transition-oriented bridges.

1.4 Conclusion

Sustainable development may remain a dream without accelerating the transitions of global value chains. If humanity crosses planetary boundaries or if too many people feel that they are left behind, the world is at risk. The old sustainability can effectively inform policymaking only if the governance system has enough strategic capacity to make the analysis meaningful for policymakers. Any country may apply a new sustainability analysis to increase its strategic capacity to help accelerate sustainable development in their own interest and in the interest of the whole world. This capacity arises from dialogue between policymakers and with society, using the language of transitions to find common ground.

Applying this new sustainability analysis to the Netherlands, described in chapter 1, shows that an expert group with intricate knowledge of a country's sustainability governance can ask precise questions about weak links in strategic capacity, provoke national dialogue on strategic capacity, and appeal to leadership that can reinforce it. It aligns with the recommendations of the UN and OECD to use more networked governance to make policies more coherent with sustainable development.

2. The world faces serious dilemmas in achieving sustainable development goals

2.1 Urgent transitions to sustainable global value chains

Transitions to sustainable development must accelerate!

The scientific consensus is clear: humanity must make development far more sustainable, and every delay will raise social, environmental, and economic costs. Citizens and policymakers around the world understand the stakes—every country in the UN has signed on to the 2030 Agenda and its Sustainable Development Goals (SDGs).

The SDGs envision peaceful societies and inclusive socioeconomic development within planetary boundaries. In other words, objectives that put people and the environment first, leaving no-one behind. Achieving this agenda will require profound changes in economic structures—and thus profound leadership. Public- and private-sector policymakers at all levels, from minister and CEO to operational staff, have roles to play. They need to communicate the risks and opportunities of such transitions and work with social parties and citizens to find promising alternatives that advance economic and social health while reducing humanity's footprint.

In practice, policy choices regularly contradict each other because stakeholders do not agree on priorities, the direction or pace of change, or even goals. Enduring challenges include the global interconnectedness of economic systems and interests, and the planet's limited resources and space.

The energy transition shows that global economic systems can be governed

The transition to a more sustainable global energy system is underway, proving that humanity can change the course of its economy, even if it might need to move more quickly. Thanks to decades of scientific research and calls to action from political, business and opinion leaders, humanity has moved toward a common understanding of the situation and its urgency, possible future scenarios, and feasible options to live within planetary boundaries. In fact, renewable energy systems are proving economically advantageous and have spurred wider innovations. Governments from the national to the local level, companies, and CSOs are engaging in inclusive dialogue and joining forces in policymaking, financing and implementation. In short, people and institutions are making some progress, giving the world reason for hope.

Doubts slow progress

Vast and vexing uncertainties remain, of course. Can humanity modify its global energy system fast enough to reach a new sustainable equilibrium in time? Can nations simultaneously protect biodiversity and global trade and reduce global economic inequality? Can enough people share a vision to act as one in the interest of all? Planetary systems are immensely complex, and the results of human actions may be uncertain for many years, creating doubts and dilemmas that vary by stakeholder.

Indonesians, for example, face major sustainability dilemmas in moving the nation's capital from Jakarta to a new city built from the ground up, as shown in Box 2. It also faces internal and external criticism about the choices it is making. Just beginning a dialogue with another country can present dilemmas.

Each country decides for itself what is sustainable, but if it has endorsed the SDGs, national leaders might feel morally compelled to explain their decisions to the world—perhaps using fact-based sustainability analyses by independent experts.

Box 1: Nusantara's sustainability dilemmas

Bambang Brodjonegoro, Indonesia's Minister of National Development Planning under President Joko Widodo, announced a plan in 2019 to move the nation's capital from Jakarta to Nusantara, a new city on the east coast of Borneo. Construction began in July 2022 and should cost around \$32 billion; the first civil servants are set to move there in 2024. (All financial figures in US dollars.). The motives for this project include overcoming Jakarta's severe traffic congestion, which, according to Brodjonegoro, costs \$6.8 billion per year, and its frequent and severe floods.

Indonesia intends to make Nusantara the country's greenest and most sustainable city, but construction comes with risks. Borneo is known for its unique marine and terrestrial ecosystems, for example, especially its rainforests. Indonesian authorities say that no natural ecosystems will be cleared, but building and expanding the new city could deprive coastal communities and traditional fishermen of living space and might threaten mangrove ecosystems and flora and fauna in the forest. The new city could also exacerbate water scarcity in the area (Forest Watch Indonesia et al, 2023).

History shows that cities always expand at the expense of natural ecosystems and rural life. In a nation where wealth has been rising sharply for decades, increasing demands for agricultural output and urban development, should the government build a vast new city on an island that is one of the most biodiverse places on earth?

The Indonesian government is in discussions with multilateral development banks (MDBs) and The Netherlands and several other countries who can share knowledge and help finance projects in Nusantara. The Netherlands has a lot to offer in the field of nature-based solutions, integrated water management, land reclamation and sustainable urban development, so it may contribute to Nusantara's sustainable development—which may offer commercial opportunities for Dutch companies and knowledge institutions. Although these institutions cannot be prohibited from doing business with Indonesian stakeholders regarding Nusantara, the Dutch government can decide on its own trade missions, finance studies, host bilateral receptions and visits of ministers and senior officials, extend credit to support projects in Nusantara, and oversee the use of trust funds in MDBs.

But these efforts pose dilemmas for many concerned policymakers in the Netherlands. They could contribute to Nusantara's sustainable development and capitalise on commercial opportunities, but many believe they must also consider potential short- and long-term impacts on natural ecosystems, biodiversity, and vulnerable fishing communities.

A new sustainability analysis can reduce doubts about a new course

Social doubts may present even larger dilemmas than scientific doubts. Managing extreme uncertainty without slowing economic growth should therefore be the key feature of a new kind of sustainability analysis—one that could help bolster support for decisions and engage political leaders to forge new

alliances and take concerted action with help of civil servants and in consultation with all affected companies and citizens.

Until now, most sustainability analysis has focused on the impacts of one action by one actor on all the SDGs or similar checklists, identifying alternatives for decision-makers. The new sustainability analysis does not aim to determine what is or is not sustainable, or even what is sustainable in this or that way. Rather, it aims to discover weak links in governance and policymaking, such as the way dialogue is organised before decisions are made.

Wide-scale dialogue is crucial, of course, but doesn't happen spontaneously. Making wise decisions about a global value chain, for example, requires that actors throughout that chain, including governments, companies and citizens, understand the urgency of the need to change and the trade-offs and fairness of a transition—and have a voice in policymaking.

The new sustainability analysis also must account for the balance of powers in the governance system to stimulate dialogue about common interests which may influence decisions, including the ways knowledge is linked to that dialogue. And it must consider the leadership required to enable such dialogue and give it direction.

Application to the Netherlands

We apply this new sustainability analysis to the Netherlands, which has above-average responsibility, given its huge global impact, also called a footprint or spillover index. It can exercise some control over large international trade flows, for example, as it is a trading and transit country. Experts say that Dutch policies are not in line with the country's ambitions to contribute to the sustainable development of global value chains—its programs suffer from 'policy incoherence'.

The Netherlands will need more dialogue and wider awareness to enable new, more constructive policies. As it confronts these incoherencies, it can use them to create 'constructive tension' that moves the governance system toward dialogue and more sustainable national and international policies. Constructive tension, such as between environmental activists and oil companies, can drive a search for new solutions in a governance system where all stakeholders engage in dialogue based on facts and ultimately agree to make what they see as fair contributions to speed progress toward their common goals. It is a tension between the unsatisfactory current situation and trends and alternative futures that seem feasible and inspire a common search for first steps to get there. Whereas actors can try to design their actions with the aim to exert a constructive tension, extreme uncertainty forecloses the possibility of knowing for a fact that these actions will yield meaningful benefits.

2.2 Many policies are incoherent with SDGs

Implementing Sustainable Development Goals leads to dilemmas

More than 190 countries endorsed the United Nations' 17 [Sustainable Development Goals](#) (SDGs) in 2015. They remain the most comprehensive and widely endorsed set of goals for long-term development, but implementation creates dilemmas around the world. For example, meat production, air transport, fast fashion, the global energy system and many other industries may not contribute much to SDGs, but simply banning those industries might create more sustainability problems than it would solve.

In the short term, each development decision may appear to be incoherent with at least some SDGs, since they cover virtually everything that is important in peoples' lives, from health care, education, clean water and renewable energy to inclusive and peaceful societies, security, and a sustainable future. A minister may seek direct benefits 'here and now', such as improvements in incomes, health, and the equality of the people in her own country. But those benefits may come at the expense of other SDGs and people elsewhere on the planet, or well into the future: 'there and then'.

Policy incoherence is a problem if it jeopardises the SDGs, but also if it undermines a country's credibility. This incoherence can raise questions about a government's adherence to international law, for example, or whether it is stable and reliable enough to attract investment. Meanwhile, wealthy nations with strong views about the need for change in the developing world are regularly accused of hypocrisy and neo-imperialism.

SDG 17.14 explains that 'policy coherence aims, as a minimum, to identify trade-offs and mitigate negative impacts between policies and optimise positive impacts. At a more ambitious level, it should also aim to foster synergies and produce policies that mutually reinforce each other, and to ensure that policies are implementable and sustainable as they are inclusive of the concerned stakeholders' perspectives. Policy coherence should also aim to ensure that trade-offs are minimised both in terms of national and transboundary impacts'.

Studies such as OECD (2019) and (2023) and IOB (2023) show that many policies are incoherent with SDGs because of a lack of careful and well-substantiated consideration of all interests involved. In the words of Kate Raworth, a self-described 'renegade economist' at Oxford University's Environmental Change Institute, 'Between social and planetary boundaries lies an environmentally safe and socially just space in which humanity can thrive'.

Are all SDGs equal?

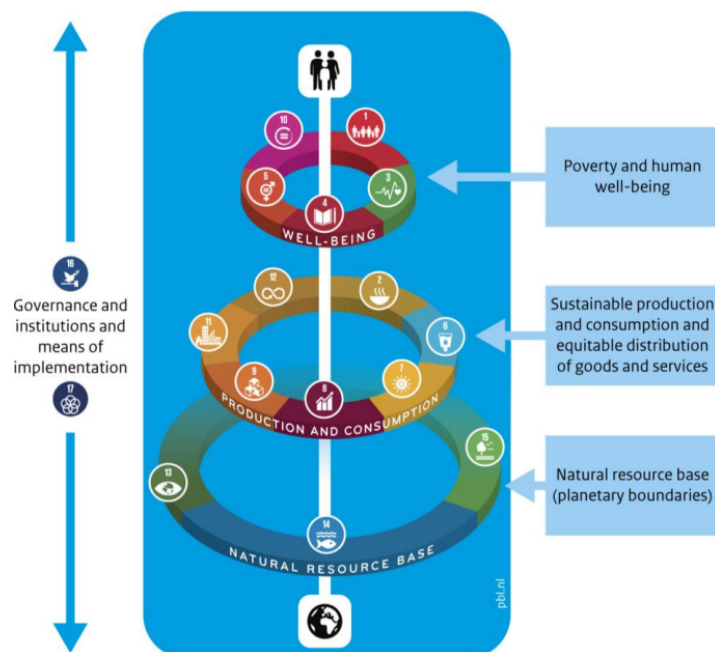
Most countries include SDGs in their policy agendas, but SDGs, unlike the Paris Climate Agreement or biodiversity convention, don't prescribe approaches or actions and thus require purposeful consideration. With no instruction about how to implement SDGs, randomness and imbalances arise as policymakers translate SDGs into interventions such as binding rules—especially as they attempt to align the diverging interests of domestic and international stakeholders in the short and long terms.

The first step in making policies more coherent with the SDGs is a commitment to promoting and conducting thorough, fact-based dialogues on potential alternatives, including their feasibility and specific political and governance contexts, giving no preference to specific SDGs simply because relatively powerful stakeholders promote them.

While all SDGs are important, they cannot all be given equal weight in decisions that lead to sustainability dilemmas. Some development decisions can *slow* progress toward certain SDGs in the short term even if they contribute to a transition that appears likely to be sustainable in the long term. The complexity can seem maddening: all SDGs relate to each other, as Figure 1 shows. The seven in the middle ring of the diagram relate to economic activities, many of which occur in global value chains that must transform to serve most if not all 17 SDGs. No one country acting on its own can transform a global value chain, but many countries can intervene in multiple global value chains, creating intended and unintended effects

that may ripple around the world. Widespread subsidies for renewable energy projects, for example, could distort markets and lead to overproduction, resource misallocation or even the displacement of communities.

Figure 1. A simplification of relationships among seven economic value chain SDGs (middle ring), five social SDGs (upper ring), three natural resource or biosphere SDGs (lower ring) and two governance SDGs (arrow on the left).



Source: Adapted from [PBL 2018](#)

2.3 Political inconvenience can stifle societal dialogue about dilemmas

If countries subscribe to the notion that SDGs should ideally benefit all people on earth equally, politicians should weigh options and manage dilemmas based on detailed, plausible scenarios. Politicians rarely talk about policy dilemmas in ways that independent scientists or other experts would consider balanced, however. Rather, politicians tend to cherry-pick SDGs to work on in the short term and ignore long-term trade-offs that would complicate their efforts to reach immediate goals ([NWO, undated](#)).

Some observers say politicians should ‘manage dilemmas away’ with a few development decisions, but they don’t go away. Leaders may be more likely to gain stakeholder support when they are open about dilemmas and build structures for meaningful dialogue that can lead to creative solutions and change. Dialogue can help policymakers connect with their constituencies and forge inclusive networks to influence global value chains and even add new governance arrangements. They can gain real power based on elections, their position in the economy, or direct representation of CSOs. Trusted knowledge institutes can help inform decision-making in these governance systems.

Policy incoherence: A push for transitions of global value chains

Research suggests that governance must change to address incoherencies in policymaking and achieve SDGs (Box 2). Governance determines how actors with power and influence on development interact:

governments (silos and levels), companies, CSOs, citizens, consumers and so on. Governance changes are needed to create tensions that pull and push global value chains into economic transitions that contribute to more sustainable development — ‘sustainability transitions’, simply ‘transitions’ or ‘transformations’. Present generations must improve their strategic capacity to assess how these transitions will affect future generations, and act accordingly. The SDGs are nothing more than tools to that end.

Box 2: Why a transition of governance is necessary

According to Pörtner et al (2023), the world must overcome the coupled climate and biodiversity crises, and they infer that accelerating value chain transformations with ‘bold interventions’ in the economy presents difficult governance challenges. The researchers conclude that transformative governance is needed to improve the world’s capacity to accelerate sustainable global transitions: ‘Limiting warming to 1.5°C or even to below 2°C and halting biodiversity loss require rapid action, which entails transformative change through transformative governance.’

