

**Govert Buijs, Ellen Klaver,  
Marcus van Toor**

# **DREAMERS, THINKERS, DOERS**

**Conversations on the  
Economy of Tomorrow**



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University  
Press

Foreword by  
Jan Peter Balkenende

Dreamers, Thinkers, Doers



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*Conversations on the Economy of Tomorrow*

*Govert Buijs, Ellen Klaver, Marcus van Toor*

Amsterdam University Press

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# Contents

*Jan Peter Balkenende*

Foreword 7

Introduction 11

1. 2015: A New Beginning... 11

2. Counterforces Mobilize 13

3. The Silicon Valley Ideology 17

4. Is Europe Doing Poorly? Draghi's Report as Guiding Light and Will-o'-the-Wisp 18

5. Standing Tall – or: Buckle Up! 23

6. Dream, Think, Act: The Multi-Actor Approach in Practice 24

*Iñigo Ucín*

Lessons from Europe's Largest Cooperative 31

*Marlies van Wijhe*

Innovating for a Sustainable Paint Industry 39

*Henk Willem van Dorp*

Leading a Family Business with Family Values 49

*Bruno Roche*

Redefining Value 57

*Harmen van Wijnen*

Steering Pension Funds for Future Generations 65

*Ronald Cohen*

Measuring Impact for a Good Economy 75

<i>Kim Tan</i>		
Businesses that Transform Lives		85
<i>Maria van der Heijden</i>		
Future-Proof Businesses Seek Connection		97
<i>Marcello Palazzi</i>		
Leading Europe's B Corp Movement to Foster Responsibility		105
<i>Marjan Minnesma</i>		
Pioneering to Accelerate the Transition		115
<i>Hannah Ritchie</i>		
Finding Hope Through Data		123
<i>Sabine Rau-Oberhuber</i>		
Shifting Power and Responsibility in Circular Business Models		131
<i>Julian Rosefeldt</i>		
Critical Art that Moves and Provokes		141
<i>Cardinal Peter Turkson</i>		
Culture Critique Rooted in Faith		155
<i>Mariana Mazzucato</i>		
The Entrepreneurial State		163
<i>Lara Wolters</i>		
Battling for Change in Brussels		171
Epilogue		177
About the Authors		179

# Foreword

At the beginning of 2024, the book *Capitalism Reconnected* was published. In this book, Govert Buijs and I outline a possible direction for the European economy, one that differs from the shareholder capitalism of the United States and the state capitalism of China. We argue that a free market is a wonderful platform for innovation and for the creation of prosperity, but that it is also continually accompanied by risks of imbalance that call for action – for what we call the ‘embedding of the market’. In the nineteenth century, this was known as the ‘Social Question’. At the time, it demanded a response – and eventually one came. Social legislation was introduced, for example the prohibition of child labour through the Dutch Child Labour Act of 1874, which has since become part of the canon of Dutch history. In 1891, Pope Leo XIII issued the encyclical *Rerum Novarum*, and in the Netherlands the Social Congress took place, organised by Abraham Kuyper, the Protestant leader who later became prime minister of the Netherlands.

Today, the risks associated with the free market look different. Alongside the spectre of large inequalities and – certainly from a global perspective – forms of exploitation, many people have become increasingly aware of the ecological risks. The problem of climate change is felt everywhere. In recent years we have also been confronted with geopolitical and geo-economic risks. In Europe in particular, we have become acutely aware of how dependent our economy has become on other parts of the world for raw materials, energy, and other essential resources.

These challenges call for new thinking in many areas: new creativity, new forms of entrepreneurship, and a renewed role for politics. In *Capitalism Reconnected* we therefore argue for what we call a ‘multi-actor approach’. The shaping of an economy cannot be the task of economists alone, nor of market actors in

a narrow sense. It requires the commitment and engagement of many different actors and institutions across society.

This collection of interviews reflects something of that multi-actor approach. Conversations were held with people who, from very different backgrounds and perspectives, are all working toward a renewal of the economy. They range from an economist to a church leader, from a politician to an artist, from investors to scientists – and, of course, several entrepreneurs. What stands out in all of them is their deep engagement, their vision and inspiration, and above all their determination to find concrete ways of putting innovative ideas into practice, ranging from new ways of working with building materials to new forms of investing.

The beauty of a collection of conversations such as this is that the reader does not need to agree with everyone on everything in order to be stimulated to think. Each interview can be seen as an invitation to think along, and if you wish, to think differently.

It hardly needs saying that, in the current geopolitical situation, this may not be the most obvious moment to publish a volume like this. The world appears to be moving in a very different direction. Instead of standing up for human dignity and justice, we see the return of brute power politics. Instead of ecological reorientation and the transition towards a far more sustainable economy, we see the undermining of international climate agreements. Instead of global cooperation – such as envisioned in the Sustainable Development Goals of the United Nations, particularly SDG 17 ('Partnerships for the Goals') – we see the short-term interests of major geopolitical blocs prevailing. Instead of a world order that offers hope to people, we see the emergence of global disorder. It sometimes seems as if all ideas about a more sustainable and socially responsible economy are being pushed aside by calls for higher defence spending and the pursuit of 'strategic autonomy'.

And yet we should never forget that history often moves in cycles. There will certainly come times again when world leaders, in politics and in economy, recognise that cooperation ultimately serves us better than brute power politics; that on this one planet entrusted to us we will have to live together; and that we must work jointly toward the promotion of the common good.

It is essential to continue to work towards that perspective with conviction, even when the tide is against us. *Capitalism Reconnected* concludes with a plea for an 'economy of hope'. At its heart is the famous statement of Václav Havel: hope is not the same as optimism, as if everything will turn out well by itself. Rather, hope is the conviction and commitment to work for what is good, precisely because it is meaningful.

From that perspective, the conversations in this volume can be read as exercises in hope and as reports from laboratories of experimentation for a different economy. So that when geopolitical circumstances change again, tested ideas will be available and ready to be scaled up. My thanks go to all those interviewed, and to Govert Buijs, Ellen Klaver, and Marcus van Toor for this wonderful collection. I wish you much inspiration in reading *Dreamers, Thinkers, Doers*.

Jan Peter Balkenende, Minister of State and former Prime Minister (2002-2010) of the Netherlands



# Introduction

This collection brings together a series of conversations with passionate pioneers of economic renewal. They are searching for ways to shape the capitalism – or perhaps post-capitalism – of tomorrow and the day after: a market economy that is more sustainable and more socially oriented than that of recent decades, or even centuries.

Had this book been published ten years ago, it would have fitted seamlessly into the optimism of the time about social entrepreneurship, sustainable innovation, and systemic change. Today, however – now that Donald Trump is once again president of the United States – its publication might seem like an act of wishful thinking. With his return to the White House, climate policy worldwide faces intense pressure, and anything remotely ‘social’ or ‘sustainable’ is met across the Atlantic with ridicule and restriction. The implications for Europe are profound. Yet despite this, we have chosen this moment to publish this book. That deserves an explanation – hence this introduction.

## 1. 2015: A New Beginning...

Ten years ago, the world was a very different place. The divide between 2015 and today is vast. The year 2015 was marked by hope and ambition. It witnessed the release of Pope Francis’s first major encyclical, *Laudato Si’* – a profound call for ecological and social justice, and an appeal for an ‘integral ecology’. Shortly thereafter, the United Nations presented its ambitious long-term framework: the seventeen *Sustainable Development Goals*, successors to the *Millennium Development Goals* established in 2000. These goals set forth a clear global agenda aimed at eradicating poverty and hunger, expanding access to education and healthcare, advancing equality (including gender equality), and safeguarding the climate and biodiversity. As a crowning achievement, December 2015 saw

the signing of the Paris Climate Agreement – a historic accord between 195 countries to collaborate toward a sustainable future and to limit global warming.

We can view 2015 as a collective response to the profound systemic crisis that erupted between 2007 and 2010, the so-called financial crisis. The near-blind faith in ‘the market’ to self-regulate and consistently deliver optimal outcomes was shattered overnight. In a now-famous admission, then-Federal Reserve chair Alan Greenspan acknowledged: *‘I made a mistake in presuming that the self-interests of organizations, specifically banks and others, were such as that they were best capable of protecting their own shareholders and their equity.’* In other words, he had been wrong to assume that the self-interest of organizations, especially banks, would naturally align with safeguarding shareholders and their assets.

That insight cut deep. If even shareholders – the supposed ultimate beneficiaries in Greenspan’s model – could not count on protection, what hope remained for the far broader circle affected by economic policies? Millions lost their homes, jobs, and savings. Yet Greenspan’s statement remained silent on these ‘stakeholders’. This silence was no coincidence.

Back in 1970, economist Milton Friedman had stated unequivocally: *The social responsibility of business is to increase its profits.* Period. Business existed not to serve society, but its shareholders. This belief – that the rational self-interest of market participants would inherently yield the best outcomes – became the cornerstone of mainstream economic thought in the decades that followed.