In other words: the only way to achieve sustainable transformations of global value chains is to transform governance itself. ‘It focuses on multifunctional interventions, integrates, and innovates across scales, creates coalitions of support, ensures equitable approaches, and build positive social tipping points’. ‘Interventions that activate deep leverage points could include...establishing deliberative governance instruments to empower civil society to take decisions by emphasising their role as citizens as opposed to consumers.’ The researchers add that ‘transformative action can overcome siloed approaches through institutional and individual change, achieving sustainability for nature and people, as well as human, ecosystem, and planetary health’. Progress requires ‘bold implementation of transformative policy interventions’.

2.4 Strategic capacity to improve policy coherency with SGDs

The need for constructive (transformative) action

Many people have a sense that politicians increasingly ignore the incoherencies and trade-offs of their policies. In the Netherlands and many other countries, civil servants increasingly hesitate to point out these trade-offs in public, only rarely expressing doubts constructively or proposing attractive alternative futures. Indeed, they are not likely to be rewarded for proposing new narratives, and most understand that it is easier to oppose policies than come up with better alternatives.

Tension in the governance system can include loud protests and legal action against policies people see as unsustainable, such as subsidies for fossil fuel or intensive cattle husbandry. Activists may cite official studies that point to dilemmas between business as usual and more sustainable alternatives, but even the most alarming reports may create little constructive action in the governance system if the tension weakens social cohesion rather than inspiring stakeholders to come together to search for better alternatives. Scientific researchers and advisory councils may reveal incoherence in policies but seldom propose political solutions that are easy to understand and implement. Even when cabinets react publicly to recommendations, which is often mandatory in the Netherlands and some other governance systems, not much seems to change. Some mandatory monitoring systems create transparency, but most governments can easily ignore unsustainable behaviours despite public pressure.

But under the pressure of *transformative* tension, a global value chain and governance system can begin to change, replacing or outcompeting the old approach. ‘Creative destruction’ of the unsustainable sometimes may help. For example, the Dutch parliament has decided to stop producing natural gas in the Groningen area, despite potential economic and national security consequences. That said, tension in the governance system and the economic interventions that follow must be constructive rather than destructive to actually accelerate the transition to renewable energy.

Strategic capacity

Even reducing the complexity of transformative governance by focusing on a specific global value chain, it remains a Herculean task. A single development dilemma cascades to smaller-scale dilemmas for countries, cities, corporations, politicians, civil servants, and citizens, who must all cooperate for the transformation to take hold.

Activists can hold a policymaker responsible for incoherent policies: he or she must – in the view of these activists – change the policy to make it coherent with the relevant SDGs. But if that requires a transition in a global value chain, the policymaker may not be able to meet activists’ demands unless he or she can convince enough actors in the value chain to work together toward that transition. Likewise, France cannot dictate what Spain must do to achieve SDGs, nor can the EU dictate what the US must do in trade negotiations. Strategic capacity is the ability of policymakers and governance systems to manage joint dilemmas (see the examples in section 2).

The public, private and civil sectors share sustainable development dilemmas, and each depends on different processes for its legitimacy—elections, markets, and public support—none of which can implement a transition by itself. When the private sector fails to regulate itself, the government can enforce rules that bind private companies and citizens. Civil society can help create wide support and legitimacy for government interventions, just as it can hold government to account.

2.5 This SusAn: a new sustainability analysis for global value chains

Policymakers may adopt their own ‘operational frameworks’. A minister of international cooperation could stop all foreign aid related to fossil fuel, for example, or ban the import of products that contain palm oil, without case-by-case assessments. The contribution of such frameworks to sustainable development often turns out to be small or even negative in the light of required transitions. Their simplicity makes them easy to implement and present as ‘coherent’, but they could slow progress toward some SDGs. Some uses of fossil fuel or palm oil might be better than the available alternatives, for example.

This SusAn therefore looks for a different kind of sustainability analysis. Policymakers may substantiate their proposals by explaining how these policies contribute to transitions under the conditions of uncertainty, and what can be done to limit strategic uncertainties in the future. To that end, they can propose interventions that increase the strategic capacity of the governance system. With this new approach to sustainability analysis, policymakers can ‘manage’ dilemmas by explaining the room they have to contribute to conditions in the here and now, and by proposing governance interventions to expand room for future decision-making. This SusAn provides a narrative, or a first draft of a diagnostic

tool, to identify weak links in governance systems. We apply it here in the Dutch context, but the tool may also be applicable in other countries.

If the governance system and policymakers do not have the strategic capacity to accelerate the transition of a value chain, they can analyse what improvements might be helpful. Policymakers can use this new kind of sustainability analysis to identify concrete steps they can implement or recommend.

3. Global sustainability dilemmas take many forms

3.1 Many dilemmas arise in global value chains

Connected dilemmas

A value chain is ‘the full lifecycle of a product or process, including material sourcing, production, consumption, and disposal or recycling’ (WBCSD, 2011). Increasingly, the links in these value chains consist of refined networks of supply and demand across the globe. For sustainable development, entirely different value chains may be required to meet human needs. Some claim, for example, that meat cannot remain as humanity’s main source of protein. Global strategic capacity is required to discover which transitions are necessary and feasible.

Countries that share value chains also share dilemmas in sustainable development—they cannot effectively address them on their own. For example, the global natural gas value chain may work against Paris goals of slowing global warming in the long term, but it may have little impact in the short term, particularly as natural gas replaces coal, for example.

Should a West African country therefore increase its production of natural gas, export it to Europe, and use the revenue to fund its energy transition at home? Should it use more natural gas at home to reduce its dependence on firewood, which is harming forests and the vital habitats of endangered species? The Netherlands, on the demand side of that value chain, may doubt whether it should produce its own natural gas in the short term or import it from West Africa, given the impact of long-distance transport.

Each policy choice a country makes is likely at odds with some SDGs at the country *and* value chain level. In practice, many policymakers fail to manage complex or politicised dilemmas. They may not have enough serious or constructive debate about alternative more coherent policies, for example, or accept well-substantiated recommendations, slowing their responses to stakeholders’ needs and business-as-usual outcomes.

Annex 1 explores how some dilemmas can be experienced differently in different countries, and how a trade-off can create a precedent for similar cases in the future. To avoid being accused of random behaviours, politicians often call for generic evaluation frameworks, which quickly become complicated and may still depend on political interpretations.

Transforming global value chains

Many of the most complex dilemmas that require bold decision making relate to specific global value chains, policies, and SDGs. Transforming value chains is notoriously difficult and disruptive, as shown in the pandemic. And some bold alternatives may create unintended new challenges. A few examples from the Netherlands:

- **Targets give insufficient guidance.** A Dutch policy may seem incoherent with a treaty, but the most sustainable alternative may not be simply abandoning the policy. For example, it does not follow from the Paris Agreement that the Netherlands may in no circumstance support fossil fuel development in partner countries or at home, as some stakeholders suggest. The Paris Agreement does not provide

responsible policymakers with simple answers to questions about industrial or fiscal policies, or how to find the best alternatives to reach the targets in the Agreement.

- **Actions may seem hypocritical.** If the Netherlands sees no better option for itself or for the Paris Agreement than to increase natural gas production in the North Sea, how can it refuse to help countries develop their own new natural gas production? It may also seem hypocritical to link development aid to Dutch trade, or to give poverty more weight in rich countries than in poor countries. There is no accepted method of comparing the weight of such conflicting interests, and countries' own interests tend to dominate.

Box 3: The aid–trade hypocrisy

The Netherlands gives development assistance not only to help partner countries, which include some of the poorest, but also to stimulate its own private sector—which is not always what partner countries need most. It may contribute to the Dutch economy, advancing SDG8, decent work and economic growth, and may reduce inequality in the Netherlands, advancing SDG10, but may do little to reduce inequality between the Netherlands and other countries, also SDG10. The causes of wealth and poverty cannot easily be undone in any country, whilst relatively poor people in rich democratic countries can destabilise the country because they compare themselves mostly with their countrymen. There is no widely accepted method for measuring such relative inequality.

- **Actions may reduce global competitiveness.** Regulating the private sector at home to develop more sustainable global value chains can reduce the global competitiveness of Dutch companies. Should the Netherlands argue for a level playing field in the EU market first, along the lines of the existing carbon pricing market, or take unilateral measures?
- **Unknown future of geopolitics.** Which geopolitical future should the Netherlands seek as it chooses policies? In a possible 'multipolar' world, separate value chains may organise around different geopolitical poles, reducing options that depend on global value–chain–oriented treaties.

A few examples of the root causes of these challenges:

- **Impacts in the here and now are more certain than those in the there and then.** Protecting immediate local interests is easier to explain to stakeholders than protecting interests abroad or years down the road. There's nothing more challenging, for elected leaders in particular, than thinking and acting in constituents' long–term interest, beyond their terms in office.
- **Adapting a country's investment climate can shake investors' confidence in the government.** Sustainable transitions may benefit from investments in alternative systems, but this may work only if investors believe the government will create circumstances stable enough to enable ongoing returns on investment. Governments may, however, adapt policies to shift the investment climate to favour even better alternatives.

Box 4: Value chain transformations require major investments

Reaching Paris Agreement goals will cost the world many trillions of euros (World Bank Group, 2023), spending which will be possible only if industries expect reasonable financial returns. The expectation of financial returns depends in part on the predictability of government policies that support a sustainable transformation. Government subsidies to sustainable investments are often seen as last resorts, since they make the government 'bigger' and may distort competition. Shifting taxes from income and wealth to pollution could be more efficient, but international coordination may be required to maintain competitiveness.

Alternatively, a country may impose unilateral measures such as the European Union's Carbon Border Adjustment Mechanism and deforestation policy, which impose costs on polluters in the EU and those who want to export to the EU. These unilateral steps do not solve the competitiveness issue of EU exports but do not require coordination with countries outside the EU.

These and other policy dilemmas create a general dilemma in investing in sustainable transformations: can governments maintain policies long enough to assure returns on these investments? Payback periods can be decades. Governments that change policies may thereby force industries to write off unsustainable investments and miss opportunities to make other more profitable investments. All countries may have to deal with this root dilemma. Western governments may jeopardise their reputations if they force industries to accept unexpected losses. Many investors avoid doing business in countries they see as unstable.

- **Creating a level playing field requires broad collaboration and complex government interventions.** It can present governments with a prisoner's dilemma: if they act for the common good without knowing whether others will do the same, they risk losing while others win. They can overcome this dilemma with coordinated, joint decision making and overarching enforcement mechanisms that guarantee effective implementation of new rules.

Box 5: Most global value chain transformations require international coordination

Coordination is required to overcome the prisoner's dilemma in trade relations and associated development assistance. As the countries, companies, and CSOs in value chains depend on each other, they can meet, negotiate, and support each other. If there are too many free riders, however, no country may set ambitious goals. The general response to a prisoner's dilemma is to agree on norms and jointly enforce them. Free riding may be limited if the actors negotiate more frequently — repeated prisoner's dilemma games. In this way, by harmonising sustainable development regulations of markets, governments may also create level playing fields in the marketplace that permit investments in sustainability without undermining competitiveness.

- **If sovereign governments need to cooperate, an even more complex two-level game emerges.** Another type of prisoner's dilemma is a daily reality: international negotiations between two groups of states create two-level games, in which each team negotiates with international counterparts while simultaneously engaging with constituents at home, trying to reconcile pressures in both arenas. This

complexity creates its own dilemmas. Some Dutch politicians take the position that international collaboration is too complicated, for example, and prefer a Dutch solo effort at the risk that of losing this prisoner's dilemma game.

- **Leapfrogging sounds simpler than it is.** Major advances can begin with small adjustments to existing systems, or with a 'leapfrog' to the future with radical transitions. In practice, however, small superficial steps can create new barriers to the major changes needed to achieve SDGs—while leapfrogging can cause unpredictable collateral damage. Investing in carbon capture and storage, for example, is a relatively small step which could delay the energy transition, while leapfrogging to a ban on fossil energy could disrupt the economy. Understanding and explaining how small steps lead to bigger steps and ultimately the global transition can be difficult. Such small wins are in-depth changes at a local or small scale. They are part of a narrative on how they contribute to constructive tension that pushes the governance system to a sustainable transition. Success requires more than incremental optimisation steps, sometimes called low-hanging fruit, no-regret measures, or quick wins.

Many dilemmas can emerge from challenges like these, including those in Box 6.

Box 6: Some dilemmas caused by SDG incoherencies, with ramifications too complex to summarise

- Should the Dutch government open new natural gas production sites in the North Sea?
- Should it help low- and medium-income countries increase production of fossil fuel? (Sub-dilemma: Should it help countries who produce fossil fuel to do it more responsibly?)
- Should it intervene indirectly by requiring its private sector to self-regulate its impact on global SDGs, or intervene directly by imposing norms and pollution taxes?
- Should it force its private sector to transform to improve global equality while raising inequality in Dutch society? How can it compare equality at national and global levels?
- Should it restrict the import of irresponsible mined minerals?
- Should it limit the import of palm oil or other agricultural products whose production harms populations or biodiversity elsewhere?
- Should it continue industrial-scale animal husbandry which slows progress toward SDGs elsewhere and emits greenhouse gas? Should it promote industrial-scale animal husbandry across the globe to advance food security and trade?

Also see Annex 1. Example dilemmas and transition thinking

3.2 Dilemmas as governance challenges

No global sustainability dilemma can be solved with a single policy decision—many policies must change at the same time across the value chain. This is realistic only if enough stakeholders in a value chain understand the need for change, which means that wide-scale societal learning is necessary.

The speed of societal learning depends in part on political processes. In many countries, the parliament must approve legislation for the government to enact it. Parliamentarians tend to be sensitive to what

engages voters, so societal learning must begin with citizens. Large-scale learning should happen near the coffee machine, under the village tree or near the village pump, at the kitchen table, at school, in the media (including social media), and in politics. People should discuss not only development dilemmas that they can see or have experienced, but also what corporate and civic leaders present to them or 'frame' as important. These types of interactions among leaders and citizens do not necessarily lead to debate on sustainability dilemmas, in some cases because they are complex and difficult to fathom, or because politicians do not gain by honestly informing their constituencies or trying to move them to think and act in new ways. Political opportunism plays a large role in 'selling' narratives, making it more difficult to conduct frank public debates with integrity.

But sustainability transitions must accelerate to stay ahead of planetary boundaries. Policymakers should work harder to find socially acceptable alternatives—and involve society in that search.

4. The sustainability governance challenge

This chapter outlines the fundamentals of a new approach to sustainability analysis. As noted, policymakers are driven primarily by immediate interests in the here and now, and governance systems neglect the interests of there and then, creating imbalances (Biesbroek 2021). These imbalances can be corrected only if other ways are found to create countervailing power—if knowledge about the there and then is shared in the governance system.