In the aftermath of the credit crisis, a profound re-examination of the economy seemed inevitable. Indeed, this shift crystallized in 2015. Suddenly, it seemed we were on our way to a better, more sustainable, and more equitable world – propelled by a broad international commitment.

The significance of that year should not be underestimated. It demonstrated that consensus on a global agenda was achievable and that progress could begin to address some of the most

persistent shortcomings of the global economic system. This insight also reverberated within the corporate world.

In 2019, the *Financial Times* dedicated a special issue to the theme ‘Capitalism: Time for a Reset’. Its agenda came with the tagline: *Business must make a profit, but should serve a purpose too*. Larry Fink, CEO of BlackRock – the world’s largest investment fund – began writing annual letters urging the companies he invested in to look beyond financial returns and to take responsibility for their social and environmental impacts. Even the Business Roundtable – an influential consortium of CEOs from the 200 largest publicly traded US companies – adopted a new stance. Their joint statement on the ‘Purpose of a Corporation’ embraced a broader orientation: moving beyond purely ‘shareholder value’ toward ‘stakeholder value,’ a company’s contribution to people and society.

It seemed a new chapter of capitalism was beginning: ‘responsible capitalism’. The Friedman–Greenspan era appeared to be coming to an end. The very foundations of ‘neoliberalism’ were beginning to shift. In those years, at least one region – together arguably the largest economy in the world – committed itself with vision and determination to realizing this new agenda: Europe.

## **2. Counterforces Mobilize**

At the same time, it is important to recognize that as early as 2016, very different movements began to emerge. In the United Kingdom, a referendum was held on the country’s possible exit from the European Union. While it is, of course, a sovereign right for countries to decide whether to join or leave a multilateral institution like the EU, the spirit behind that referendum went far beyond a simple institutional choice. The proponents of Brexit fundamentally rejected any limitation on their sovereignty – especially when it came to the organization of the economy.

Looming beneath the surface were fantasies of restoring the British Empire, of reclaiming a decisive role in the global economy

without being constrained by international agreements, be it on climate policy, workers' rights, or regulation of the vastly overgrown financial sector known as 'the City'. The slogan *Take back control* was not solely – or even primarily – aimed at 'Europe'. It expressed a deeper sentiment, particularly among an economic elite who proved remarkably adept at mobilizing 'the people' to serve their own interests. Their agenda called for further deregulation, flexibilization, dismantling of social protections, and removal of environmental safeguards.

But how could 'the people' be persuaded to support this? A cynical interpretation seems the only plausible explanation: decades of globalization and unrestrained market forces had severely eroded economic security for much of the working classes. The resulting widespread discontent became a fertile ground for exploitation.

Ironically, the United Kingdom had long been one of the staunchest advocates of market liberalization and globalization, shamelessly leveraging its EU membership to advance this cause. Yet the Brexiteers succeeded in blaming nearly every problem afflicting the country on Brussels – the very institution that had managed to enforce even a minimum standard of workers' rights in the UK.

What the Brexiteers accurately perceived, and skilfully mobilized, was that the global economy as it had evolved over recent decades had left large segments of the population behind: workers in healthcare, manufacturing, and education. Yet they had absolutely no intention of addressing this reality.

We would see this pattern repeat itself elsewhere. New political movements give voice to the frustrations bred by decades of 'neoliberal' market globalization. But just as awareness of the downsides of this neoliberal project grows, politicians ride the wave of discontent not to confront its root causes, but to deploy distractions – such as 'woke' culture, conspiracy theories, and immigration – as lightning rods. Under the guise of 'freedom', 'control', and 'sovereignty', they continue to push a neoliberal market economy at full throttle, dismantle social protections, and fuel economic inequality.

This is the tragedy of Brexit, and of many ‘populist’ movements since. The first experience of those who feel victimized by the globalized free market, after putting populist leaders in power, is new tax cuts for the wealthy and further erosion of social safety nets.

Looking more broadly at the consequences of market globalization also helps explain why a similar movement took root in the United States, a country that obviously was in no way ‘oppressed’ by the European Union. The (first) election of Donald Trump that same year expressed exactly the same spirit as Brexit – only more intensely. His campaign, too, was largely built on resistance to international agreements. Climate policy was a particular target: withdrawal from the recently signed Paris Agreement was one of the key pledges he fulfilled shortly after taking office in 2017.

After his second election, it became even clearer that Trump envisioned a radically different world order – one that rejected cooperation in addressing major social and economic challenges. Again, he withdrew from the Paris Agreement (which Biden had rejoined), while forging alliances with a new elite: the ‘tech bros’ – entrepreneurs like Elon Musk, Jeff Bezos, Mark Zuckerberg, and Peter Thiel. Their agenda was clear: maximum freedom for their companies, without rules or limits. Anyone raising ecological or social concerns – such as advocacy for ESG (Environmental, Social, Governance) criteria – was dismissed in these circles as a proponent of ‘woke capitalism’.

The term *reset*, once used with hope by the *Financial Times* and the World Economic Forum, quickly became a target of conspiracy theories: the ‘Great Reset’, a sinister plot in which all certainties – financial, moral, geographic – would be erased to benefit ‘the elite’ at the expense of the ‘ordinary man’. Associating the reset to pandemic measures – although they were unrelated – provided fertile ground for conspiracy narratives.

Here again, the pattern repeats: as soon as awareness begins to grow – especially among the most powerful – that the ruthless capitalism of recent decades requires reorientation, that very idea is cast into doubt. Just as elites begin to admit, perhaps even

sincerely, that capitalism has gone off the rails, the narrative spreads that anyone seeking social change is motivated solely by personal gain. The term *reset* has become unusable. In this dark game, the opponents of reorientation emerge as the ultimate victors. Capitalism barrels forwards – without social responsibility, without ecological care, without accountability – pursuing nothing but profit maximization.

These dynamics echo what sociologists Luc Boltanski and Ève Chiapello observed in the 1990s: capitalism's extraordinary ability to absorb and neutralize any countermovement. It is not far-fetched to view the opposition to the idea of a 'reset' itself as a conspiracy orchestrated through social media – a masterstroke by the most powerful elite of all, designed to discredit any attempt to rethink capitalism from the outset. No obstacle may be placed before the system as it stands.

Then, amidst all this, came Russia's invasion of Ukraine in 2022. The geopolitical ramifications are too vast to detail here, but one element is worth noting: for Europe in particular – which had cautiously been taking steps toward a more sustainable and social capitalism – this war triggered a fundamental shift in priorities. Instead of focusing on greening the economy, attention shifted to expanding military capabilities. The ensuing energy crisis prompted an immediate fallback on more polluting energy sources such as lignite coal.

Alongside Trump's second term came not only renewed attacks on climate policy but now also on companies committed to social responsibility and sustainability. The EU passed legislation requiring companies to comprehensively review their supply chains from the standpoint of human rights (including child labour and slavery) and ecological impact: the so-called Corporate Sustainability Due Diligence Directive (CSDDD). The United States, however, viewed this as an unacceptable interference in the free market. Consequently, it is now designing its own 'due diligence directive', which aims to exclude from government contracts any companies that comply with, or partner with companies that comply with, the EU's CSDDD.

Apparently, such interventionism *is* acceptable within a ‘free-market economy’! Those who can make sense of this contradiction are welcome to try – or rather: it can be explained, namely as the end of free-market ideology, not in favour of ordinary people, but to benefit the entrenched elite. And as a crucial tool to cement full economic and legal control in the hands of the United States.

Indeed, for Trump, neoliberalism is over. He is calling for an end to fully globalized free-market capitalism. Through import tariffs, he seeks to build a nationally oriented economy and revive industries lost to low-wage countries. Yet this stands almost in full contradiction to an alliance with a tech elite that embraced a radically libertarian ‘techno-capitalism’.

The end of neoliberalism, for Trump and his allies, is not a shift toward ‘responsible capitalism’ or a ‘social market economy’, but rather the rise of a brazen new version: self-enriching authoritarian capitalism, or perhaps even neo-feudalism. Now, an international elite unabashedly seizes both political and economic power, with one goal: monopolization and maximum self-enrichment.

### 3. The Silicon Valley Ideology

Behind all this looms a new ideology. Analysts have dubbed it the ‘Silicon Valley Ideology’ or TESCREAL – an acronym encompassing a diverse array of ideas: Transhumanism, Extropianism, Singularitarianism, Cosmism, Rationalism, Effective Altruism (though see below), and Longtermism. At its core lies a bold ambition: to transcend mortal human existence through technology, particularly artificial intelligence.

Originally, the ‘EA’ in TESCREAL stood for ‘effective altruism’. But upon closer inspection, the rather soft notion of ‘altruism’ no longer fits the mindset of the tech elite. Compassion for others had already been expunged from their vocabulary – due in no small part to the influence of novelist-philosopher Ayn Rand. In her 1957 novel *Atlas Shrugged*, Rand imagines a utopian enclave

admitting only those who have sworn never to utter the phrase *to give* again. This is no mere literary flourish, but a direct expression of her own philosophy of self-centred 'objectivism'. Real people, in this worldview, strike deals; they act purely transactionally.

Today, within TESCREAL, 'EA' has come to mean 'effective accelerationism': an unrelenting race to accelerate technological development, to ensure the continuation of human life – if necessary – in digital form or on another planet. All brakes are off.

Adherents of this fusion of ideas seek to transcend the human condition – with all its weaknesses, flaws, and sins – toward a perfected humanity in a perfected society. If not here on Earth, then somewhere else in the cosmos. And if not as flesh-and-blood beings, then as digital avatars endowed with consciousness.

Of course, this will not be within everyone's reach. Meanwhile, the tech elite are already taking practical steps to escape the tragic dance of being human on a finite planet – investing in hideouts on remote islands, for example.

This new ideology is currently casting its spell over segments of the global elite, especially in the United States. The practical consequence? A government rendered powerless to impose any limits on those who serve this new, hyper-technological vision. No boundaries on their ideas, their energy consumption, their products, or their impact on the mental wellbeing of young people. No limits on the consequences for social relationships or the public sphere.

#### **4. Is Europe Doing Poorly? Draghi's Report as Guiding Light and Will-o'-the-Wisp**

Those who, back in 2015, drew fresh courage from remarkable developments – particularly in Europe – now seem to find themselves on the defensive. On some social media, 'Old Europe' is portrayed as a dying continent: at best a museum piece – powerless, listless and utterly devoid of ambition. In tomorrow's world, Europe appears destined to play no meaningful

role. This caricature seems to have seeped into Europe's own self-perception. Its confidence – 'We will be the first climate-neutral continent by 2050' – appears to have evaporated entirely.

This sense of decline is reinforced by reports such as the one Mario Draghi presented to the European Commission in 2024. Central to his analysis is a comparison with our counterpart, America – a comparison that, in Draghi's view, does not favour Europe. Over the past two decades, the GDP per capita gap between the United States and Europe has widened from 17% to 30%. As Draghi bluntly states, 'Europe is now on average 30% poorer than the US'.

Yet a step back and a more detached look – numbers included – may yield a very different perspective. In the US, about 19% of GDP is spent on healthcare, compared to roughly 11% in Europe. That 8 percentage point difference scarcely translates into better health outcomes: Americans are, on average, less healthy than Europeans, with life expectancy now declining in the US. In other words, this difference is largely 'air' in the American economy – partly the result of a healthcare system that, as Marty Makary reveals in *The Price We Pay: What Broke American Health Care, and How to Fix It* (2021), is more an instrument of exploitation than of care. It is telling that the brutal murder of the CEO of United HealthCare in 2024 was celebrated by many as an act of heroism. Draghi's evaluation of the so-called admirable American economy fails to account for this grim reality.

Another example: Europeans work far fewer hours on average – 1,450 annually versus 1,800 in the US. The Netherlands clocks in at 1,413; Germany, the minimalist champion, at 1,343. (For the record, Greeks are the hardest workers in Europe, with 1,900 hours.) Paid sick leave is also better arranged in Europe. In essence, Europe produces roughly 70% of American wealth in 70% of the time. This is not a shortfall – it is a conscious choice, a reflection of different values and priorities.

On the *U.S. News & World Report* 'Quality of Life' index, Europe scores significantly higher: the US languishes in 22nd place, behind nearly all European countries. Meanwhile, the average

American's ecological footprint is twice that of the average European. Is this the 'progress' Draghi has in mind?

Or consider product quality: in traditional industries, Europe has long outperformed the US. Airbus is widely regarded as superior to Boeing, which, under shareholder pressure, has subordinated safety to profit. Even American consumers prefer European or Japanese cars over their (cheaper) domestic counterparts. Outside the US, American cars barely sell – Tesla being a notable exception.

Another reality check: a substantial portion of US GDP is concentrated in sectors like finance and digital technology. Huge sums circulate there, driving GDP growth, but with relatively little job creation. It is an unbalanced model, one that exacerbates inequality. GDP as a measure obscures such differences. It is like looking at a wealthy man and the beggar Lazarus and concluding that 'on average' all is well.

Even Draghi's praise of American economic strength deserves scrutiny. Since 2010, the US national debt has soared from \$10 trillion to a staggering \$36 trillion – 122% of GDP. Interest payments now exceed the sizeable defence budget. If so much debt is required to keep the American economy running, what does that say about the system's health? Is this truly a model to emulate?

Seen in this broader light, the success of Trump takes on a new meaning. His appeal partly rests on a sense of stalled progress despite economic growth. Are the wild fantasies of a different world an escape from a society perceived as beyond salvation? Is this why, in a country whose economy is on a precarious trajectory, such ideas gain traction?

American economist Richard Nelson once distinguished between 'moon problems' and 'ghetto problems'. Moon problems – like a mission to Mars – are technically complicated but controllable and calculable. Ghetto problems, such as poverty and climate change, are complex, deeply intertwined with political, economic, and social structures: how does one solve poverty that has trapped generations? How does one tackle climate change, a straightforward chemical process on paper, but in practice embedded in an extraordinary complex social system?

It is precisely in this realm – addressing ghetto problems – that Europe has historically shown strength. Consider the ‘social question’ of the 19th century: the exploitation and disenfranchisement of workers during early capitalism, which fuelled the rise of Marxism. In response to both that exploitation and the threat of revolution, a wave of social legislation emerged – legal protections for children, women, and workers; gradual improvements in housing, education, and healthcare (all far too slow, but still). Think of the development of the welfare state, which enabled Europe to take a great leap toward a society of freedom, health, and equal opportunity – one where social divisions remain far milder than in the US. America’s relative strength in ‘moon problems’ often serves as a convenient distraction from confronting its profound ghetto problems. Better to send people to the moon than to face the problem of racism; better to go to Mars than to tackle climate change.

In short, Draghi’s alarmist tone is misplaced. What truly matters is what a country, or continent, prioritizes. In this regard, Europe could defend its choices with far greater clarity and pride.

That said, Draghi’s report remains an important signal. Hyper-globalization has bred complacency in Europe. Even innovations essential to building a sustainable economy – solar panels, electric vehicles – are largely developed elsewhere. In areas crucial to social and ecological sustainability, Europe risks falling behind. Have we, as Europe, as European nations, and as the Netherlands, been naïve, complacent, perhaps even decadent over recent decades?

That is why it would have been valuable for Draghi to use his report to outline a common European *mission* – a forward-looking mandate for Europe and, more broadly, the world. He might have asked: How will Europe become the continent of the future, building a new kind of economy? rather than: How do we catch up with the world of yesterday? Not a fear of loss, but the pursuit of a better future – globally – should have set the tone.

Moreover, Draghi underestimates the force of the backlash currently gathering momentum in the United States, as outlined in the previous section. The driving force behind the current US administration is a deep aversion to all that Europe represents. Europe must not respond to this with self-diminishment or doubt. We need faith in our own strength – and such faith would be well justified. Europe is raising critical issues and, in recent years, has begun to act on them with determination.

The gravity of this new ideological struggle becomes even clearer in the influential ‘Techno-Optimist Manifesto’ by Marc Andreessen, who, alongside Peter Thiel, is one of the chief architects of this worldview. He argues extensively that humanity has only advanced, and can only continue to advance, through relentless, unbounded technological innovation. Those who resist this vision, he asserts, belong to ‘the enemy camp’. The enemy, Andreessen hastens to clarify, is not people (that would make him sound somewhat suspect) but wrong ideas. As he himself writes:

*‘We have enemies. Our enemies are not bad people – but rather bad ideas. Our present society has been subjected to a mass demoralization campaign for six decades – against technology and against life – under varying names like “existential risk”, “sustainability”, “ESG”, “Sustainable Development Goals”, “social responsibility”, “stakeholder capitalism”, “Precautionary Principle”, “trust and safety”, “tech ethics”, “risk management”, “de-growth”, “the limits of growth”. This demoralization campaign is based on bad ideas of the past – zombie ideas, many derived from Communism, disastrous then and now – that have refused to die. Our enemy is stagnation. Our enemy is anti-merit, anti-ambition, anti-striving, anti-achievement, anti-greatness.’*

## 5. Standing Tall – or: Buckle Up!

Well, this collection is brimming with enemies – fierce, thoughtful and undeterred. No, none of the voices here are (crypto-) communists – that tired, overused rhetorical trick, endlessly repeated in the US to dismiss anyone raising serious concerns about the trajectory of capitalism by slapping on labels like ‘socialism’ or ‘communism’. And nothing in these conversations suggests that the people we spoke to lack ambition or celebrate stagnation. The core question each interviewee grapples with is simple yet profound: what truly makes us better off as human beings – not just those who live today, but generations yet to come?

Far from signalling any structural ‘demoralization’, their words breathe hope and confidence in alternative paths – yes, a kind of ‘remoralization’. We, as people, as humankind, can do so much better than ravaging the planet, draining the oceans, polluting air and soil, and abandoning one another to fate.