Deliberative governance helps people across a value chain reach a shared understanding of both the present reality and realistic futures. Sharing persuasive knowledge in the form of narratives requires connections among actors who trust each other. It helps if the governance system has access to neutral, independent knowledge providers trusted by all parties. That narrative—a countervailing influence as it depends on persuasion rather than actual power—can emerge in a governance system only with the support of leadership. Below, we elaborate on actual power, knowledge, leadership and the power of conviction, and the power of persuasion.

4.1 Networked power to weigh in the there and then: thinking fast

A networked approach to form a countervailing power exerting constructive tension

Many actors in a governance system have their opinions ready, thinking fast when they express these opinions in public as they seek support from voters, consumers, and members. Opinions that earn support and consensus among powerful actors in the governance system can lead to policies. Who has that power depends on checks and balances in the governance system. The silos of government are structured according to the main needs of society in the here and now, not the there and then. This imbalance cascades through the governance system (Biesbroek 2021).

The balance within a broader governance system is inherently controversial. Farmers, for example, may see the system as rigged if they believe their interests—which may align with some SDGs—are systematically neglected in favour of biodiversity and animal welfare. Nature and animal activists may make the reverse assessments. There may be no objective way to assess if a governance system is in balance. Yet, in the view of the United Nations Committee of Experts on Public Administration (CEPA), proactive transformative change depends on a (power) balance across public, private and civil domains: ‘civil society, business, and academia should step up and organise their role as “countervailing powers”, helping to keep governments accountable and on track to achieve the Sustainable Development Goals, with a long-term perspective and at all levels’ (CEPA 2023, p. 1).

Other experts consider the public sector as the weakest link and believe it needs to organise itself better to redirect global value chains to sustainable transitions. The public sector in particular needs more capacity to be able to balance the power of the multinational corporations (e.g., Mintzberg 2014; Ansell et al 2022; Mazzucato 2022; Bolhuis 2023; Evans 1995). For example, Evans (1995; chapter 1) asserts that ‘This apparently contradictory combination of corporate coherence and connectedness, which I call “embedded autonomy,” provides the underlying structural basis for successful state involvement in industrial transformation. Unfortunately, few states can boast structures that approximate the ideal type’.

To that end, the OECD sees the need for a ‘paradigm shift in policy making to a networked approach to include a wider range of stakeholders’ (OECD 2019: p108). ‘The paradigm shift could provide a crucial spiral to sustainable development, and collaborative governance should become an SDG on its own’ (CEPA 2018, quoted in [Bouckaert et al 2023](#)). Many countries are conducting experiments in the name of governance of collaborative innovation, co-construction, coproduction or cocreation of transition paths to achieve the SDGs (e.g., [Ansell et al 2022](#); [Bouckaert et al 2023](#)). Bouckaert suggests that best practices abound but are difficult to replicate. A reform programme in Spain, for example, is meant to ‘curb democratic fatigue and alienation’, suggesting that it may be an ‘essential step to securing the future of our democracy’. Trust in this type of democracy is required to drive this process, and it can also be an outcome.

Basic institutions must first be in place

Of course, this all assumes that basic governance is in place, which in many countries is not the case (Box 7). As enough is known about basic institutions, we focus on the shift to networked governance.

Box 7: Basic institutions of governance must be in place to accelerate transitions

To develop a new sustainability analysis that focuses on sustainability dilemmas, we need to assume that basic institutions are in place and their performance can be analysed.

OECD (2020) identifies the basic capabilities of government: sound policy formulation, implementation and evaluation, spending, taxation and regulation and performance monitoring. It also provides an overview of public governance and public administration practices in OECD Member and partner countries. It includes indicators of trust in public institutions and satisfaction with public services, as well as evidence of good governance practices in areas such as the policy cycle, budgeting, public procurement, infrastructure planning and delivery, regulatory governance, digital government, and open government data. Finally, it describes the resources public institutions use and how they are managed, including public finances, public employment, and human resources management. According to UN-CEPA (2023), the basics of government fall short in terms of sustainable development.

All governments may intend to serve citizens and organise deliberation to understand what people need and how to serve them best. Representative democracy harnesses the power of citizens to balance government power. Voters can dismiss poor leaders, an elected parliament must approve regulations, and an independent magistrate can protect citizens and businesses from government overreach.

Tension in the governance system as thinking and acting fast

If balanced coordination requires many people to ‘step up’ throughout the governance system, these people should exert a countervailing power to balance inert vested interests, ingrained in the siloed structure of the entangled private and public governance system. That force can point out incoherencies in the governance system and begin to search for feasible alternative futures. This is an example of constructive tension, also known as structural, creative, or adaptive tension (e.g., Fritz 1989; McKelvey, 2008). Incoherencies may be discounted or covered up as inconvenient truths—or deliberately nourished to create constructive tension. Either way, powerful actors must decide how to react to the tension in the here and now — thinking and acting fast. We return to the topic of thinking fast and slow in section 4.2.

Trust to enable narratives that exert tension

The OECD calls for networks of frontrunning policymakers throughout governance systems, not only in the government, who generate tensions and transmit these narratives to the vested interests that must transform. To understand which tension is constructive, the actors stepping up and those protecting their short-term interests should be willing to share relevant knowledge with each other, including feasible options for the economic system to respond to tension. Vested interests, behaving strategically, may deny that they have options to transform. They may also cooperate if they have a sense of interdependency, such as if the governance system has checks and balances. If they cooperate, new connections emerge among policymakers throughout the governance system, and so does trust that enables the use of knowledge in negotiations and as a shared basis for policymaking.

Pointing to incoherence is a moral appeal to consider the there and then and create a foundation of shared knowledge, but interdependency is essential. In a democracy, activists can hold powerful actors accountable for unsustainable policies, forcing them to explain themselves, for example, which can be constructive and begin a dialogue that leads to improved trust and a shared reality. Constructive tension has elements of push and pull, including hopeful narratives with moral appeal and the threat of losing the support of constituencies.

Toward a new sustainability analysis of power

Constructive tension that pulls and pushes a value chain toward transformation depends on a (perceived) balance of power and trust in the policy networks so that actors are willing to share knowledge that could be used against them in a public arena. Progress requires narratives that create constructive tension, the fuel of change, but only if institutes and people are able to transmit or conduct the tension throughout the governance system by means of constructive dialogue, just as electrical tension is transmitted only by electricity conductors like copper. In an effective governance system, stakeholders are connected with each other and understand and respect each other's perspectives and interests, which can be defined by a new sustainability analysis.

A new sustainability analysis should help stakeholders identify crucial and possibly weak connections in the governance system. As noted, many experts see bottlenecks between the public and private sectors. The private sector is driven mainly by shareholder value, for example, and the public sector by stakeholder value, so they sometimes do not understand each other, blocking the shift to networked governance. The divide between the public and the private sectors is itself key to a democracy, however: without it, the government could dictate what corporations should do, or powerful corporations could dictate what the government should do. So how can connections be made? How can a shared knowledge base emerge that convinces vested interests, in silos and corporations, that they must change? How can a new sustainability analysis shed light on what changes are necessary?

4.2 Institutionalised knowledge feedback to power: thinking slow

Thinking fast and slow

Actors in a governance system share knowledge to support their policy decisions. Since decisions are made continuously, actors must think and act fast. Slow thinking can be outsourced to knowledge institutions that can provide analyses to the actors. Knowledge institutions include policy assessment

mechanisms and capable and responsible institutes, such as think tanks, academia, and advisory councils. They all run parallel to the policymaking process, which doesn't wait for studies to be published as only readily available knowledge can influence policymakers. A governance system gets feedback from institutions that work under mandates. That system may ask questions, or institutions can provide unsolicited feedback. They all have specific methods that provide some basis for political neutrality, such as applying standards, social cost-benefit analysis, peer review, or the scientific method. Impact assessments can delay policymaking if policymakers start the procedure too late, or if a crisis requires superfast action. In general, knowledge institutions created for slow thinking can influence future policymaking, but not today's policymaking, described in section 4.1.

The idea of thinking fast and slow is based on the work of Daniel Kahneman (2011). Professor Kahneman described human behaviour as driven by neural networks in the brain, with fast thinking 'system 1', and slow thinking as 'system 2'. In governance systems, system 1 is a metaphor for fast thinking and acting networks of policymakers, system 2 for the slow feedback of knowledge institutions, including education: that can create the context for fast decisions.

Fast and slow thinking are both important in the strategic capacity of government because, like humans, governance systems must be able to act fast but also prepare to act fast better in the future. Whereas knowledge institutions are specialised in giving slow feedback, the governance system supports their work and must prepare to demand, receive and use knowledge provided by the specialised institutions.

Thinking slow inside and outside the government

Using knowledge can be inconvenient. Government silos, for example, need time to organise internal learning processes. Specialised departments connect with knowledge institutes and form the memory of the government. A minister may provide superfast replies in parliamentary debate, while a civil servant, somewhat more slowly, may help his or her minister answer questions from parliament. Still slower feedback occurs when a minister asks staff to elaborate on a policy proposal. Feedback, still inside the government, may become slower if a group of ministers asks their departments to make a joint proposal. Knowledge feedback inside the government is never neutral: it represents the interests of ministers and silos. Silos can explore politically sensitive policy scenarios only behind closed doors and confirm political support before they communicate what they learn outside the government.

Institutions have more influence if they are widely seen as independent from political interest and therefore trusted. Experts can be invited to participate in policy processes, but they need to rely on their own fast thinking unless they can convince policymakers to delay decisions until research is complete.

The rest of the governance system—corporations, CSOs, other governments, and citizens—are informed in many feedback cycles. Mandated knowledge institutes serve mainly the policymaking process, but their work directly serves society and is available to anyone, although the media may filter findings. Independent, responsible media are therefore critical to the sustainability governance challenge.

Toward a new sustainability analysis of knowledge

A new sustainability analysis must help identify the crucial slow feedback cycles that are too weak for the governance system to develop strategic capacity. In a democracy, the whole governance system may benefit from knowledge produced under formal mandates, but the knowledge must be transparent and

widely available. Knowledge institutes must feel safe explaining their work to the media. A new sustainability analysis must also consider the need for feedback cycles of different lengths, which may inform each other. Advisory councils use peer-reviewed scientific publications, for example.

4.3 Leadership to enable deliberative democracy

Leadership for deliberative democracy

As noted, CEPA calls for leadership—that actors outside the government to step up as countervailing powers to set the government in motion. What should they ask the government to do? Pointing out policy incoherencies and putting politicians in awkward positions is not enough to create a hopeful narrative or constructive tension. These actors can ask political leaders to enable the governance system to increase its strategic capacity by investing in weak connections, however. That would help the government as a whole engage in dialogue and conduct constructive tensions—an investment in deliberative democracy.

Weak connections or gaps in a governance system can be bridged only if there is some trust among the actors who depend on each other for making tensions constructive. Many observers believe that only the government can invest in deliberative democracy at sufficient scale to serve the public interest neutrally and not to benefit specific interests. A government must separate its policymaking from societal deliberation, which can drive constructive tension across the governance system. A government takes short-term positions on policies, whilst fostering dialogue about the long term.

It is natural for people to question their own actions, but political leaders are under pressure to make policies and produce results visible in the here and now; many leaders see deliberation as costly and unnecessary. The most thoughtful leaders give each other some slack, however, and defend deliberative decision-making. This requires explaining the urgency of transitions and communicating hopeful narratives on possible futures that include deliberative democracy itself, despite extreme uncertainty.

To gain legitimacy, political leaders gather knowledge and argumentation from networks of policymakers and experts. There are so many complex sustainability dilemmas that it is impossible to organise their governance only as official arrangements—leaders need resources to engage enough people in dialogue. In a networked system, leaders connect across the governance system behind the scenes to build trust and enable investments even if it would be more politically profitable to attack each other in the public arena.

Political leaders can help create a widely understood fact base for a decision only with enough dialogue, but they must first invest in that dialogue, for example by hiring more or better staff—without a clear case for such as investment. If this chicken-and-egg situation is not resolved, politics is driven by emotions and short-term thinking, not by shared facts.

With enough connective leadership, a deliberative democracy may foster agreement in society to enable the government to implement bolder interventions in global value chains that bring them on a path to sustainable transitions. The OECD's Policy Coherence for Sustainable Development programme (OECD 2019) calls on adherents to 'develop a strategic vision for implementing the 2030 Agenda underpinned by a clear political commitment and leadership to enhance policy coherence for sustainable development; effective and inclusive institutional and governance mechanisms to address policy interactions across

sectors and align actions between levels of government; a set of responsive and adaptive tools to anticipate, assess and address domestic, transboundary and long-term impacts of policies’.

Toward a new sustainability analysis for leadership

It can be difficult to analyse connections among leaders who enable deliberative governance, since many of their interactions happen behind the scenes. What can be analysed, however, is the degree to which political leaders support the required power connections and slow knowledge feedback, not as an end in itself but to accelerate transitions toward more sustainable global value chains.

5. A new sustainability analysis: Finding weak links in the governance system

The previous chapter identified three types of connections that give the governance system the strategic capacity to meet the challenges of sustainable value chains:

- **Connections of power in the governance system:** Relationships, regulated by checks and balances that make them interdependent, among actors in the government, the private sector, CSOs, and their constituencies.
- **Connections between knowledge institutions and the governance system:** Procedures that regulate how decisions on economic policies publicly must be substantiated – the kind of analysis required – and by whom, and where knowledge institutes can have a formal role.
- **Leadership connections:** The way hierarchies in the governance system work together to enable knowledge to be shared across the governance system as a countervailing power to vested interests, a hopeful narrative or constructive tension, rebalancing the power relationship.

In this chapter, we describe these connections so that they can be analysed for specific countries. In the next chapter, we apply them to the Netherlands.

5.1 Analysing power in the governance system. Is it networked?

To prevent unchecked power and corruption, many complex societies have created checks and balances through representative democracy. In these societies, no actors can fully force their perspectives or policies upon others. Checks and balances create interdependencies that provide incentives for collaboration, and collaboration is an opportunity for dialogue.

Constructive collaboration requires high-quality connections, including the most important shown in Figure 1, numbered A–F. If they are all in place, and constructive tensions are transmitted through the networks that emerge, deliberative democracy is at work. The government can facilitate these connections in the public interest, however the actors define it, overarching silos by investing in three types of connections:

Type A: The normal connections among a parliament, government, and policymakers

Type B and C: The government's *internal coordination*:

- B Connections between silos that allow them to represent the public interest in a value chain
- C Connections between policy silos and implementing agencies that support the policymaking of the combined silos relevant to a value chain (multiple-principal agencies)

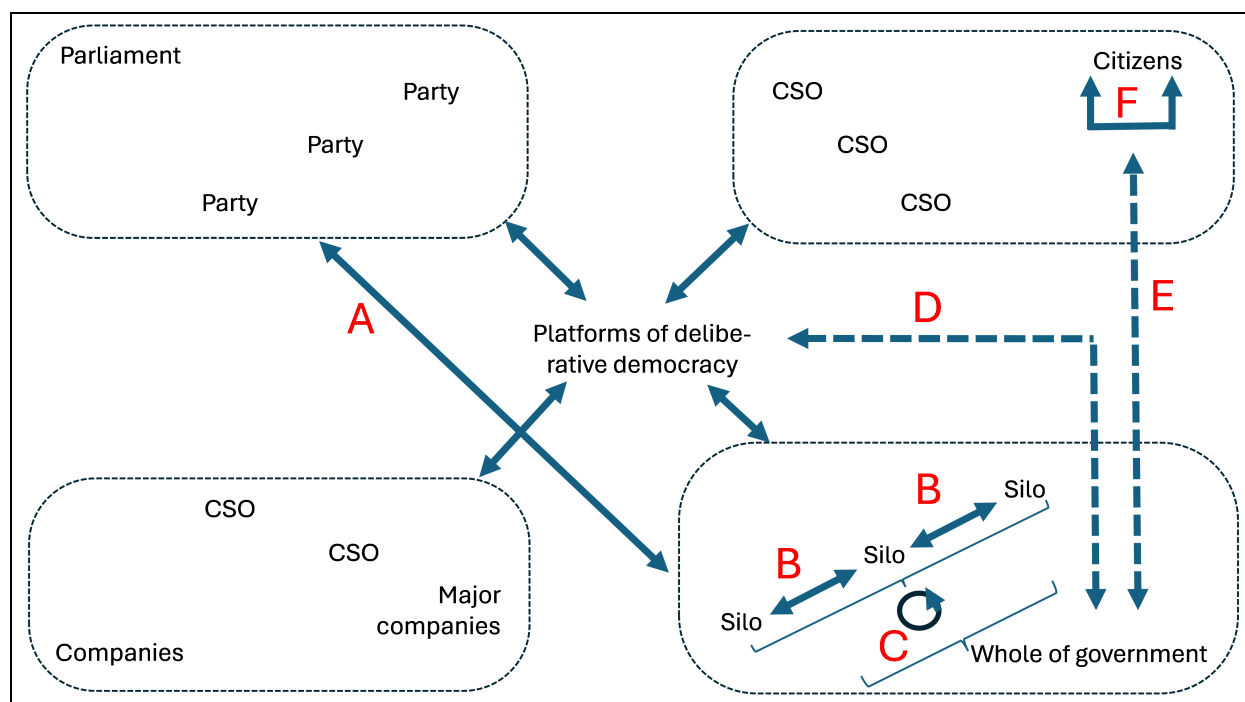
Type D and E: The government's *external coordination*:

- D Connections including platforms for deliberation at the national level among government, companies, and society, many with vested interests

- E Connections of the public interest as a whole-of-government with society as a whole. (Note that connection F is among societal stakeholders, which can be facilitated by the government without necessarily asking for their direct input to national policy dialogues).

We explain connections A–F in more detail below. They are not new. Guidance is available in the OECD Policy Coherence for Sustainable Development programme (OECD 2019). The quality of the connections can be reviewed for any country (OECD 2020).

Figure 2. Key connections for dialogue in a deliberative democracy, generating strategic capacity



Links between the government and parliament (links 'A')

In a democracy, parliament can dismiss a government that does not perform, and mechanisms assure the transparency of that performance. Parliament, on the other hand, depends on government to develop policies to reach political objectives. To deal with many political issues at the same time, parliament can split itself up into commissions which are dedicated to siloes or other themes and which can work in parallel. Debates are transparent to the public and tend to focus on politicised concrete policy decisions and less on long-term values and possible futures after transitions.

Links between the silos of government (links 'B')

The government should link silos to represent the public interest in value chains. To present dilemmas in the public interest, relevant silos must join their analyses and commit to implementing their part of the policy. This requires integrating or 'mainstreaming' the policies of different silos that together can change value chains.

In mainstreaming, a silo that has relied on the same policies for a long time must consider the objectives of other siloes and sometimes change its policies. Consequences can include working against the needs and expectations of the sector the silo regulates. An environmental ministry of a wealthy country, for example, may aim to achieve a circular economy at home, such as by raising product standards to enable

reuse or recycling, and banning the import of inferior products—which may deprive other countries of an important market. The ministry responsible for international cooperation may point to the interest of countries who will be affected and may not be able to defend their interests.

Indeed, mainstreaming can raise the resistance of vested interests and will therefore occur only with a balance of power among silos. Weaker silos—those that represent interests there and then—must employ enough skilled people to improve the government’s internal dialogue. That dialogue can be the medium that passes on constructive tension that emerges at platforms of deliberative democracy, ‘D’ links, to the more dominant silos with vested interests. Each silo needs skilled capacity to connect with platforms of deliberative democracy and translate their thinking into their siloed contribution to public interest narratives that they consider feasible in their current political context.

Silos should merge their public interest narratives and synchronise their contributions to those narratives. This is delicate. Networked government silos, if they are to suggest alternative courses of action, need protection from premature ideas which could make this process vulnerable to criticism based on old arguments that are still widely accepted by those who do not yet participate in this process. The strategic function of government therefore depends on ‘safe’ collaboration infrastructure, such as joint digital collaboration spaces, joint conference rooms, and neutral facilitators, to allow collaboration behind the scenes to define the public interest.

Links between siloed policymaking and implementation (links ‘C’)

Policy silos are usually close to political power, whilst policy implementation is in agencies more distant from power. Implementing agencies can also be connected to the policymaking process, such as by serving as the operational facilitators of deliberative democracy creating connections of types B, E and F. To that effect, they must equally serve all silos relevant to a value chain.

Such multiple-principal agencies should be excellent neutral facilitators but can also form the internal knowledge base which government needs to freely and flexibly explore courses of action. Given the sensitivity of strategic processes in the government, this cannot easily be outsourced to independent knowledge institutes that publish their work, nor to consultants who are or should be passers-by (e.g., Mazzucato & Collington 2023).

Links between public sector, private sector, and civil society (links ‘D’)

In democracies, many societal interests are represented at national level where they try to influence government policies and inform members about developments. Representing actors with direct stakes in value chains can meet to discuss sustainable futures. This brings together the rationales of elections, markets, and citizens’ social and environmental issues. Civil society provides the government with legitimacy for its actions, including interventions in the economy. Markets need civil society to gain legitimacy, and civil society needs markets to implement their goals. Governments need markets to keep voter support, and markets need governments to create stable and level playing fields for competition. CSOs are key, as elections and markets are intrinsically geared to represent the here and now of politicians and companies (Mintzberg 2014). CSOs depend only on membership which can endure as long as members have faith in deliberative democracy. Citizens and companies have incentives to organise at a

national level, they. If they need resources, the government can lend a hand, for example by subsidising weak stakeholder groups.

The government can facilitate platforms for dialogue, inviting groups that are willing to engage in constructive dialogue, including on there-and-then topics. Unanimity is not required in these platforms, as long as enough consensus emerges to give the government confidence that resistance will be acceptable when it implements interventions. The silos of government can be invited to observe the emerging consensus on the public interest, and how it translates to their own silos. They also can share information on which kind of government action is feasible to implement transitions.

Platforms at the national level are not formal actors, but they can publish their consensus, and their participating organisations, including the government itself, may voluntarily synchronise their actions. This can start with the expectations they raise in public about their own future behaviour, transmitting constructive tensions that emerged on the platforms.

Links between the government and citizens (links 'E')

Bold government interventions require an understanding among enough citizens or voters about why the changes are needed and whether they are fair. Before citizens accept a bold intervention, enough of them should be involved in the search process that produced it, which is driven by constructive tension. Constructive tensions emerging on platforms are not yet shared by society. Elections and referenda alone usually fail to make citizens aware of the possible futures of value chains, feasible transition pathways, links with policies here and now, or whether interventions are fair.

The link between government and citizens is a field of innovation. Few citizens have the time, capacity or will to engage with every major dilemma. It helps if they trust the knowledge offered by wide-ranging networks of independent experts. In today's polarised political climate, government may need new ways to involve citizens in strategic discussions. Politicians and their experts may not always have an interest in open dialogue about possible futures or implications in the here and now. Citizens' assemblies are one promising new way to deal with this difficulty (see for example a case in India (World Bank (2017): *Deliberative Inequality: A Text-As-Data Study Of Tamil Nadu's Village Assemblies*¹), but more engagement mechanisms are under study.

Links between groups of citizens (links 'F')

Citizens' perceptions of their own interests drive much of their behaviours as voters, consumers, and CSO members. What is in the interest of one citizen may not be in the interest of another, of course, but many observers jump to conclusions about which politicians to support. To develop realistic views, people may engage in dialogue across real or perceived gaps in opposing interests. Thanks to modern media, including social media, a dialogue from many to many has become possible, not only among citizens but also from company to citizen and political party to citizen. This is good news if it expands dialogue and contributes to shared perceptions across societal gaps on sustainable development and transitions.

¹ The World Bank (2017) examined inequalities in the deliberative process, how they manifest, and how to mitigate them. Beyond the dimension of inequality, this study provides insights into how much attention is paid to water-related themes in a deliberative democracy at the village level.

This is a technical possibility, and it is also possible to regulate media, including social media, for example, to assure that some media remain independent and not overly dependent on commercial funding. In the realm of social media, regulation could include prohibiting anonymous participation and moderation.

Governments may facilitate this when they engage in dialogue with citizens on sustainable value chains. They can address citizen's assemblies, for example, where they can share insights and gather input about policies. Governments also can stimulate dialogue across gaps in society by preventing physical or digital segregation. Segregation on the internet is a major challenge, since many people get their information online, interacting in social media bubbles without encountering contrary views or developing trusting relationships with people whose perspectives are different.

It is in the public interest that the whole governance system and in particular social media develop a self-cleansing capacity to retain access for all to high-quality, fact-based information and dialogue. Misinformation and deliberate disinformation can lead to destructive rather than constructive tension. Artificial intelligence, if not well regulated, may reinforce such biases.

If too few people use the high-quality information that is available to them, that is another problem addressed in the Analysing knowledge section: Does the governance system enable it and use it? Investments in education systems, for example, could stimulate people to take citizenship more seriously.

Links between scales: Multi-level approaches (links between repetitions of Figure 1 at other scale levels)

For simplicity, the governance model in Figure 1 describes the most powerful at one scale: national governments. Global value chain transitions require action at many geographical scales, however, from local to more supra-national. The diagram repeats at each of these levels, whilst other government levels have their own elections and their independent mandates.

The multi-level governance problem becomes critical if global value chain transitions need physical space in areas already used for other purposes. Actors in deliberative democracies may initiate area-oriented or landscape approaches, looking at overall development and all land uses in a region, and how to fit in value chain transitions. It can be much easier to connect with local populations if sites must be selected than to talk about a global value chain at earlier stages of transitions. This is often the cause of resistance—the not-in-my-backyard syndrome. Countries must either prevent spatial investments that they think are unacceptable or involve the population to discover where they could be acceptable.

5.2 Analysing knowledge. Does the governance system enable it and use it?

Once power is divided and again connected by healthy, trusting relationships, knowledge can flow through the governance system in the form of hopeful narratives that create constructive tensions that move people. Actors close to power, however, have little time to think before they act and must work with readily available knowledge. To ensure that sound knowledge is available as early as possible, actors in governance systems can invite specialised institutes to develop in-depth knowledge.

To assess the strategic capacity of a governance system, feedback cycles need to be considered: there is no strategic capacity without in-depth knowledge. It is not necessary to analyse how each of the

connections A–F is connected to feedback: all that is needed is to verify that they apply ‘transition thinking’ in a politically neutral way, and that they are connected to knowledge institutions in transparent feedback cycles.

Transition thinking

Social science has shown that networked actors of governance, if they apply transition thinking, can identify joint interests and action for the long term whilst having opposing interests in the short term. Transition thinking is the conceptual source of all constructive tension—thought leading to action. Actors need to discuss acceptable futures of a value chain and identify possible transition pathways to get to these futures: the tension between ‘what is’ and ‘what ought to be’ is constructive as it defines participating actors’ first steps on these pathways in the here and now, which are sometimes called ‘small wins’ (Termeer & Metzger 2018).

Some examples are shown in Annex 1. An EU Directive, for example, may oblige corporations to report transparently on their sustainable development efforts and publicly set targets to improve their performance. This may not yet directly transform a value chain, but it may transmit constructive tension in the economic system and spark further dialogue on sustainability targets while keeping a level playing field for competition. Participating actors’ first steps can take include inspiring their own hierarchies and constituencies with these transformative ideas. They might engage a citizen’s assembly to understand people’s views about desirable futures and transition pathways, for example.

Knowledge feedback cycles

Knowledge institutions can conduct a great deal of transition thinking. Published regularly, it can drive a feedback cycle in the whole governance system that may benefit all the actors in Figure 2. In any analysis of the strategic capacity of the governance system, it matters who asks and who answers the questions. To assess the value of knowledge feedback cycle in value chain policies, stakeholders can ask how knowledge institutes are financed, how they perform, is their knowledge used in policymaking, and is their feedback mandatory in policymaking?

5.3 Analysing leadership. Do leaders connect with each other?

In the new sustainability analysis, the first leadership question is whether enough formal leaders in value chains at the domestic level agree on how the value chain should change and who will contribute what to that transition. This ‘mission’, which drives constructive tension in the value chain (Mazzucato 2022), may be easily understood if people are of good will, and it fits all acceptable futures of a value chain according to consensus in the deliberative democracy. If not enough people are of good will to find a minimum of consensus, first priority of leaders would be to invest in trust in the governance system and in social cohesion at large. Especially when countries experience crisis, the resilience of democracies depends on that kind of leadership.

There should be enough consensus in the governance system to enable stable missions that won’t be changed after each election—here the leaders of civil society play a stabilising role with their influence on citizens. National leaders may then be explicit about their countries’ roles in the global value chain. In the

absence of this kind of leadership, political polarisation arises from policy incoherencies (the 'stick') rather than on where constructive tensions (the 'carrot'). Both are needed.

The second leadership question is whether leaders enable deliberative democracy: the whole governance system's strategic capacity to develop and support their missions and act accordingly. Leaders' first steps can include being open about dilemmas and inconvenient truths, explaining how they will strengthen weak links in the governance system, and giving their staff space to make proposals to that end.

6. Analysing the Netherlands: The Dutch connections

The Netherlands takes the SDGs seriously, but the country faces many dilemmas because it has major stakes in many global value chains that need to transition. The NCEA working group makes the following analysis in line with the recommendations for six major transitions in the Voluntary National Review (Kingdom of the Netherlands 2022).