Of course, we could simply turn away. Or, if we take things seriously, we might drift into techno-utopias – fantasies that once the Earth is stripped bare and deserts stretch across the globe, a privileged few will escape to Mars to carry on the human story, digitally or artificially. Now, who’s really lost their grip on reality?

No matter how fierce the pushback against reimaging capitalism, it cannot erase the facts: our current economic order, both nationally and globally, faces urgent, undeniable crises. How wonderful it would be if climate change were not happening. How wonderful if planetary boundaries didn’t exist. How wonderful if ‘trickle-down’ economics truly spread prosperity and eliminated grotesque inequalities. How wonderful if exploitation vanished from supply chains. How wonderful if shareholder interests magically aligned with the wellbeing of everyone related to a company. How wonderful if ‘externalities’ were just a myth.

Whether you draw this wisdom from Aristotle, the Bible, Augustine, Sigmund Freud, or simply common sense, we have to live in the world as it is, not as we wish it to be – i.e. the reality principle. At the same time, we must acknowledge our responsibility for the world of tomorrow, daring to hope and work toward a future that fundamentally differs from today's economy – i.e. the principle of hope.

That is why we must forge a new covenant – a 'covenant of common sense' – both nationally and internationally, grounded in realism and hope. With everyone willing to confront reality head-on. Let us take a clear-eyed view of the changes needed to repair capitalism's deep flaws and failures. Let us stand tall and 'be the enemy'. Dream, think, act – and do so in friendship, inviting all who wish to join us in a shared, collective learning process that leads to the renewal we so urgently need, to true innovation.

## **6. Dream, Think, Act: The Multi-Actor Approach in Practice**

The urgency for a fundamental reorientation is as pressing today as it was in 2015, or earlier during the 2008 financial crisis – indeed, even further back when the Club of Rome issued its stark warnings and the Brundtland Report formally introduced the term 'sustainability' into the public discourse.

A key driver of human progress is our capacity to learn from past mistakes and to envision both desirable and undesirable futures. For that, we need a broad and diverse input of perspectives. It is within this fertile ground that entrepreneurial pioneers can explore possibilities and forge ahead.

In *Capitalism Reconnected*, Jan Peter Balkenende and Govert Buijs (co-author of this introduction) advocate a 'multi-actor approach' grounded in three principles: (1) The economy is far too important to be entrusted solely to economists; (2) Every good idea, regardless of its origin, is needed to shape the best

possible economy; (3) It is essential to connect these ideas and build creative coalitions. The multi-actor approach is illustrated as follows:



This collection of interviews can be read as an exemplification of that approach. The economy does not belong to economists or CEOs. It belongs to all of us, because it is the foundation upon which we live and thrive. We, as people, as humanity, have an economy; the economy does not have us. This is why it is vital for everyone to participate in the conversation, each bringing their unique perspective. Set against this backdrop, we have engaged inspiring innovators from nearly every sector represented in the accompanying diagram. We asked them what positive developments they observe, what resistance they encounter, and what fuels their drive.

These conversations reveal the myriad ways individuals take action – through entrepreneurship, imagination, influence, and policymaking. They demonstrate humanity’s capacity to initiate change and start anew. The resilience these innovators show in the face of opposition is remarkable. Their motivation goes far

beyond fleeting trends; it is rooted in deep-seated convictions that often predate acronyms like ESG or SDGs, and will surely outlast them.

What motivates these innovators – and should inspire us all – is the ability to look beyond the present moment, envisioning an economy that aligns more closely with what it *ought* to be.

We begin with a group of entrepreneurs who prove that change is possible – that the often-quoted claim from Margaret Thatcher, ‘There is no alternative’, is simply false.

Whether through organizational structure, production methods, or stakeholder engagement, these pioneers show the power of conviction in driving a different way forward. **Iñigo Ucin** recounts the fascinating journey that began in the 1950s, when a priest in a less affluent region of Spain sparked the creation of what has become Mondragon: a network of cooperatively organized companies employing 70,000 people and making a significant economic contribution – beyond the shareholder economy.

**Marlies van Wijhe** has boldly steered a radically sustainability-focused and circular course within the chemical industry, a sector notorious for its environmental harm (just think of PFAS). Through her family-run paint factory, she successfully renewed and transformed the entire production chain to be sustainable, all while keeping production running as usual. Similarly, **Van Dorp**, a technical installation company, is committed to making its activities more sustainable and engages all its employees to be at the heart of society and actively contribute to it.

**Bruno Roche**, former Chief Economist of Mars – a family-owned company – was responsible for a thorough reform of the production chain, aligning financial, social, human, and natural capital. That experience gave rise to new management and value theories that have profound implications for rethinking value, economic systems and business models.

Innovation requires investment. In today’s capitalist economy, money and investors play a crucial role in shaping the future economy. **Harmen van Wijnen**, Chair of the Executive Board at Dutch pension fund ABP, oversees a vast investment portfolio

aligned with the Paris Climate Agreement. **Sir Ronald Cohen**, himself an investor and pioneer of Social Impact Investment, demonstrates how investors can champion a broader agenda beyond maximizing returns, deliberately pursuing greater value for society and nature. The challenge lies in making these outcomes measurable, so investors can make informed, deliberate trade-offs – and significant progress has already been made in this regard. **Kim Tan** is another pioneering voice in social impact investing. For over 25 years, he has connected entrepreneurs and philanthropists who use enterprise to tackle poverty.

A well-developed society – and yes, a thriving economy – cannot depend solely on markets and governments. It also requires what we have come to call NGOs, or ‘civil society’ organizations. Because they are free from profit motives and political authority, they can operate with relative freedom and a certain independence from market and state, shedding light on important moral insights and goals – or helping to realize them. They can serve as critical counter voice or incubators for initiatives yet to find a foothold in markets or politics. They connect people to share ideas, inspire another, experiment, take joint action, and build networks that break through the isolation often experienced by innovators.

One such example is Future Up (previously MVO Nederland), a network of entrepreneurs and businesses committed to corporate social responsibility and ambassadors of its concept and practice. We spoke with **Maria van der Heijden**, who led the organization for many years. Another is B Lab, the organization behind the global B Corp certification, which holds companies to high social, environmental, and transparency standards through rigorous assessments. The European branch was cofounded by **Marcello Palazzi**. Lastly, Urgenda director **Marjan Minnesma** clarifies that contrary to popular belief, her organization is not primarily about high-profile lawsuits enforcing climate laws but plays a major role in launching sustainable projects that initially seemed economically unfeasible but became viable with the right support – solar panels and electric cars being prime examples,

which would not have gained traction in the Netherlands without Urgenda's early efforts.

Can nature itself act as an economic stakeholder? Obviously not directly – but people can bring ecological limits and the intrinsic value of nature into political, business, and consumer conversations. **Sabine Rau-Oberhuber** offers a provocative perspective: could nature, or matter itself, have rights? Perhaps even a right to be not treated as waste? This has intriguing economic implications, for example recognizing abandoned buildings as assets rather than as liabilities.

New insights must be nurtured through creativity and 'out of the box' thinking. In the multi-actor approach, this is the realm of 'imaginative reflection' – the space of creative and philosophical imagination. Here, art plays an important role, alongside philosophy. We spoke with German artist **Julian Rosefeldt**, whose large-scale installation *Euphoria* – exhibited worldwide, including at Amsterdam's Central Market Hall during the 2023 Holland Festival – uses diverse art forms to capture capitalism's dynamism and darker aspects. Religious perspectives can also play a surprising role. Pope Francis's encyclical *Laudato Si'* introduces metaphors such as 'our common home' and closely links ecological and social challenges. **Cardinal Peter Turkson**, a key figure in the encyclical's development, points to a spiritual crisis mirrored in our neglect of both humanity and the natural world.

Scientists too, in education and research, can play a major role by challenging outdated assumptions and myths, and proposing new frameworks. **Hannah Ritchie** does this in a very distinctive way. A common belief is that when it comes to our natural environment, it is already too late and there is nothing more to be done. A sense of doom can easily take hold. Ritchie uses scientific data to show a broad public how much positive change has already been set in motion in recent years. **Mariana Mazzucato** is equally eager to debunk myths, such as the idea that the public sector is nothing more than a slow, money-consuming bureaucracy. With large amounts of data, common sense and

conviction, she demonstrates how essential accomplishments in the past century have come about precisely because of governments willing to pursue a 'mission', a vision for society as a whole, and how they created the legislative framework for it.

Mazzucato's work naturally leads us to the final sphere of actors in this collection: while much emphasis is placed on free markets and private actors, the economic framework is largely shaped by legislation, and thus politics. In the European Parliament, **Lara Wolters** has worked to promote unified European legislation. With the return of the Trump administration in the United States, European regulatory efforts in particular face fierce challenges – dismissed by some as 'woke capitalism' (see above). Now more than ever, standing firm is imperative.