6.1 Government to parliament (links ‘A’)

The connection

Ministers submit everything with legal consequences to the parliamentary commission that deals with their portfolios. Every public policy is supposed to contribute to ‘inclusive welfare’ measures, the Dutch translation of the SDGs. The Ministry of Foreign Affairs uses the SDGs for direct reference; other ministries use the ‘brede welvaart (‘inclusive well-being’) metric, which is aligned with the SDGs (Maas & Lucas 2023; Putters 2023). To explain its process, the government publishes mandatory ‘decision notes’, cover letters to proposals for legislation and policies that the government sends to parliament—almost 8,000 of them in 2023. Decision notes should make policy considerations transparent and traceable, summarising many mandatory impact assessments, such as gender, water, and enforceability tests (see 6.8 below). Decision notes give civil servants opportunities to explain sustainability dilemmas in public even if those dilemmas are inconvenient to ministers—in the Netherlands, civil servants pledge loyalty to society, not to their ministers (BZK 2023).

Trust

Few decision notes are discussed in parliament; civil servants may not have the time or capacity to conduct analyses. As trust declines between opposing political parties and between cabinet and parliamentary opposition, civil servants may also hesitate to present truths to parliament which their ministers find inconvenient. They may think the opposition in parliament will look for opportunities to frame proposals in negative ways rather than engage in serious dialogue. On the other hand, early 2024 the parliament had 15 political parties, many of which cooperate in changing coalitions.

Transition thinking

An Action Plan Policy Coherence is regularly discussed with parliament, and occasionally evaluated by the independent IOB, which publishes all of its policy reviews (IOB 2023; see also Box 9). Despite this action plan, no-one has analysed whether decision notes reveal transition pathways or sustainability dilemmas, or if they identify weak links in the strategic capacity of the Dutch governance system that may foreclose better decision notes. Judging from the rare debate about decision notes, and the habit of organising debate around ministerial portfolios rather than global transitions, decision notes might feed more constructive parliamentary debate. Every global transition affects multiple portfolios, but each conversation in standing parliamentary committees tends to focus on a single ministerial portfolio. Organising discussions in parliament along the lines of transitions is difficult if the documents are prepared in the context of decisions by a single minister.

Recommendations

To increase the strategic capacity of the Netherlands, the government can:

- Review the extent to which transition thinking is applied in decision notes and other communications, and in weak links in the governance system.
- Inform the parliament in a more comprehensive way about the relationship between decision-making and transitions of the global economy (see 6.2 for how)
- Ask ministries to take the lead in integrating global transitions so that the MPs involved from several standing committees can discuss them together.

6.2 Government silo to silo (links 'B')

The connection

Compartmentalisation between and within ministries often prevents parliament from being systematically informed about decision-making options that could advance specific global transitions. Yet, each SDG is represented by a silo in the Dutch government, sometimes at a high management level: a Minister for Climate and Energy is in charge of the energy transition, whilst a Minister of Nature and Nitrogen is a driver of the agricultural transition (with an outgoing Cabinet at the time of writing).

Few well-facilitated inter-ministerial platforms are dedicated to discussing global value chains or their impacts in low- and middle-income countries. Combined silos may lack strategic capacity to deal with the global value chains related to water, infrastructure (both international services, often combined with development aid), mineral sourcing, agro-industrial chains and circular economy. Some dilemmas arise from country ownership of policies and ecological footprints of the Dutch economy (see Box 8). Dialogues in the administration should contribute to synergy between silos, but not necessarily to strategic decisions: they can also be reflected as knowledge in documents on fragmented decisions. As soon as an analysis is sufficiently shared, it may be possible to translate it into a concrete goal—a long-term mission that politicians want to adopt and promote to give the global transition an attractive goal—a 'moonshot'.

Trust

Generally, silos trust each other to create synergies. Advisors to the Dutch government see cooperation in general as a shared skill or function that must emerge from the whole of the silos (NSOB 2007). Since the early 2000s, 'programme management' has emerged as way of working between collaborating silos. Since 2008, a single directorate-general in the ministry of internal affairs has facilitated inter-silo collaboration from a single unit, harmonising ministries' logistical, IT and administrative operations.

That said, some silos with influence over a global transition cannot rely on the help of other silos. Politicians rarely ask for that help. Few civil servants set aside time to foster cross-silo transitions, so the many who do must engage with each other informally. And while time is short, so is the knowledge required to respond to still fragmented political opportunities. Experts should operate

confidentially in this context to enable a free inter-ministerial search for balanced strategic options as a counterweight to possible one-sided lobbies.

Transition thinking

Since the Dutch government introduced transition thinking in 2001 (VROM 2001), it has come to focus mainly on the domestic side of global transitions. In the context of policy incoherence with the SDGs, IOB (2023) found that agreeing on tensions and making them constructive is time-consuming and not always successful. Feedback between silos and the systematic creation of a knowledge base to substantiate policies often seem underdeveloped because of the fragmentation of silos and the longstanding tendency to outsource learning rather than to develop knowledge in-house, close to politics, and combining the silos before linking to national dialogues. The Ministry of Foreign Affairs, responsible for diplomatic relations with countries on the southern side of global value chains, has capacity to formulate and funding to implement policies regarding development cooperation with low- and middle-income countries, but relatively little capacity or leverage for internal diplomacy or managing strategic dialogue within the whole government system on dilemma's related to SDGs and related global value chains.

Silos can improve their synergies by jointly requesting support from implementing agencies that take policy-neutral work off their hands. Policy departments can inform an agency about their activities to identify opportunities for synergies and facilitate meetings to capitalise on those opportunities. Where this requires a lot of flexibility and trust, it may be better to stay within the government rather than to ask for the help of independent knowledge institutions that must publish their work.

Recommendations

To increase the strategic capacity of the Netherlands, the government can:

- Analyse what capacity is needed to consistently consider ecological footprints, social impact and country ownership in operational decisions, and to enable politicisation where that may be constructive.
- Set up transition-oriented joint support units (see 3.3 for how). This assumes that every aspect of a transition is entrusted to a policy service that can also free up capacity to analyse the transition interdepartmentally with that support.

Box 8: Strategic ambivalence in the Dutch southern footprint and country ownership

Dutch environmental and social NGOs sometimes insist that Dutch trade and companies have effects in southern countries that work against the SDGs, whilst these southern countries see it differently. Some activists and politicians in the Netherlands think the governments of these countries do not represent the full interests of their own populations, exerting tension on the responsible silos. (See the Nusantara example in Indonesia and the oil and gas example in Senegal, where some complain that decisions are made without sound cross-siloed argumentation.) Another example is the impact of Dutch dredging services industry on biodiversity and livelihoods of local communities.

This creates a need for complicated sustainability analyses that often end with simple rules such as 'stop all aid in certain situations where we might get our hands dirty'. Strategic ambiguity remains,

such as when allegedly destructive Dutch activities, such as dredging, continue. If the Netherlands wants to support a country's sustainable development, it might help that country to increase its own democratic and strategic capacity. At the same time, there may be moral limits to the unsustainable activities the Netherlands is willing to support that go against the wishes of its southern partners.

Dealing with such dilemmas often requires more strategic capacity than the affected silos can provide together: they lack the time, the organisational memory and the in-house expertise to deal with these sensitive issues. Inviting outside evaluators to analyse these sustainability dilemmas as a technical exercise may not help to reveal acceptable steps the silos can make toward sustainable transitions. In some cases, for example, exposing certain alternative scenarios can be politically inconvenient to some members of cabinet.

6.3 Silo to agency (links 'C')

The connection

Global transitions touch on foreign trade and development cooperation (BHOS), also called international aid and trade, but the BHOS portfolio is too small to implement global transitions in the Netherlands. Policy silos tend to depoliticise by delegating decision-making to implementing agencies, but they cannot manage political dilemmas. The Netherlands Enterprise Agency (RVO) meets these dilemmas when it provides subsidies to companies and organisations and citizens—including in the domain of international aid and trade, regulator AFM and the Dutch National Bank for responsible finance, regulator ACM for responsible consumer markets.

Instead of politicising, such agencies look for technocratic and legalistic solutions without enough strategic capacity to customise well-substantiated decisions to each situation or ascertain political support. Such agencies may have enough knowledge and capacity to support or even initiate inter-siloed policy processes when politicisation is necessary, but they often don't have a mandate to do that. Outside the aid and trade domain, a key in global transitions, other implementing agencies do facilitate inter-ministerial processes. The [LEF Futures Centre](#) of the agency RWS, for example, has multiple principles, working formally under the ministry of infrastructure and water management and several other ministries. Its work often relates to the domestic side of global transitions.

Trust

There is no lack of trust among silos and implementing agencies, but there may be a lack of confidence that they can work at acceptable costs to create results, even if these are visible only to the silos that may use these results. The silos need these results to create more synergetic policies, whilst the consequences of creating less synergies (the default) can still be acceptable. If politicians don't ask for it, these arrangements depend on the leadership of civil servants who trust each other.

Transition thinking

The RVO is introducing transition thinking, but only for the operational services in its mandate, not for the support of siloed strategic processes close to the aid and trade domain. In general, implementing agencies of the Dutch state—if they are pursuing transitions at all—focus more on adapting the Netherlands to global change rather than leading change at the international level.

Recommendations

To increase the strategic capacity of the Netherlands, the government can:

- Study the feasibility of assigning combined silos to a multiple-principal agency to support specific transitions to sustainable global economy. They may support policy-neutral policy processes for each transition with knowledge, organisational memory, and conversation facilitation. It may enable ministries to inform politics in a more integrated transition-oriented way, showing coherence across sectoral policies and responding dynamically to opportunities. It may help parliament organise more around these transitions and long-term issues.

6.4 Government to private sector and civil society (links 'D')

The connection

Dutch deliberative democracy includes synergies among trade and employers' unions, environmental NGOs and other CSOs that discuss policies with government. The Dutch verb 'to polder' refers to inclusive and broad multi-stakeholder deliberations. The government facilitates deliberative democracy by organising platforms where these actors can meet (e.g., Visser & Hemerijck 2000). The government has long subsidised environmental and social NGOs to ensure all stakeholder groups were represented, until they were capable of raising their own funding.

The iconic institution of the deliberative 'polder' democracy is the Social Economic Council (Socialeconomische Raad, SER). Created by law in 1950, the SER is indirectly funded by the private sector. It increasingly focuses on the SDGs and their Dutch equivalents and on value chain transformations. Other platforms of deliberative democracy have emerged such as one on spatial choices, Overlegorgaan Fysieke Leefomgeving (OFL), established as part of a ministry and accepted as a neutral platform. The government also organises many ad hoc platforms, including 'transition tables' chaired by experienced neutral facilitators. They advise the government, which means they can transcend unilateral lobbies. Ministries can also ask questions on the platforms and enter into dialogues. These platforms do not have a monopoly on contact with the government, of course, but they provide widely shared analyses to force unilateral lobbies to come up with better arguments.

To ensure that affected groups that think constructively are represented at these tables as much as possible, the Dutch government traditionally supports civil society organisations that need funding despite a membership base in the Netherlands. In global transitions, this concerns organisations in developing countries and those that in the fields of environment and justice in the Netherlands itself. These organisations can reach their constituencies better than the government can, and they can provide resistance at the transition tables.

Trust

Deliberative democracy depends on informal initiatives between policymakers across the interest gaps. The 'polder culture' originated in the Middle Ages when collaboration by self-organisation was the only way to protect the country from flooding: a typical long-term joint interest. The Dutch polder model has on many occasions prevented escalation of political conflict and allowed for quicker adaptation of government policies as circumstances changed. It can drive the synergy between policies

and is fired mainly by the personal engagement of people who initiate cooperation, first informally trusting that it will work because history has shown that it can.

Stakeholders on the platforms must trust that the facilitation is neutral, without hidden agendas. The government must therefore support these platforms expecting nothing in return other than active participation of the partners in the dialogue and involving their constituencies. The government must also participate in policy areas that touch on what is discussed on a platform to collect arguments for its own policy, or its adjustment, and also to indicate if a policy is not feasible.

Increasingly, political opposition parties insist on strong government interventions without seeming to care for their impact on global or even domestic transitions. These parties do not trust the sitting government to neutrally facilitate platforms, and they turn away from the polder model. This makes it less likely that the nation will achieve its high ambitions for sustainable development.

Transition thinking

National transition policies aimed at global value chains, stimulating transition thinking and dialogue in the deliberative democracy, first started in 2001 (VROM, 2001). Transition tables and all kinds of other ad hoc and semi-permanent 'polder' tables are now part of the government's standard repertoire.

Many of these platforms rely on transition thinking as they pursue with long-term assignments or missions set by the government that enables the dialogue, but they mainly determine their own agendas. They discuss possible sustainable scenarios that require major interventions. Because these interventions can have unexpected consequences, these active networks make informal connections with each other, but they still find it difficult to represent the interest of people who do not live in the Netherlands, despite their common global interests.

Some critics say these platforms have met the limits of their problem-solving capacity since they can seem incapable of finding ways to accelerate global transitions. Critics say that once a concrete national target has been set, such as for CO₂ emissions or nitrogen pollution, the Netherlands acts with little regard for the global implications. Some Dutch citizens who think they are treated unfairly also resist. One reaction to national resistance is 'juridification' of sustainability: politicians aiming to enforce 'hard' norms even though society at large may not accept them as legitimate (Zouridis et al 2022). Norms widely seen as legitimate could create constructive tension, but if they are seen as illegitimate, conflict can undermine the deliberative democracy. Getting a norm adopted could prove a pyrrhic victory, and the transition would fail even at national level.

That said, deliberative democracy in the Netherlands is still stronger than the weak links elsewhere in the governance system. Many private and informal initiatives are underway that try to stay ahead of deterioration and restore trust. The key challenge is to connect with large groups in society who feel abandoned and who don't trust that their 'sacrifices' are fair.

Recommendations

To increase the strategic capacity of the Netherlands, the government can:

- Continue investing in the polder model, especially to advise the government on engaging in dialogue with society to gain legitimacy of bolder interventions in the economy (links 'E'). In a healthy deliberative democracy, environmental and social SCOs must stand up for weaker affected groups in the Netherlands and in the global south, and receive unbound financial support from the government, which is under pressure today.
- Continue to financially support weak interests so that they can represent themselves on the platforms. The government's traditional support for this seems to be eroding.
- Improve the ability of ministries to be present on platforms of deliberative democracy and to translate transition thinking into their own compartmentalised hierarchies, and then to discuss transitions with citizens.

6.5 Government to citizens (links 'E')

The connection

Policy-neutral dialogue between the whole of government and citizens is a weak point in the Dutch administrative system. A new government practice is emerging called burgerberaden (citizen's assemblies). Many of them at local level by municipalities, to facilitate dialogues among citizens and with experts to help citizens understand policy dilemmas. In public debate, politicians may then find it easier to connect with facts that these citizens already know. In addition to citizens' assemblies, dialogue about global dilemmas can also include organizing smaller and more permanent citizens' panels, and referendums on value dilemmas that follow from transition thinking. The Netherlands also has not fully developed these instruments.

Trust

In the Netherlands, the relationship between the government and citizens is deteriorating, raising political polarisation. Many citizens have an urgent sense that they are losing control over their own immediate future. As the Dutch National Scientific Council for the Government concluded ([WRR 2023](#)), 'When making and implementing policy, the government should focus more on increasing the grip of citizens. Citizens should have access to the means, opportunities, and rights to achieve their life goals as much as possible. When people experience insufficient control over their lives, it can lead to more health problems, earlier deaths, more social unease, and possibly even conspiracy thinking.' This explains the fierce resistance to government greening measures such as the energy and sustainable agriculture transitions. Many citizens don't see these measures as legitimate or believe that the transitions are not fair or just. The platforms of deliberative democracy recognise this problem but do not routinely win sufficient constituent support.

Transition thinking

The (now outgoing) Minister for Energy and Climate recently asked OFL, a facilitator of deliberative platforms, to organise a citizens' assembly on a just energy transition. These tensions may indeed attract citizens to participate in assemblies and play constructive roles in a wider dialogue. The

platforms may also give citizens opportunities and reasons to participate in social learning rather than radicalising or turning away from politics. Dozens of citizens' assemblies have already been organised by municipalities, and participants are hopeful that the conversations have been productive.

These dialogues do involve transition thinking, but they focus only on Dutch citizens. The implications for the global south are another matter. Citizens may still be interested in the fate of poor people in the global south but taking them into consideration considerably complicates the dialogue.

Recommendations

To increase the strategic capacity of the Netherlands, the government can:

- Work more integrally on global transitions and thus also more easily organize conversations with citizens in integrated and policy-neutral ways, for example in citizens' assemblies.
- Experiment at scale with new forms of citizen participation in making policies to accelerate transitions of global value chains, especially where policies have impacts on citizens.
- Encourage more people to participate. This depends on how citizens interact with each other, what knowledge they have, and how much encouragement their leaders provide.

6.6 Citizens to each other (links 'F')

The connection

Traditionally, the Netherlands had a 'pillared' society based on religion and ideology. Value-based pillars could get along well enough to find common ground on concrete policies. Today, there is more polarisation on policies, and preferences are more driven by differences in education and income. People of all backgrounds in general can still physically meet and share information at work, at school and in social activities. However, the information they receive via the (social) media increasingly separates them.

Trust

Most Dutch citizens have confidence in their democracy, and for 20 years, more than half have said they trust other citizens (SCP 2023). An increasing large share of the population is concerned about how the Dutch live together, however, and that they share fewer values (SCP 2023). It is not known if this includes how citizens value the interests of people in the global south, or whether they believe global transitions are in their own long-term interest.

Especially after the COVID pandemic, Dutch citizens, while still sharing core values, increasingly differ in their views of what the government and others should do. More people are becoming locked in social media bubbles, and unregulated artificial intelligence may exacerbate the trend. In 2022, three-quarters of Dutch survey respondents said political polarisation was increasing (data from SCP). A significant stable minority, including the largest party in parliament in early 2024, supports reducing cultural diversity by refusing immigration and refugees from the global south despite international treaties and ending official development assistance.

Tensions around short-term issues nourish these polarisation trends, which can lead to a vicious circle: declines in trust in the media, science, and government can reduce the nation's strategic capacity to address its biggest long-term challenges, raising more tensions.

Transition thinking

In theory, transition thinking may help stakeholders identify common values and bridge their differences. Citizens' assemblies may facilitate dialogue among citizens and lead to political choices. But the government does not organize these dialogues on a large enough scale to reach a wide population. Rather, polarisation around short-term issues is likely to undermine the attention and dialogue for long-term issues and core values.

Recommendations

To increase the strategic capacity of the Netherlands, the government can:

- Design and promote citizens' assemblies to connect with a wider population, and systematically look for other ways to promote constructive dialogue, especially by regulating the internet.
- Pursue policies to foster trust among citizens through independent knowledge and more constructive leadership.

6.7 Geographical scales (links A – F)

With current technology, the Netherlands has nowhere near enough physical space to reach all its SDG-related goals. Many transitions will require changes in the ways space is used, and creative solutions that citizens will see as socially acceptable and legitimate. Many of these transitions directly affect citizens' well-being, such as housing supplies, renewable energy infrastructure, land for agriculture and nature, and 'safe' areas.

A considerable share of the population feels the urgency of these land claims, and most look to the government for solutions. Since the early 2000s, a practice known as 'area-oriented development' or 'a landscape approach' has emerged. In the Netherlands, many areas have their own deliberative platforms. Some local actors are reluctant to agree to land uses that solve international but not local problems. There is a wide call for hierarchical coordination by the national government. But in the multi-level governance process, the silos of the national government fail to integrate their policies aimed at specific areas.

National coordination is in many cases insufficiently effective. An exception is in the case of protecting the Netherlands against major floods, at least until 2050. The Dutch Delta Programme, a longstanding national collaboration across all levels of government, aims to help the Netherlands adapt to climate change in the long term (Pot et al, 2022). One question is whether the challenge is so complex that more policymakers need to participate, or whether existing capacity needs to collaborate more and involve a wider share of the population. This concerns all connections A-F in an area, and mainly the national government which is held responsible for coordination.

Recommendations

To increase the strategic capacity of the Netherlands, the government can experiment with area-oriented multi-level approaches which receive ample attention but still suffer from all the weaknesses found at the national level. The same recommendations apply.

6.8 Knowledge to power

The connection

The Netherlands has a long tradition of relying on independent knowledge agencies to inform public debates. Dozens if not hundreds of official policy reviews by independent institutes are published annually. In many cases, the government is obliged to react formally to these reviews. Independent institutions such as the European Environment Agency and Netherlands Environmental Assessment Agency (PBL) produce dozens of public policy reviews each year. The government finances them and defines their area of work. They publish advice reports that take months or years to prepare based on their multi-annual programmes. Their work contributes to political consensus, avoiding unnecessary controversy about facts. Formally, they advise the government, but since all advice is published, these institutions create a slow feedback loop to support deliberative democracy.

The CPB was established by law in 1947 to depoliticise debate about economic policies and help prevent the kind of economic chaos that led to World War II. Later, SCP and PBL were created for social and environmental policies. They define scenarios and evaluate the impact of public policies on development, which are discussed in parliament and the media. Many political parties ask them to forecast the impacts of their proposals before elections, although some major parties refused to do this in the 2023 national electoral campaigns, for the first time in decades. Also, the Courts of Audit (national and decentral), the Policy and Operations Policy Department of the Ministry of Foreign Affairs (IOB) and several Advisory Councils of the Government give independent advice to the deliberative democracy, which is often linked to global value chains.

While sometimes relying on external knowledge institutions, the government also makes its own policy assessments. Policy tests, which are compulsory before parliament can adopt a regulation, are the responsibility of the government itself. The policy compass tool (National government, 2024), based on a decision by the council of ministers, helps civil servants to carry this out. It includes a broad assessment of SDGs and related goals on Dutch well-being, considering the there and then. The NCEA has not assessed the policy compass's value in accelerating value chain transitions. The part of the compass concerned with the Dutch ecological footprint may not be well-developed or effective.

In addition, each year, internal and external groups make hundreds of mandatory public environmental assessments of development projects and government plans and programmes that 'govern' spatial investments. The NCEA, as an independent commission, reviews the quality of many of these assessments, which should refer to legal norms and official policies for social and environmental effects.

One way to organise feedback is to invite external experts to conduct voluntary ad hoc reviews of policy proposals if ministries do not agree on a shared analysis. Such experts may not be available in

house. The NCEA's SusAn programme can make such unsolicited analyses. The NCEA working group, tapping the insights and experience of several knowledge institutes, presents some best practices in Box 10.

Trust

The independent knowledge institutions of the Netherlands have solid reputations, but polarisation undermines trust—politicians increasingly challenge independent analyses they find inconvenient. One example: for decades, political parties have invited national planning bureaus to assess the impacts of their electoral programmes. For the first time in the 2023 parliamentary elections, some major parties did not ask for these analyses. These are the main elections as the prime minister is proposed by parliament after the elections.

Transition thinking

Dutch platforms of deliberative democracy, including many global value-chain-related platforms, increasingly work with transition pathways, and the SER and OFL both promote methods to that end. Their analyses and members express constructive tension that emerges on these platforms. It is difficult to know how much this influences political decision-making. One example of an emerging small win could be the EU Directive that obliges corporations to report transparently on their impacts on sustainable development and to publicly set targets to improve their performance (the EU's Corporate sustainability reporting Directive and its Corporate sustainability due diligence Directive.) This may not transform a value chain, but it could spark further dialogue on sustainability targets while keeping a level playing field for competition. Some may expect that such an EU reporting directive would help clear the path for a possible transition, such as toward a more circular economy.

Some people are discussing whether the SDGs, if they are not yet enshrined in laws or testable policies, should also be considered in environmental assessments. It may be possible to test whether projects, plans and policies fit in official transition pathways.

Recommendations

To increase the strategic capacity of the Netherlands, the government can help citizens understand and trust reliable knowledge again. This would require investments in all the other links of strategic capacity, all of which depend on leadership.

Box 9: The IOB's review of the action plan policy incoherence

- Since 2016, the Netherlands has had an evolving 'Action Plan Policy Coherence' with a view to its impact on developing countries. In 2023, it was evaluated by the IOB, a directorate which falls under responsibility of the secretary-general of foreign affairs who has no power to influence the substance of the IOB's work (IOB, 2023).
- The IOB concluded that the action plan has a modest influence on interdependent policy agendas (i.e., interdependent silos). The IOB concluded that policy incoherences are most likely to emerge on the political agenda when policy fields 'collide' rather than in an action plan before they collide. The SDG framework provides some structure, but the IOB also found that the action plan focuses on selected incoherences without clear explanations for that focus, that analyses tap the

knowledge of too few civil servants, and that reports are superficial and offer no clear political guidance.

- It would be a herculean task for civil servants or politicians to follow up on the IOB's recommendations by looking for transition paths that remove all possible policy incoherences between SDGs. It seems unavoidable that, as the IOB observed, policy incoherences will continue to emerge on the agenda spontaneously, under pressure of the political process in the representative (i.e., parliament) and the deliberative democracy (i.e., platforms). Civil servants and politicians are then forced to postpone decisions, leaving existing incoherences intact, or to improvise. Sometimes they seek advice from think tanks on emerging incoherencies; the NCEA, for example, was asked several times to analyse sustainability dilemmas and identify possible ways forward. This is what the IOB called 'an agenda-setting and steering effect' of the action plan policy coherence.
- Despite the Action Plan Policy Coherence's agenda-setting effect, the IOB still notes a lack of coherence among international development goals, which include SDGs, climate mitigation and adaptation, biodiversity, national economic policies, and international trade.

Box 10: Eight practices that emerged in the Dutch community of independent professionals of policy evaluation

- Evaluators' communications should embrace rather than avoid complexities, since they may come back as boomerangs.
- Evaluators should analyse issues based on the best available scientific knowledge.
- Evaluators with too little time to think impacts and scenarios through should be honest about doubts and uncertainties, including whether they have the competence to make those decisions. They should indicate how social learning on these issues may prepare for balanced decision-making.
- Before presenting dilemmas, evaluators should maintain their legitimacy by organising public debate to identify societal benchmarks and weights for political trade-offs. They can identify stakeholders of each option and understand their perspectives on impacts including 'fairness' and explain how they assessed those impacts.
- Evaluators should visualise development scenarios with alternative policy options against possible futures outside the control of policymakers.
- Evaluators should place the impacts of the options that are part of a dilemma in the context of transition pathways to long-term objectives.
- Evaluators should explain that no one decision will transform the world, and how a possible decision would launch adaptive goal-oriented processes.
- If a stalemate arises in dialogue, evaluators may analyse the political risk of choosing an action that is ambitious in terms of the SDGs but for which society in your view may not yet be ready.

Source: this NCEA working group

6.9 Leaders to leaders

The connection

Leaders need no dedicated facility or interface to connect with each other before they communicate with their hierarchies or constituencies. To get started, all they need is confidentiality, as they must trust each other before they can act together.

It may help if one leader hierarchically covers many silos that touch a global transition. Some Dutch cabinets appointed 'programme ministers' with temporary cross-cutting tasks who didn't manage silos of their own but had full ministerial ranks and led small secretariats linked to several silos under other ministers. Such an arrangement is often chosen if the topic is of the highest political importance, cross-cutting, and of temporary priority. But the Netherlands' impact on the global transitions is rarely given such importance. See Box 11 for some other examples.

Trust

Since polarisation undermines consensus, Dutch political leaders may find it increasingly difficult to formulate clear long-term missions—and even more difficult to transform global value chains.

Long-term progress requires leadership that is not looking for visible results in the short term, other than dialogue on how achieve the mission itself. Any substantive control of this dialogue directly undermines its neutrality and mutual trust. As polarisation rises in debates about the short term, the government is more likely to be suspected of serving a one-sided interest, and the importance of dialogue as an end in itself diminishes. Dialogue requires time, energy and attention—and investments in relationships.

The Dutch government enables platforms of deliberative democracy without knowing if they will present ideas in line with official goals. On the other hand, political polarisation makes it increasingly difficult for politicians to explain to their constituencies that they use resources to exchange ideas with opponents on platforms of deliberative democracy—at least those opponents who are not so polarised around short-term issues that they are unwilling to apply transition thinking. There is a risk that future cabinets will choose to change almost nothing or try to return to the past rather than accelerate value chain transitions. It may be easier to explain these choices to constituents than to organise a societal learning process.

Many Dutch leaders seem to struggle with this political mood change and building enough consensus in society to accelerate global transitions. Many shy away from bold measures that are clearly needed and widely supported on the platforms of deliberative democracy, but which can still be a hard sell to people who 'live in other bubbles' and who may listen to political leaders who are turning away from deliberative democracy. More creativity and effort will be needed to advance society in the learning process and link dossiers under several politicians so that overall packages can be attractive to earn wide public support. Given political polarisation, civil servants may have more opportunity to do that. Civil servants may support leading politicians by exposing inconvenient dilemmas, for example in decision notes, without their ministers having to take responsibility. Civil servants have the sworn duty to expose dilemmas if they believe it is in the societal interest. If they are networked with other silos

and with deliberative democracy, they can verify with these trusted peers if this is safe enough for their careers.

Transition thinking

Leaders with highly contrasting or opposing interests and views may benefit from transition thinking to collaborate, find common values, and agree on attractive joint missions. It seems more likely today that such missions originate on the platforms of deliberative democracy, whilst leaders in the ministries can make the necessary governance arrangements to facilitate dialogue in the governance system—including these same platforms.

Recommendations

To increase the strategic capacity of the Netherlands:

- Civil servants may take the lead to make governance arrangements as proposed above, looking for long-term missions that aligned with the analyses made on the deliberative platforms.
- Political leaders, naturally preoccupied with polarised short-term decisions, must be willing to publicly promote long-term missions and facilitate dialogue throughout the governance system, and not to stand in the way of the organisational arrangements to pursue these missions.

The Netherlands can contribute to global sustainable development only with the help of civil servants enabled by politicians.