The title of this collection speaks of dreamers, thinkers, and doers. At first glance, when comparing the triad to the table of contents, one might assume individuals fit neatly into one category or another. That would be a serious misunderstanding. If there is one clear lesson from these conversations, it is that true renewal requires everyone to master the art of dreaming, the art of critical thinking, and the art of action. The meaning of dreaming, thinking, and doing naturally varies: an artist's actions differ from that of an entrepreneur or investor. But genuine economic renewal will only flourish if all actors cultivate these three arts, and one of the most powerful ways to do so is by sharing stories, experiences, and perspectives. Loneliness is renewal's enemy; togetherness and exchange are its lifeblood.





*Iñigo Ucín*

## **Lessons from Europe's Largest Cooperative**

Iñigo Ucín (1960) was the president of Mondragon Cooperative Corporation from 2016 until 2024. Mondragon is one of the largest cooperatives in the world: it currently employs over 70,000 people in more than 250 companies in finance, retail, industry and knowledge, in the Basque region of Spain. Before being president of Mondragon, Ucín was president of Danobat Group, a machine tool company that is part of Mondragon.

*It is challenging to come into contact with Iñigo Ucín. As the person ultimately responsible for an organization of this scale, that's not surprising. But after months of trying, things suddenly start to move. Through an intermediary, Ucín lets us know he's happy to participate in the project. We seize the opportunity with both hands: an interview with Ucín offers a rare glimpse into an organization that proves the cooperative model can also succeed on a large scale.*

**You were president of the Mondragon Corporation for 8 years. What did you value most about leading Mondragon Corporation?**

Mondragon's history is, in many ways, a source of inspiration. It is a story of creating together, of creative problem-solving and collective effort, rooted both in business efficiency and social commitment. It all began in 1956 with a cooperative that had to be formed in a legal framework that wasn't designed for it. Many of the issues we face today – besides new ones, especially concerning technology – were already present back then.

Today, we are officially a corporation of cooperatives. As the president of the Mondragon Corporation's General Council, my core focus was always on how our corporate structure could continue to strengthen its contribution to the member cooperatives. That's where our sovereignty resides.

**Worker cooperatives are increasingly seen as a solution to today's economic and social challenges, whilst also fostering a sense of community and solidarity. What has Mondragon Corporation contributed to the global cooperative movement?**

Mondragon has demonstrated that cooperatives can be both highly competitive and resilient in a globalized economy, without losing sight of strong ethical and social values. We've shown that a worker-owned model – where members are both employees and co-owners – can succeed on a large scale.

This model thrives across diverse sectors: from industry and R&D to retail, banking, agriculture, education, and other services. Before Mondragon, there were doubts about whether such a large-scale cooperative could survive. We've proved it can, and that it is financially sustainable too.

*“Mondragon has demonstrated that cooperatives can be both highly competitive and resilient in a globalized economy, without losing sight of strong ethical and social values”*

**In much of today's economy, efficiency often comes at the cost of human connection. How does Mondragon navigate that tension?**

Mondragon combines business efficiency with a people-first approach. People, not capital, are at the centre of our organization. That perspective doesn't just strengthen our competitiveness; it also enriches the communities where we operate.

Just as important, our cooperatives bring together people from diverse ideological backgrounds, without being impregnated with a particular way of thinking, as has sometimes happened with other cooperative movements. We're not tied to a single doctrine. Our members are ordinary people. That diversity is part of our strength.

**Mondragon was founded on the principles of the Catholic social teaching. Do those roots still shape the organization today?**

It's true, Mondragon was founded by the Catholic priest José María Arizmendiarieta. At the time, Basque society was deeply religious, and so were the early leaders and members. The cooperative structure drew heavily on the Catholic social idea of community, which was reflected in our original statutes and explicit references to Christian values.

But like much of Europe, religion in Basque society has gradually become a more private matter. That shift is mirrored in our cooperatives. Religious language has long since disappeared from our official documents, and faith is regarded as a private matter.

If I had to name the values that define Mondragon today, they are, without a doubt, humanist: solidarity, justice, cooperation. One of our core principles is open membership: no discrimination based on religion, politics, ethnicity or gender.

**Would you say these humanist values are typically Spanish or European, or could the Mondragon model succeed anywhere?**

I believe that the Mondragon model could be reproduced all over the world. After all, ordinary people live everywhere. However, certain values are necessary to facilitate the formation

and development of cooperatives. These values are often deeply woven into behaviour and local customs.

The Basque culture is especially supportive in our case. Take, for example, the Basque concept of *auzolan*, which literally means ‘neighbourhood work’. Work is looked at positively and in many cases is a shared practice among all inhabitants of a neighbourhood. That kind of cultural norm certainly helps when building a cooperative.

*“Our members are ordinary people”*

**Still, it might be challenging to make sure that everyone at Mondragon shares these values. How does Mondragon make sure that its viability doesn’t depend on a few individuals?**

Every four years, the Cooperative Congress – made up of 650 representatives from all member cooperatives – gathers to debate and approve our Social-Business Policy for the coming period. Before that, all the member cooperatives review draft proposals and submit their own suggestions. Those proposals are then debated until consensus is reached on the priorities for the next four years. The agreed strategy is then implemented across our divisions and cooperatives.

Thanks to this democratic system, strategic decisions are never just top-down. They must be approved by the broader community of members, based on the principle of one member, one vote. Ultimately, the performance of our cooperatives is a reflection of these democratic processes.

**What are the biggest challenges you faced in pursuing Mondragon’s social mission?**

We face many challenges in fulfilling our purpose. One key challenge is financing. Because our businesses are owned by the people who work in them, it’s up to those people to provide the capital needed to grow and create new jobs. That’s increasingly difficult, especially as new technologies demand ever-larger investments.

To some extent, this situation has been present for decades. To address this, we created the Caja Laboral (now Laboral Kutxa) in 1959, a cooperative bank funded by all the member cooperatives. In the 1980s, we added a system of funds to support cooperatives with specific financial instruments.

Another major challenge is that of continuous training. Our members typically spend their entire working lives here. So, this is the place where our members should have the opportunity to grow, to be able and be encouraged to develop themselves. In a rapidly evolving technological landscape, talent development is more critical than ever. The continuity of the socio-entrepreneurial project that is our cooperative depends on the development of talent.

**Earlier, you mentioned that Mondragon focuses on people rather than capital. Have you experienced tensions between cooperative values and business goals? What are moments of tension in the boardroom?**

Conflicts are actually less common than people might think. In many cases, our values reinforce our business goals. For example, when a member loses their job due to a crisis in one cooperative, they are relocated to another. That's not only solidarity; it's also a matter of business efficiency. We retain their skills within the organization.

Another example is what we call 'pooling of results'. At the end of each fiscal year, co-ops transfer a portion of their surplus to other, less-favoured cooperatives in their division. Some do better today, others will be doing better tomorrow. This form of inter-cooperation is a concrete way of practicing solidarity, and it also supports long-term business stability and performance. These mechanisms are written into our founding principles. They are not afterthoughts; they are core to how we operate.

**As the president, was it difficult to communicate about these non-financial outcomes?**

No, it was actually not difficult. We've been talking about non-financial results since the very beginning. It is part of our culture. It is a common language in cooperatives. What might seem strange in other types of companies is simply normal here. We have long been accustomed to open, two-way communications.

**Do you believe capitalism can reform itself to tackle today's crises, or is a cooperative model necessary for the future?**

Capitalism has reinvented itself many times throughout history, responding to new technologies and shifting societal needs. I believe today's widespread dissatisfaction will push the system to adapt again. It will have no choice but to conform. And I believe that in doing so, it will come to resemble our model more closely.

*“If I had to name the values that define Mondragon today, they are, without a doubt, humanist: solidarity, justice, cooperation”*

At Mondragon, we see cooperativism as a path toward a more resilient, future-oriented economy. In Basque regions with strong cooperative networks, you typically see better outcomes: lower unemployment, higher incomes, more equitable wealth distribution. That's because cooperatives reflect the needs and values of their communities. 'One member, one vote'. It is a simple idea, but a powerful one. And there is no reason it couldn't work elsewhere – but one must start with a dialogue on values and build from the ground up.

**Finally, how do you see the future of the economy?**

I am hopeful, mainly because I am part of a community that believes in its own future. Our model isn't perfect, but it is resilient. Across sectors, businesses support one another – not only out of solidarity but because they recognize that the whole is greater than the sum of its parts.

That sense of collective purpose inspires me. My predecessors came from all walks of life, and they built something extraordinary. I hope I've been able to add to that legacy, however modestly – and that this will keep inspiring the next generation.





*Marlies van Wijhe*

## **Innovating for a Sustainable Paint Industry**

Marlies van Wijhe (1965) is the CEO of Royal Van Wijhe Verf, based in Zwolle. Together with her sister, she represents the fourth generation to lead this family business. Over the past decades, the company has grown into an international player in the paint industry. In 2016, Royal Van Wijhe Verf became the first chemical company in the world to receive B Corp certification, an international accreditation for profitable companies with a significant positive impact on people, environment and society.