Box 11: Dutch hierarchical arrangements for transition leadership

A more permanent variant of the temporary programme minister is the ‘commissioner of government’, a civil servant who typically has access to cabinet meetings and may comment publicly on cabinet policy. One such commissioner is appointed for a multi-year term to secure adequate and timely adaptation of the Dutch water system to climate change. Another coordinates innovation and the reinforcement of information management in the government. This facilitates constructive tension in and between silos in the interest of the there and then and influences more dominant silos when they act without slow thinking. It fosters more integral platforms of deliberative democracy. The Netherlands has also engaged ‘special envoys’, high-ranking diplomats with cross-silo tasks abroad, such as a water envoy who connects three ministries and a climate envoy who connects two. Other examples include Dutch Ambassadors for Sustainable Development—one on behalf of low- and middle-income countries and one for the Netherlands itself.

6.10 Conclusions

Main outcomes of the new sustainability analysis applied to the Netherlands

This first application of the new sustainability analysis shows that the Netherlands' strategic capacity to make conscious strategic choices about its role in global sustainable development is declining. The weakest link, and therefore the priorities for investment, is dialogue between policy silos that touch on specific global transitions. If that link is strengthened, dialogue can be improved between the whole of government and citizens. To mobilise more citizens to take part of this dialogue, much more needs to be done in terms of regulating social media, AI, and education.

The returns on these investments depend on leadership, starting with the civil service, which can take advantage of the existing lively deliberative democracy of the Netherlands. There is no shortage of ideas about transitions, and people in all corners of 'the polder' can help each other in the interest of transitions that as many people regard as just within the Netherlands and around the world.

The Dutch contribution to global transitions is more than the Netherlands adapting to global change—even if that requires a domestic transition. Both are called transitions, both interfere, and both are complex. The strategic capacity in relation to domestic transitions, even if driven by global transitions, gets more attention and is better developed. One reason may be that people who do not live or vote in the Netherlands must be represented in other ways in deliberative democracy. On the other hand, there may not be enough recognition that the Netherlands has a responsibility to the world that at the end of the day is also in the interest of its own citizens. Despite the Netherlands' significant ecological footprint in the world, the governance system may be more skewed against these weaker interests than against the weaker social and ecological interests at home. This disadvantage can perhaps be overcome with a countervailing narrative, salient knowledge feedback and leadership that takes responsibility even if many voters don't.

First steps to make new governance arrangements

The first thing these leading civil servants can do is start a facility within the government that supports transition thinking across policy silos for important transitions. Transitions are complex and will need to be narrowed into a handful of policy fields that together can analyse the future and translate it into the short term, starting with a further analysis of the weaknesses in the Dutch strategic capacity around that transition, and then investing to bridge the gaps.

Creating more urgency for these governance arrangements

To underscore the urgency of these missions and the organisational arrangements, individual policymakers confronted with incoherences leading to global sustainability dilemmas may expose these dilemmas, even if these are inconvenient to their ministers but in the interest of society. To do that, they can make use of the deliberative platforms, identify possible weak links by themselves and with their networks, and propose investments to address these weaknesses. For individual Dutch policymakers, recommendations are most essentially within the boundaries of the value chain they want to address:

1. Connect to networks of the deliberative democracy.
2. Connect with other silos in government.
3. Apply transition thinking in these networks to identify small wins, including investments in the weakest links in the governance system—deliberative democracy (A–F) and knowledge feedback.
4. Propose to prioritise investments in the weakest links, such as:
 - Freeing up more civil servants, especially in weaker silos, to engage in relatively slow thinking with other silos in the value chain to apply transition thinking together (link B).
 - As silos come together, give a multiple-principal agency the task of structurally supporting institutional memory and neutral facilitation until the transition of that value chain accelerates enough (link C).

- If a platform of deliberative democracy for this value chain does not exist, start one together (link D).
 - As soon as a platform of deliberative democracy exists, use its analysis as constructive tension in hierarchies and with the other silos start a citizens' assembly for this value chain, or another form of government/citizen connection (link E).
5. Communicate these outcomes as dilemmas, for example in decision notes, including the options to invest in weak links. While these dilemmas may be politically inconvenient, public servants' oaths will protect them. If they have doubts about that protection, they may assess risks together with other actors of the deliberative democracy.

Knowledge arrangements to support these policymakers

It is the NCEA's impression that knowledge feedback cycles are not the weakest link: the governance system will take up knowledge better as the deliberative democracy is better connected and can articulate specific questions for knowledge institutes. The NCEA, for example, can connect to the deliberative democracy to identify bottlenecks where a SusAn like this (but more specific) may break a stalemate between silos. Note that such 'outsourcing' will empty connections B and C and therefore may not lead to genuine learning with lasting effects on the administration itself.

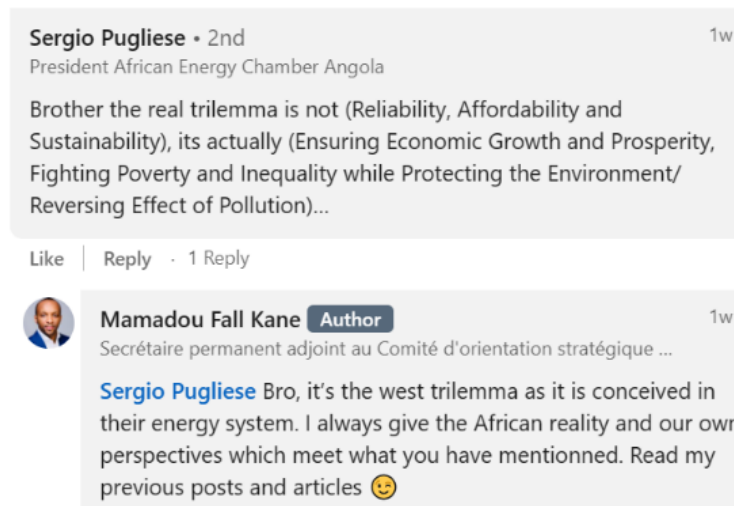
Leadership cannot be arranged. It must emerge.

Another bottleneck is connecting leadership, as it is increasingly hampered by political polarisation that creates destructive rather than constructive tensions, yielding fewer solutions to long-term problems. The answer to destructive polarisation once again is to invest in the deliberative democracy (B, C, E and F), which may enable the political system and society to polarise around constructive tension: Which transition path or small win will contribute most to the joint mission? This a chicken-and-egg issue, as these investments themselves depend on connecting leadership. Only leadership itself can break this stalemate. Such leadership is needed at all levels of hierarchy to transmit constructive tensions and to give support to new organisational arrangements.

Annex 1. Example dilemmas and transition thinking

Energy dilemmas in Africa: Different from those in ‘the west’

A LinkedIn conversation on 19 November 2023, shown below, illustrates how dilemmas depend on one’s perspective ([link to the full exchange](#)). Sergio Pugliese, president of the African Energy Chamber in Angola, was communicating with Mamadou Fall Kane, energy advisor to the president of Senegal. Their dilemma, touching on sustainable development in many ways, influences their debate by simplifying reality in a specific way. It shows that dilemmas can be viewed differently at the demand and supply side of the same value chains, in this case the global energy system.



Supporting fossil fuel development: An overly complex assessment framework

A dilemma that repeats itself differently in each policy implementation may require an overly complicated assessment framework applied case by case. The NCEA was asked to develop such a framework for development assistance to oil and gas development ([download the report here](#)). The resulting assessment framework was complicated and depended on political decisions. To prevent accusations of incoherence or failure to align with the Paris Agreement, the minister decided to end all support to oil and gas projects that may be beneficial to all SDGs. From a strictly legal point of view, there was no incoherence, but there is a tension between SDG13 (climate change) and SDG7 (sustainable energy for all). To make that tension constructive, more may be needed than simply stopping all kinds of support.

Self-regulation by assessment frameworks vs norming and pricing

Deliberative democracy sometimes demands that government express dilemmas in a more balanced way, and to fairly include bolder options. The government may not have the capacity or the will to do that, but it may make interventions as ‘small wins’ toward a sustainable transition.

Public interventions in the economy to leverage global change. Global value chains affecting climate and biodiversity are driven by private sector investments which governments can influence.

Government has several options to do that, and this leads to debate in the EU, the Netherlands and elsewhere. The following table includes three alternative or complementary leverage points of public interventions into the economy, in decreasing order of their assumed transformative influence or their

'boldness'. Choosing any or none of these interventions creates political dilemmas. With a view to sustainable development in the Netherlands, primarily related to climate and biodiversity, many leaders in the private and civil sectors call on the government to impose 'norming and pricing' to influence upfront investment planning. This requires more government capacity to oversee all technical and political consequences, create support in society, and decide where it can explain to constituents that going against the interest of certain conservative lobbies is in the public interest and fair enough to all affected groups.

Leverage point of the intervention	Intervention type
Direct norming and pricing upfront of investment planning	<p>Taxonomies: Assessment frameworks for 'green' investments like 'no (public) export credit assurances for fossil fuel-related activities' and the EU Taxonomy ('subsidising the new, sustainable economy').</p> <p>Pricing: Of emissions, for example, changing business cases for investments.</p>
Command & control downstream of investment planning	<p>Safeguards approaches: Approving investments individually or generically (investment strategies may avoid cost of meeting requirements).</p>
Privately designed norms with a public 'push'	<p>Due diligence: Responsible business conduct (RBC) frameworks—supply chain responsibility, demands collaboration between corporations to raise ambitions. Notice that Environment, Social & Governance (ESG) is similar to RBC, but then with a private 'push' (by Standard & Poor).</p>

Limits to public interventions. Despite careful decision-making, all three of these intervention types face criticism. Some people regard them as insufficient to drive urgently needed transitions since they may not do enough to discourage unsustainable investments or encourage sustainable investments. Governments may lack democratic support to implement and enforce these transformative interventions boldly enough. Taxonomies, safeguards and due diligence all contribute as small wins to sustainable transitions, so there is a risk of throwing out the baby with the bathwater.

We elaborate on the limits each intervention type:

Limits to taxonomies. Taxonomies define degrees of 'green' investments which may require different approaches to secure assessment quality. The following classification is a generalised example (the assignment of colours is ours):

- Green investments, according to e.g. the EU Taxonomy, are major investments, usually in infrastructure, that are assumed to bring development of the global economic system onto a sustainable transition path. There is a delegated EU act related to coherency with the Paris goals for climate change and the global energy transition. Countries may use their own taxonomies to determine which investments qualify as green.
- 'Red' investments are assumed to reinforce an unsustainable global value chain, inhibiting a sustainable global transition. The Glasgow Declaration at UNFCCC's COP26 declares certain fossil fuel production investments to be red in this sense. By not supporting these red investments,

governments discourage an unsustainable value chain, hoping that the market will shift to a more sustainable value chain.

- 'Neutral' (or indifferent) investments are assumed to not affect global transitions to sustainable development.
- 'Grey' investments cannot easily be classified as green, red or neutral. Fossil fuel investments in general belong to this category if a complete stop would create more problems than it would solve. Case-by-case assessments are needed.

Such taxonomies have benefits (as impact assessments show – Versmann et al, 2023), but they are criticised for being not bold enough. In early 2023, for example, the EU taxonomy considered airplanes to be a green investment (NRC, 18 February 2023; see also [Transport & Environment, 2023](#)). Natural gas and nuclear energy are also in the EU Taxonomy and are equally controversial. Some may argue that taxonomies should favour differentials in sectors, promoting greener investments compared with business as usual, even if the greener variant is still not fully sustainable. Controversy on taxonomies are partly based on differences in how stakeholders want to account for risks and opportunities, and partly based on disagreements about the nature of these risks and opportunities.

Limits to safeguard approaches. Safeguards provide mechanisms to secure the quality of assessments of investments. Safeguard systems are formally triggered at a relatively late stage of investment planning. They refer to environmental and social impact assessment procedures in combination with norms for environmental and social impacts. Increasingly, the impact on all SDGs is included (Versmann et al, 2023). The Performance Standards of the International Finance Corporation are a well-known example of that approach. Many safeguard procedures are not only administrative: they also mandate transparency before decision-making.

Safeguards are case-by-case assessments with the aim to separate red from green and neutral investments and, if possible, improve their quality enough to consider them green. However, safeguard-type assessments may be considered separately from taxonomies for several reasons:

1. They include few transition-focused criteria for investments. They include widely accepted norms that are usually designed not to slow investments, disregarding their wider impact on sustainable transitions. Safeguards therefore may 'follow' rather than 'lead' transitions to sustainable development.
2. They need design details to verify norm compliance, and these details are not yet available when investors start design. It is rare that an assessment at the later stage, when a law triggers a safeguard procedure, leads to rejection of unsustainable investments. The filtering of intrinsically unsustainable investments, where sound design would not help, occurs in an earlier phase of investment planning. Safeguards may cast their shadow ahead (a preventive effect), but their transformative effect on global value chains remains limited.
3. They do not always provide enough early transparency for critical NGOs to verify their quality until the planning process has proceeded too far to be reversed without enormous cost.

Safeguards create transparency that may raise wide awareness of incoherence in a sector's development. This awareness may influence debate in the deliberative democracy on the need for a transition, influencing the governance context for any future investments. From that point of view, safeguards systems are 'small wins' in sustainability transitions.

Limits to private supervision of responsible business conduct. At a late stage of investment planning (even if still before making final investment decisions) safeguards are widely used to assess environmental, social and governance (ESG) standards. S&P Global's CICERO provides second opinions, for example, and critical reflections come from all parts of the deliberative democracy. The common denominator of these criticisms is that ESG standards do little to transform global value chains. An outside force might change that: the government.

Some criticisms of ESG:

- The NGO Sustainable Finance Lab underscores the one-sided focus on climate change and limited attention to global biodiversity.
- ASN Bank's sustainability officer Piet Sprengers, citing the Great Green Investment Investigation, writes that there is no clear distinction between green or non-green investments.
- Triodos Bank's Hans Stegeman, worried about ESG rating divergence, advocates that 'investors do their homework and understand themselves where they invest in, and that all funds are tied to real-world sustainability objectives if they claim to invest for a better world'.
- The economist Kelly Shue argues that ESG investing gives more money to firms that are already green while depriving polluting firms of the financing they need to get greener.
- Tariq Fancy, former banker in charge of sustainability at BlackRock, the world's largest asset manager, is also sceptical of ESG (in Dutch).
- An article in Trouw (in Dutch) quotes research showing that thousands of ESG evaluations reveal more about corporations' intentions than performance. It quotes experts saying that the government should step in to reduce 'greenwashing'. One quoted politician argues for measures against that ESG financial fraud that hurts American workers and investors (in this case ESG would make an unjust contribution to a sustainable transition).