*On a drab industrial estate on the outskirts of Zwolle, the colourful building of Van Wijhe Verf immediately catches the eye. We meet Marlies van Wijhe in her office. She has just printed out the interview questions, and she's ready to go. As the conversation unfolds, the tone begins to shift: this green entrepreneur is passionate about innovation, but the sluggishness of government and regulatory frameworks is a source of frustration.*

**You have been CEO of Royal Van Wijhe Verf for more than 25 years now. During that time, the company has increasingly focused on sustainability. How did that start?**

As a family business, we've always been aware of the importance of sustainability. Back in the early 1990s, my father was already trying to bring water-based paints to the market, and many of the corporate gifts he handed out were books about sustainability. I've personally always had an affinity for chemistry and biology. I actually wanted to study biology, but thankfully I realized in time that I couldn't see myself working in a lab all day. I ended up studying business administration instead, partly because I saw a lot of overlap with the activities in our family business. After graduating, I worked at the Dutch chemical company DSM for five years before joining the family company. Four years later, I succeeded my father.

**What was that like for you?**

I was 35 when I became CEO. Looking back, that's quite young, but at the time it felt normal. I remember really having to find my own way in those early years. I still needed to discover what I was actually good at. That was partly because I was very different from my father. He was a real techie. I was more commercially and internationally oriented, keen to look beyond borders. The outside world also needed time to get used to the idea of a woman heading up a paint factory. In that sense, I definitely had to overcome some prejudices. I was the first, and I believe I'm still the only woman running a paint factory in the Netherlands.

**How did sustainability become a central focus within your company?**

It really became a more conscious process towards the end of the 2000s. Perhaps that was because I had started to get the basics under control and gained more oversight of the business. The biggest shift came around 2008, during the financial crisis. I realized then that sustainability was no longer just a 'hippie' issue. The image that sustainability was

*“The outside world needed time to get used to the idea of a woman heading up a paint factory”*

something for left-wing idealists was disappearing. And when I was named Businesswoman of the Year in 2010, that accelerated things significantly for us. Suddenly, I had the opportunity to speak about my work and our

company, which forced me to consciously reflect on what our story actually was. That title acted as a catalyst: I was invited to speak, met inspiring people, and gained new experiences. Through that exchange, a whole new world opened up for me beyond the world of paint.

**One might expect that someone positions oneself as a sustainable leader first and then becomes Businesswoman of the Year, but for you, it seems to have happened the other way around.**

No, it actually moved in both directions. We were already launching sustainability initiatives. I had, for example, spoken about sustainability at the Bilderberg Conference. But that title really accelerated things. It was a catalyst. Sometimes you need a little push from your environment. In hindsight, I think it's great to see how these things come together.

**In 2016, your company became the first chemical company worldwide to receive the B Corp certification, a label for businesses with a positive impact on people, the environment and society. How did you first come across B Corp?**

In 2015, a friend of mine who is also an entrepreneur called me. He told me he had become a B Corp. At the time, I had no idea what that meant, but what he described sounded really exciting. He even said I should do it too – that we'd get it done 'with our eyes closed'. So, I started looking into it with a small team. Well, it definitely wasn't with our eyes closed! I even considered giving up a few times.

### **What made it so difficult?**

First, I had to get used to the questionnaires. We also discovered, like many family businesses, that we did a lot of things without documenting them. But for B Corp, it was necessary to write down everything we did. As a family business, we were used to doing things our own way. Still, we saw the benefits and actively got to work on it. Another challenge was that while we knew a lot internally, it was a different matter to prove it. When we finally got everything in order, we went through the audit and succeeded in becoming certified. After that, we dutifully paid our fees. Then it turned out nobody cared! I once mentioned it in an interview with the Dutch *FD* newspaper, but it didn't register with anyone.

### **So, you had some expectations going in?**

No, not really. I just found it very interesting. I wasn't exactly sure what I wanted to do with it, but I thought it was important and felt we could make something out of it. It helped me come up with ideas and explore new directions. At the time, we had an interim manager for QHSE [Quality, Health, Safety and Environment] who was also intrigued. He and others dove into it with me, and together we pushed through.

### **Have the requirements got stricter over time?**

Yes, you have to show improvement every time. That's hard work. Now we keep up with it and have found a way to factor B Corp into our methods. But sometimes they still ask for a lot. At one point during recertification, I realized I hadn't updated our company statutes yet, which was a requirement. At first, I refused. Then I spent an hour talking with one of the American founders who explained why it was so important to them. Eventually, he convinced me, and I did update our statutes. It wasn't about just putting something on paper, you know. It was about them telling me I had to do it. That's something I, and many other

*“If we could just get rid of all these nonsense rules, we'd have more time for what really matters”*

entrepreneurs, don't like. Anyway, after that, we got the B Corp certificate again. But even then, it was a question: do we want to engage with this or just let it be? The latter would also save money. I brought it up with the management team at the time, and everyone agreed we should keep going. Still, the outside world didn't really care much – that interest has only started to grow recently. We've just gone through recertification again.

### **Do you have concrete examples of measures your company has taken thanks to B Corp?**

For instance, we now open our company for reference visits, so other businesses can get a clear picture of how we've implemented various initiatives. We also promote inclusivity by employing people who face barriers to the labour market. Additionally, B Corp has sometimes led to interesting insights. We've been active in circular raw materials for over ten years, which means we consciously add bio-based raw materials to our products. But B Corp required us to prove that this actually results in lower CO<sub>2</sub> emissions. When we tried to demonstrate that, we realized we couldn't. In the Netherlands and Europe, everyone talks about launching a bio-based economy, but it's still unclear whether using these materials actually reduces CO<sub>2</sub> emissions. This is largely due to the available data and reliance on generic data sets.

### **How do you involve your company in the sustainability transition?**

Our Green Team raises awareness about sustainability within the company by organizing events, celebrating things like 'Warm Sweater Day', and hosting lunches. For example, for three years we regularly held 'Lunchroom Green Marlies'. I would spend about an hour and a half in conversation with employees from all sorts of departments – from production to management and the lab. Some of these people barely knew each other. During those lunches, I explained why I thought what we were doing was important and talked about the SDGs. I emphasized that there was no 'right' or 'wrong' that day – it was mostly about talking

together. We are a cross-section of society, so some people really didn't care at all, but others found it very enjoyable.

### **What are the barriers when it comes to innovation and sustainability?**

What holds me back? That's always tricky. For example, we could talk about the business climate for family companies. While I don't easily get discouraged, there are plenty of things that are difficult. One big challenge is that governments sometimes ban raw materials on an ad hoc basis. If suddenly I can no longer buy certain materials, I'm in serious trouble. I'm open to switching to other raw materials, but I do need enough time for that. My lab is constantly busy adapting to the latest regulations. Because of that, there's less time left for real innovation.

### **What's your view on European legislation about corporate social responsibility, like the CSDDD and CSRD?**

We don't have to comply with the CSDDD. That applies only to companies with more than 1,000 employees. As for the CSRD: I'm not keen on paying an accountant to tell me what I'm doing. That's madness. For accountants, it's obviously a lucrative business. They get a client thrown into their lap and charge a few hundred euros per hour. Entrepreneurs are expected to cough up just as much. I'd rather spend that money elsewhere...

You know what it is? Sustainability has to come from within. You have to do it for yourself, not because the outside world demands it. That's my main frustration. We're intrinsically motivated and already heavily engaged. We've demonstrated that with B Corp. So why not get some kind of exemption from CSRD? If Dutch companies like Tata Steel get exceptions and concessions, why don't I? I'm still trying to find my way through The Hague on this, but it hasn't worked out yet.

### **In this case, legislation is more of a hindrance than a help?**

I'm really not against laws and regulations, but I get hopelessly frustrated by pointless rules that take up so much of our time.

That's my biggest stumbling block. There's so much legislation, it's impossible to keep up. If we could just get rid of all these nonsense rules, we'd have more time for what really matters. No matter how much they shout in The Hague that they will reduce regulations, it just doesn't happen.

### **What would your ideal legislation look like?**

Legislation that doesn't lag reality but truly creates space for innovation. Here's another example: the government sets requirements for companies to develop new technologies. Some people find venturing into new territory intimidating, but I find

*“The freedom to experiment pushes us toward new things”*

it exciting. For instance, we developed a new UV coating without solvents. This paint doesn't dry by air but must be cured under a UV lamp. Then, an independent research institute tests which substances are released during

the drying process. After a month, they told us the coating didn't meet the standards because it wasn't dry yet. It turned out they hadn't cured the coating under a UV lamp – which wasn't part of the official test guidelines. So, because the rules haven't caught up, we can't innovate. We really need a different approach here. Otherwise, we'll never see these important innovations.

### **How could the government handle this better?**

Politicians need to learn to look ahead. I don't have all the answers, but I see a real risk. I think the civil service and politicians have forgotten they have an incredibly exciting role to play, but right now they're just chasing after events.

Here's an example of how it could be done differently. We started working with so-called concept paints. The idea is that concept paint isn't commercially available yet – it is not fully developed – but anyone interested can try it out. In 2024, we had 'Flower Power' concept paint. This paint was made with a high percentage of bio-based raw materials and was free of titanium dioxide and microplastics. We challenged everyone:

who wants to experiment with our Flower Power wall paint? The media response was zero. But luckily, our customers picked it up.

*“We make paints that now need repainting every twelve years instead of every six. Some people tell me I shouldn’t want that”*

A large painting and maintenance company had the assignment to execute their project as CO<sub>2</sub>-neutral as possible. They said, ‘Bring it on’. I love these kinds of wild ideas! And if an experiment fails, so be it. The freedom to experiment pushes us toward new things.

### **What drives your strong focus on the long term?**

As the director of a family business, I have more freedom. I can do more of what I want. But I’m also deeply convinced things really need to change. We make paints that now need repainting every twelve years instead of every six. Some people tell me I shouldn’t want that: it halves our sales. But I fully stand behind it. Not because I enjoy selling less, but because I believe it’s important. It’s about long-term continuity, and as an entrepreneur, you find new paths. Of course, many companies couldn’t care less. But it always encourages me to see many other businesses intrinsically committed to doing the right thing.







*Henk Willem van Dorp*

## **Leading a Family Business with Family Values**

Henk Willem van Dorp (1958) is the founder and former CEO of Van Dorp Group, a Dutch family-owned business specializing in technical installations, climate control, underground infrastructure, and real estate. The company comprises 42 subsidiaries and employs around 2,500 people. In addition, Van Dorp runs development projects in several African countries. In 2020, Van Dorp stepped down as CEO to become Chairman of the Board, as the family business prepares for the future transition of leadership to his four sons.

*We meet Henk Willem van Dorp on a November evening in the Dutch city of Zoetermeer. Outside the office building, bright yellow vans emblazoned with 'Van Dorp Installation Technology' are lined up, matching the yellow flags fluttering by the entrance. We find Van Dorp in an office on the top floor. He is in good spirits and immediately presses a book on green hydrogen into our hands. 'This is the future of our energy system,' he assures us. Throughout our conversation, he speaks with cheerful enthusiasm about 'his' practical solutions for a better future.*

## **You're known as an innovative, sustainability-minded entrepreneur. What drives you?**

Our motto is: 'Van Dorp. For tomorrow'. We want to pass on a healthier planet to our children and grandchildren. As the founder and namesake of the Van Dorp Group, I represent the first generation of the company. I'm not that young anymore, so we need to get moving, as I often say. In recent years, we've been working to make our company truly carbon neutral. That's an important ambition for us.

## **When did that ambition first take shape?**

I studied installation engineering, but when I was 32, I decided to go back to school. I completed an Executive MBA at Nyenrode University, where I was taught by Henk van Luijk, the first professor of business ethics in Europe. He challenged me to make implicit thoughts explicit and understandable to others. He also provided a clear framework for navigating ethical dilemmas,

*"The term 'business life' suggests it's somehow separated from other aspects of life, as if they're two different worlds. I don't see it that way"*

which I found invaluable. It shaped the way I think, but one insight especially stuck with me: disagreements are often less about opinions and more about differences in how people see reality. I also came to realize that, as a Christian, I'm in the minority, which makes me feel even more called to leave a positive mark on my environment.

## **How are you approaching your ambition to make the company carbon neutral?**

We started by mapping out our carbon footprint. It turned out to be 5,400 kilograms per employee, while the planet can only sustainably handle about 1,500 kilograms per person. We then analysed exactly where our emissions were coming from: 75% from mobility, 20% from buildings, and the remaining 5% from office supplies like pens and paper.

Our biggest opportunity was in mobility. We switched to electric and hydrogen vehicles and decided not to automatically provide every employee with a company car. To our surprise, people accepted that quite well.

Next, we examined our buildings – which, of course, is our core business. Many people don't realize that only half of a building's energy use comes from its daily operation; 40% is embedded in the construction, and 10% in demolition, known as 'embodied energy'. By shifting to natural building materials like wood, we've made significant progress. But our biggest impact, of course, lies in Scope 3: with our customers. To improve that, we need to lead by example.

Recently, I was involved in a project in Amsterdam where energy efficiency was the goal. I said, "That's a bit old school, isn't it? We should be talking about energy positive!" Not just efficient or neutral, but buildings that generate energy. This new mindset is something we want to promote in our role, rather than simply providing traditional technologies whenever clients ask for them. That old mindset can still be a bit too ingrained in us.

### **Have you achieved your goal yet?**

We've achieved it, but in what I call the 'wrong' way. We're energy neutral: we've reduced our footprint to around 3,400 kilograms per employee, and we offset that through a forest project in Uganda. But we're still polluting here and offsetting elsewhere. Our goal is to be energy-neutral in the right way by 2035. I believe we can get there.

### **Having a strong personal vision for entrepreneurship doesn't automatically mean it is shared throughout your company. How do sustainability and inclusion become more than just the director's vision?**

That's true; it doesn't happen by itself. In my role, I try to foster awareness and a sense of responsibility in different ways. Each department is required to support at least one charitable cause every year. Sometimes this happens during working hours,

sometimes in employees' free time. It might involve restoring the swimming pool at Bio Vakantieoord, a Dutch holiday park for families with multiple disabled children. Or we help to renovate a hospice's installations or build operating rooms in hospitals in Uganda. These projects help people become aware of the other side of society.

I also expect our managers to be actively involved in society outside of work. One might chair a motorcycle club, another sits on a church board. But what's even more important is that people come up with initiatives themselves. When employees take the initiative, you don't have to explain it to them or overcome resistance. Leading by example is crucial here. People believe everything you do, and only a fraction of what you say.

I also believe strongly in rewarding and recognizing good behaviour. People are naturally 'heliotropic', like sunflowers turning toward the light and success. By putting them in the spotlight, we strengthen the positive.

The term 'business life' suggests it's somehow separated from other aspects of life. As if they're two different worlds. I don't see it that way. I always tell new colleagues: if you bring your private values into the company, everything will work out fine. We are a kind of family here too, with everyone having their own role and responsibility.

**You have several businesses in Slovenia, where companies are required to employ people who are distanced from the labour market. How does that work in practice?**

In Slovenia, companies above a certain size are required to have five percent of their workforce made up of people who are distanced from the labour market. These employees are also protected during rounds of layoffs. Companies that don't meet this requirement pay a fine of seventy percent of the minimum wage. As a result, many companies are happy to employ them. These individuals have a completely different position there than they do in the Netherlands. In fact, there's even a shortage of such workers. The way they've organized it there is fantastic.

It's a simple instrument, but incredibly effective, and I love it. We also employ these individuals, three days a week, a few hours a day. This way, they have a job – and even more important, a story. It makes a tremendous difference.

### **How easy is it in practice to employ people from this group?**

Well, it isn't always easy. There are two reasons for that. Much of our work involves customers, which requires strong communication skills. Many of these employees lack those skills. This makes it challenging. It works better in our factories. I've also noticed that some parents have been overly protective in raising these children, leaving them a bit spoiled. So, they're not always the easiest employees to guide.

Still, I want 2,5 percent of our workforce to come from this group. We haven't quite reached that target yet, as the process has been slower than I hoped. Sometimes you must take a step back. But you also need to keep pushing forwards, right? If you truly want to make a change, it never happens without a bit of discomfort.

### **Which approach to tackling environmental issues do you find most effective: technological solutions or consuming less?**

You always see two camps on this. One group wants to cut back: cycle to work, ban multinationals, move to the countryside and live simply. Another group believes technology holds the key.

*“I expect our managers to be actively involved in society”*

Personally, I think we need to learn restraint, but without technological solutions we won't make it. We can't go back. People like to say, 'Back when boats were made of wood and men were made of steel'. But we forget that

back then, children died young and houses were cold. In some ways, I believe we need to 'move forwards to the past'. But going back isn't an option.

As an engineer, you're trained to make things smarter, faster, leaner, more efficient. But if you look at nature, you see a different

principle: circular abundance. Think of the thousands of acorns beneath an oak tree, when you only need one to grow a new tree. There's a lot we can learn from that.

It is also about changing mindsets. At our timber plantation in Uganda, we plant teak trees, which won't be ready for harvest for another 40 years. People there look at me and say, 'But *muzeer*' – which means "old, wise grey man" – you won't be around to see that.' And I say, 'No, but my children will.'

### **What kind of legislation would help businesses become more sustainable?**

That is simple: a carbon tax at Scandinavian levels, no exceptions, no subsidies. All the people currently busy handing out subsidies can get to work as consultants, actually doing something instead of judging other people's work.

I also support the new legislation around full supply chain responsibility. It's good that Dutch companies are making their products greener and documenting that. But you need to ensure a level playing field, so that cheap bulk goods from China don't just flood the market. Otherwise, it won't work, and people won't support it.