Limits to responsible business conduct, under government supervision. There is a global movement toward government regulation that would require more transparent reporting by companies on the impacts from their operations and business strategies:

1. New regulations on mandatory due diligence on international Responsible Business Conduct (RBC), based on OECD Guidelines and government efforts to lay this down in law. The EU has its Sustainable Finance Disclosure Mechanism (SFDR).
2. The 2022 EC Proposal for a Directive on corporate sustainability due diligence for corporate investments. Some companies will require a plan to ensure that their business strategies are

compatible with limiting global warming in line with the Paris Agreement. Member States should designate an enforcement authority.

3. Countries may have internal dialogue. The SER in the Netherlands, for example, has concluded a number of international RBC Agreements between private, public and civil actors. The SER has a procedure for making and implementing these agreements.

Applying these instruments will not foreclose the need to make public decisions on which investments to support and discourage by means of taxonomies and safeguards. But the bottom line is that with RBC businesses need to conform only with legal norms without defining these norms (other than more transparency).

The Netherlands has proposed a law on 'Responsible and sustainable business conduct' which at the time of writing is on hold, awaiting a response from the EU. The law would require corporations with certain impacts in their value chain to draw up and implement plans to address these problems a part of their duty of care. Advice by the Dutch Council on Environment and Infrastructure (RLi, 2022) proposes to give the financial sector a government-induced role in agreeing on standards. In a meeting of financial sector leaders in November 2022, however, many asked the government to make up its mind about boldly implementing transformative measures: 'norming and pricing' (personal observation NCEA). This advice, and RBC, may therefore be seen as a small win toward sustainability transitions: provoking a debate about bolder government measures.

Annex 2. Acronyms and abbreviations

ACM	Autoriteit Consument en Markt (<u>Authority for Consumers and Markets</u>)
ADSB	Atradius Dutch State Business
AFM	Autoriteit Financiële Markten (<u>Dutch Authority for the Financial Markets</u>)
AIV	Adviesraad Internationale Vraagstukken (<u>Advice Council on International Affairs</u>)
COP	Convention of the Parties
CPB	Centraal Planbureau (<u>Netherlands Bureau for Economic Policy Analysis</u>)
CSOs	Civil Society Organisations
DGIS	Directoraat-Generaal Internationale Samenwerking (<u>Directorate-General for International Cooperation</u>)
DNB	<u>De Nederlandse Bank (The Dutch National Bank)</u>
EA	Environmental Assessment
ESG	Environment, Social and Governance
IOB	<u>International Research and Policy Evaluation (the independent evaluation unit of foreign affairs)</u>
NCEA	<u>Netherlands Commission for Environmental Assessment (Commissie mer)</u>
NGOs	Non-governmental organisations
OECD	Organisation for Economic Cooperation and Development
OFL	Overlegorgaan Fysieke Leefomgeving (Deliberation Organ Physical Environment)
PBL	Planbureau voor de Leefomgeving (<u>Netherlands Environmental Assessment Agency</u>)
PCSD	Policy coherence for sustainable development
RBC	Responsible business conduct
RVO	Rijksdienst voor Ondernemend Nederland (<u>Netherlands Enterprise Agency</u>)
SDGs	Sustainable Development Goals (in NL operationalised as ‘inclusive welfare’)
SER	Sociaaleconomische Raad (<u>Social and Economic Council</u>)
UN	United Nations
UNGP	UN’s guiding principles on business and human rights
WRR	Wetenschappelijke Raad voor het Regeringsbeleid (<u>Netherlands Scientific Council for Government Policy</u>)

Annex 3. Glossary

A **policy** is a course of action adopted by a public authority, a company, or an organisation of civil society, such as an association or foundation pursuing the goals of its members. Endorsing the SDGs is a policy, as the endorser promises to take actions coherent with the SDGs where possible.

A **policymaker** is anyone who can influence the adoption of policies, such as politicians, civil servants, and the staff of CSOs and companies. Our definition excludes large unorganised groups of activists demonstrating for or against policies, even if they can influence policymakers' agendas.

A **policy incoherence** occurs when several underlying policy goals, such as SDGs, work against each other because of how they are pursued in other action-oriented policies.

A **transition or transformation** is a change of a complex system such as a global value chain. Transitions are S-shaped—slow start, acceleration, and slow re-stabilisation. Many observers assume that multiple transitions will be needed to achieve the SDGs.

A **sustainability dilemma** arises when business-as-usual policies fail to initiate a transition or transformation that may remove a policy incoherence. In that case, a policymaker must trade off the here and now interests of direct stakeholders with those of indirect stakeholders there and then, such as elsewhere in the world and for future generations.

The **governance context** of a policymaker is a **governance system**. It consists of actors that influence the rules of the state and the economy. This includes the public, private and civil sectors, all of which have policymakers who include politicians, chief executives, their staffs and so on.

A **governance arrangement** is an organisational measure that changes a part of a governance system, for example by enabling dialogue or by mandating early accountability. It affects the distribution of power.

The **public sector** is the government: multi-levelled—local, regional, national, supranational—and multi-sectored or siloed. **Civil society** includes labour unions, for example, employer's unions, branch organisations, and civil interest groups such as environmental and consumer NGOs. Citizens are also connected to the governance system via elections. The **private sector** consists of companies rooted or active in a country.

Strategic capacity is the ability of policymakers to observe SDG incoherencies and dilemmas and to act accordingly, and the ability of the governance system to enable such observation, debate and action. This is in line with the more general definition: the capacity to over a long period to act consistently in coherence with long-term goals.

In a **deliberative democracy**, the government discusses options with actors in civil society before taking decisions.

Annex 4. Sources

- Ansell, Christopher; Eva Sørensen & Jacob Torfing (2022): Cocreation for sustainability. The UN SDGs and the power of local partnerships. Open access book.
- Biesbroek, Robbert 2021. Policy integration and climate change adaptation. In: Current Opinion in Environmental Sustainability 2021, 52:75–81
- Bolhuis, Wilmar (2023). Economists must know what transition failure is. ESB.
- Both Ends et al. (2024). Dredging destruction. BE, EKOMARIN, Forum Suape, Kalikasan People's Network for the Environment, Save Maldives Campaign, União Provincial de Camponês.
- BZK 2023. Letter to Parliament about the implementation of a motion to change the oath of office of government officials.
- WALHI/Friends of the Earth Indonesia–South Sulawesi (Indonesia)
- Bouckaert, Geert & Werner Jann (2020). European Perspectives for Public Administration: The Way Forward. Leuven University Press
- Courant, Dimitri (2020). Des mini–publics délibératifs pour sauver le climat ? Analyses empiriques de l'Assemblée citoyenne irlandaise et de la Convention citoyenne française. Archives de philosophie du droit 2020/1 (Tome 62), pages 485 à 507
- EC 2022 Proposal for a Directive on corporate sustainability due diligence for corporate investments European Commission (webpage). EU taxonomy for sustainable activities. What the EU is doing to create an EU–wide classification system for sustainable activities.
- Evans, Peter (1995). Embedded Autonomy: States and Industrial Transformation. Princeton University Press
- EZK, 2022. Durf te leren, ga door met meten. Op zoek naar kaders en methoden voor de evaluatie van systeem– en transitiebeleid. Ministry of Economic Affairs and Climate
- Forest Watch Indonesia, Jatam, Jatam kaltim, Pokja 30, Pokja pesisir dan nelayan, Trend asia, Walhi, Walhi kaltim (2023) The new capital for whom?
- Fritz, Robert (1989) Path of Least Resistance: Learning to Become the Creative Force in Your Own Life. Ballantine Books.
- Government of The Netherlands (2022). The Netherlands takes a new step in greening export credit insurances.
- Heijden, Teri van de (2023) Hoe groen is mijn vliegtuig? Volgens Brussel misschien best wel groen. NRC, 18 February 2023.
- IOB 2023 Beter afgestemd? Evaluatie van het actieplan beleidscoherentie voor ontwikkeling. Report on progress of the Dutch policy coherence action plan.
- Kahneman Daniel (2011) Thinking fast and slow. Farrar, Straus and Giroux
- Kingdom of the Netherlands (2022) Voluntary National Review on the Sustainable Development Goals. United Nations High–Level Political Forum on Sustainable Development 2022
- Koch, Dirk Jan (2024). Foreign Aid and Its Unintended Consequences in recipient countries
- Lodder, Marleen; Chris Roorda; Derk Loorbach & Charley Spork. Staat van transitie: patronen van opbouw en afbraak in vijf domeinen. Drift, for Ministry of Infrastructure and Environment
- Maas, Timo & Paul Lucas (2023). Brede Welvaart en de SDG's. Overeenkomsten, verschillen, en rollen voor beleid. Planbureau voor de Leefomgeving.
- Mazzucato Mariana (2022). Mission economy. A moonshot guide to changing capitalism. Allen lane.

Mazzucato, Mariana & Rosie Collington (2023). The big con. How the Consulting Industry Weakens our Businesses, Infantilizes our Governments and Warps our Economies. Penguin Allen Lane.

McKelvey, Bill (2008) Emergent strategy via complexity leadership: Using complexity science & adaptive tension to build distributed intelligence. In: Uhl-Bien, Mary, Roos Marion (ed.s). Complexity Leadership. Part 1: conceptual foundations.

Mintzberg, Henry (2014). Rebalancing society.

National Government, 2024. Beleidskompas. Rijksoverheid, kenniscentrum voor regelgeving en beleid, 4 January 2024 (acceded May 2024)

Nooteboom (2024). Co-creatie en legitimiteit: de cruciale rol van vitale netwerken. Accepted by Bestuurskunde.

Nooteboom S.G. (2019). Environmental Assessment as an institution of liberal democracy. Impact Assessment and Project Appraisal 38(2): 109-112

NWO (undated webpage). Beyond cherry-picking: aligning development actors and efforts for inclusive and effective governance of trade-offs and synergies between SDGs in East Africa.

OECD (2019) Equal access to justice for inclusive growth: Putting people at the centre. Paris: OECD Publishing

OECD (2019). Policy Coherence for Sustainable Development. Empowering People and Ensuring Inclusiveness and Equality

OECD (2020) OECD's Policy framework on Sound Public Governance. Paris

OECD (2023) Government at a glance (2023 edition)

OECD (Website). Innovative citizen participation.

OECD Guidelines on international Responsible Business Conduct (RBC).

Osborne, Stephen P. (2010). The New Public Governance? Emerging Perspectives on the Theory and Practice of Public Governance. Routledge.

PBL (2018). Using planetary boundaries to support national implementation of environment-related sustainable development goals. Paul Lucas and Harry Wiling. PBL publication 2748

Pörtner H.-O., R. J. Scholes; A. Arneith; D. K. A. Barnes; M. T. Burrows; S. E. Diamond; C. M. Duarte; W. Kiessling; P. Leadley; S. Managi; P. Mcelwee; G. Midgley; H. T. Ngo; D. Obura; U. Pascual, M. Sankaran; Y. J. Shin; & A. L. Val (2023). Overcoming the coupled climate and biodiversity crises and their societal impacts. Science Vol 380, Issue 6642

Pot, Wieke D. 2022. The governance challenge of implementing long-term sustainability objectives with present-day investment decisions. Journal of Cleaner Production Volume 280, Part 2, 20 January 2021, 124475

Putters, Kim (2023). Speech on 17 May 2023 by Kim Putters, chair of the SER.

Raworth, Kate (2017). Exploring doughnut economics. Webpage.

Rijksoverheid (2023). Ambtseed rijksambtenaren wijzigt: meer nadruk op werken in het algemeen belang voor onze samenleving. Nieuwsbericht.

RLI 2022. Advice on financing transitions. Dutch Council on Environment and Infrastructure

RLI, 2023. Verkenning systeemfalen in het omgevingsbeleid. Een probleemverkenning. Raad voor leefomgeving en infrastructuur.

S&P Global's CICERO

SCP, 2023. Burgerperspectieven 2023. Bericht 3. Sociaal en Cultureel Planbureau.

SEI. Sustainable Development Goals. The SDGs Wedding Cake. Stockholm Resilience Center.

- Ter Haar, Bernard & Ruben Koekoek (ed.) (2023) De nieuwe polder. Hoe rolt geld weer de goede kant op? Walburg Pers
- Termeer Catrien J. A. M.; Art Dewulf Gerard Breeman & Sabina J. Stiller. (2013). Governance Capabilities for Dealing Wisely With Wicked Problems. Administration & Society Volume 47, Issue 6.
- Termeer, C. J., & Metze, T. A. P. (2019). More than peanuts: Transformation towards a circular economy through a small-wins governance framework. Journal of Cleaner Production, 240, 118272.
- Transport & Environment (2023) EU investment rules will greenwash 90% of Airbus' polluting planes. UN CEPA 2023. Urgently transforming institutions for a greener, more inclusive and more resilient world at a time of multiple crises. Contribution by the Committee of Experts on Public Administration to the 2023 high-level political forum on sustainable development. Economic and Social Council Committee of Experts on Public Administration.
- UN Department of Economic and Social Affairs (webpage) The Sustainable Development Goals.
- UN Statistics 2022. Sustainable Development Goals Progress Chart 2022. Statistics Division, Department of Economic and Social Affairs, United Nations.
- UNEP, 2022. Methodology for SDG-indicator 17.14.1: Mechanisms in place to enhance policy coherence for sustainable development.
- UN Sustainable Development Council (2023). The Global Sustainable Development Report (2023) Pillar 4.
- Van Twist, Mark; Rik Peeters; Martijn van der Steen (2007). Balanceren tussen inkapseling en afstoting Een essay over de strategische functie bij de Rijksoverheid. NSOB
- Versmann, Andreas; & Sibout Nooteboom, 2023. Checking the consistency of EU legislation with the Climate Law and the do-no-significant-harm principle. An evaluation of Impact Assessments of the European Commission. Commissioned by WWF, Brussels.
- Visser, J., & Hemerijck, A. (2000). A Dutch miracle: job growth, welfare reform and corporatism in the Netherlands. Journal for the Study of the pseudepigrapha, 77(6).
- VROM (2001). Nationaal Milieubeleidsplan 4. Ministerie van Volkshuisvesting, Ruimtelijke Ordening en Milieu. The Hague, Sdu.
- WBCSD, 2011. Collaboration, innovation, transformation: Ideas and inspiration to accelerate sustainable growth - A value chain approach. World Business Council on Sustainable Development.
- World Bank. 2017. Deliberative Inequality: A Text-As-Data Study Of Tamil Nadu's Village Assemblies.
- World Bank Group. 2023. The Big Push for Transformation through Climate and Development— Recommendations of the High-Level Advisory Group on Sustainable and Inclusive Recovery and Growth. Washington, DC: World Bank. License: Creative Commons Attribution Non-commercial (CC BY-NC 3.0 IGO)
- WRR (2023). Grip. Het maatschappelijk belang van persoonlijke controle. National Scientific Council for the Government.
- Zouridis, Stavros; Eva Wolf & Feie Herkes (2022). Ontbindend en bindend besturen van de omgeving. Juridisering in de praktijk van omgevingsbesluitvorming. Boom Bestuurskunde.