In general, I'd rather see no new legislation. Every new law creates loopholes and undermines values. Trust in the law is already under pressure in the Netherlands. The fewer shared values there are, the more laws you need. But the more rules and procedures you pile on, the more you erode those values further. So please, let's stay away from adding even more laws. In the end, businesses need to operate based on principles. That's what we try to do as a company as well.

### **Can you give an example?**

I have to get our forest certified. For that, I'm supposed to fly in a consultant from Europe to check that the trees are there. But I tell them, 'The trees are there, I've seen them myself.' I'd rather give that money to the people there.

We do work with the SDGs. They help us communicate and create internal clarity, and we include them in our annual report. But we don't tie heavy measuring systems to them because, frankly, that doesn't make sense.

### **Are you hopeful about the future?**

Absolutely. Just look around. We live in one of the best countries in the world. So many things are getting better. Life expectancy is rising, poverty is declining globally, although we hear more about it. We're living in an incredibly blessed time. Worker participation in decision-making goes far beyond anything Marx ever envisioned. Someone earning one and a half times the average wage here lives better than a medieval prince. We are unbelievably wealthy.

But I do worry as well. We're a society of beautiful homes, beautiful people, everything perfectly arranged – and you get used to that quickly. Nothing becomes normal quite as quickly as good times. People often don't realize just how good we have it. Still, I'm an optimist by nature and conviction. My wife sometimes says, 'Even if you fell down the stairs and your head was inches from the curb, you'd at that moment still believe it will all turn out fine.' And she's right.

*“Our pastor once joked,  
'At least they have to  
listen to you, since  
you're their boss'”*

### **What inspires you?**

The Bible. Full stop. It inspires me to leave the world a little better than we found it. I sometimes preach a little bit about that, to try to motivate others. Not that all my employees are religious. As our pastor once joked, 'At least they have to listen to you, since you're their boss'.





*Bruno Roche*

## **Redefining Value**

Bruno Roche (1967) is a pioneering figure in the impact economy, best known as the founder of *Economics of Mutuality* – a school of thought and management innovation codeveloped with Oxford Saïd Business School and Mars Incorporated – while serving as Chief Economist at Mars in the 2000s and 2010s. Roche is also a business strategist, social entrepreneur, board member, lecturer, bestselling author, and keynote speaker. He coedited *Completing Capitalism: Heal Business to Heal the World* (2017) and *Putting Purpose into Practice: The Economics of Mutuality* (2021) with Prof. Colin Mayer of Oxford.

*We meet Bruno Roche at Erasmus University Rotterdam.*

*Earlier that day, he gave a lecture on the growth of the financial economy in recent years. But during the interview we get to know a different side of him. His vision of the economy is shaped not only by his training as an economist or his corporate experience. To our surprise, his theological background appears to be just as important a source of inspiration.*

## **Your journey toward exploring a different type of economy began during your time at Mars. How did it start?**

In 2005, just after I was appointed Chief Economist at Mars, Incorporated, a conversation with the leadership team sparked a fundamental question: ‘What is the right level of profit?’ We intuitively sensed that taking too much, or too little, from our environment by focusing solely on financial returns, would make us vulnerable in times of crisis or against competition. Like a chain, a company is only as strong as its weakest link. So, we wanted to determine a profit level that would strengthen our ecosystem. It wasn’t about maximizing or cutting profits, but about building resilience.

To my surprise, the question had never seriously been studied. The only answer in management literature was simply: ‘Maximize profits’. Value was defined purely in terms of financial extraction. This blind spot gave us, well before the 2008 financial crisis, a unique chance to explore alternative models and rethink what value actually means.

Naturally, as an economist, questions about value creation were familiar territory. But addressing it both economically and ethically required a broader perspective, one my background in theology helped to provide.

## **How did theology help you to think about this?**

Through my family and personal interests, I’ve long been connected to Jewish culture. I’m drawn to the foundational texts of

*“In both management literature and practice, value is defined purely through financial extraction”*

Western civilization: the first five books of the Bible, known as the Torah in Judaism and the Pentateuch in Christianity. These texts offer fascinating alternative models for economic and social life.

## **Could you give an example?**

Take the *Book of Leviticus*. It describes an economic model deeply woven into social and environmental rhythms, built around the concept of the *Shabbat*. Shabbat balances the core

pillars of the economy – human labour, land, and capital – through structured pauses.

The first Sabbath, on the seventh day of the week, grants rest to people, allowing spiritual and familial renewal. The second, the sabbatical year every seven years, lets the land rest and regenerate. The third, the jubilee every 50 years, redistributes capital, cancels debts, and restores property to its original owners, preventing excessive wealth concentration.

This cyclical structure protects three freedoms: people from overwork, nature from overexploitation, and society from excessive inequality. At its heart, the Sabbath is a universal form of remuneration – not in money, but in rest. It is an economic cycle that ensures resilience, justice and renewal. Isn't that fascinating?

### **Our current economy doesn't have such clear boundaries or limitations.**

Exactly. Today's economy behaves as if it no longer needs moral limits. Not that long ago, in the 1980s, debates often centred on the moral dimensions of capitalism and communism: *which system better upheld human dignity and flourishing?* After the fall of the Berlin Wall, that conversation faded. Capitalism no longer had to justify itself; communism was no longer a credible alternative. Political scientist Francis Fukuyama famously called it 'the end of history'.

In that process, capitalist virtues shifted: greed and self-interest became the norm. Milton Friedman's doctrine – that a company's sole social responsibility is to maximize profit – gained dominance. The economy was stripped of its moral compass.

### **In recent years, you have founded initiatives to promote a new model. What should that look like?**

Economics is essentially a social science about managing scarcity. Fifty years ago, financial capital was scarce and natural resources were abundant. Our system was designed to generate financial capital.

Today, it is the reverse. Financial capital is abundant – though unevenly distributed – while resources, wellbeing and shared prosperity are scarce. The challenge now is to manage these new scarcities so that society and the planet can endure.

### **How does that translate to business?**

Most companies still maximize financial profits while ignoring the negative impact or externalities they impose on people and the environment. They often build transactional and power-driven relationships with employees, suppliers, customers, and other stakeholders to extract as much financial value as possible. They profit by creating more problems than they solve.

Traditionally, those harms are patched over by philanthropy or state intervention – approaches based on the idea that value must be created before it can be shared. The ‘Economics of Mutuality’ challenges that assumption. It integrates sharing – mutuality – into value creation from the start, by favouring mutuality over power-driven relationships. The result is more value created, more value shared, and a healthier balance across the system.

To support this redefinition of value, it requires business to expand their accounting framework. Financial capital, yes, but alongside it: human capital, people and their wellbeing; social capital, the quality of relationships between stakeholders; and natural capital, the company’s ecological footprint. Managing all three with the same intentionality and professionalism as financial capital enables a superior model of value creation.

### **How have you put this into practice?**

In 2019, with Mars’ backing, I launched a non-profit platform to advance this model. It has since expanded and now operates in the small-cap private equity sector.

In 2024, I founded *ONE Society* (Old New Society) to widen the model’s reach across public and private sectors. We focus on three pillars: education, real-economy implementation, and policy influence. We partner with leading universities – Wharton, Oxford Saïd, Rotterdam School of Management, CEIBS

and others – to embed the principles into leadership training. We implement the model in cities, companies, and economic ecosystems, working with top consulting firms. And we advise governments on public policies.

### **How can we ensure that models like this will lead to real changes, rather than just catchy slogans?**

Having a purpose is not a marketing exercise. Sadly, many companies treat it that way – adding a mission statement on a website without changing how they operate. We define purpose as: *profiting from solving social and environmental problems, rather than from creating them.*

Finding that purpose starts with identifying the systemic problem your company can address. You map stakeholders and shift the focus outward – prioritizing others’ needs over your own. The company is removed from the centre: it becomes one stakeholder among many, alongside employees, nature, suppliers, and communities.

*“The word company comes from Latin roots: cum means together, and panis means bread. It literally means ‘sharing bread’”*

Reorienting the economy carries a danger: it can be like pouring new wine into old wineskins, to borrow the image from a *Gospel* parable. If you put new wine into old wineskins, the fermentation process will cause the old wineskins to burst, wasting the wine and destroying the skins.

Instead, a systemic problem demands a systemic solution, built on education – shaping the current and future generations of leaders, practical implementation, and supportive public policies – designed to reward courageous leaders who embrace this transition and disincentivize those who cling to an outdated model.

## Elsewhere, you mentioned the etymology of ‘company’. Why is that important?

Over the past two decades, the word *business* has largely replaced *company* in management literature. *Company* comes from Latin: *cum* (together), and *panis* (bread) – literally, ‘sharing bread’. Companies were originally understood as places of mutual support, fostering mutual relationships and even communion in a spiritual sense.

*Business*, by contrast, comes from the Old English *bisignis*, which means ‘anxiety’. In just a few decades, we have shifted from enterprises as spaces of shared prosperity to organizations that maximize anxiety.

To restore the company to its original purpose – creating profit by solving problems – we must embrace that expanded accounting framework that I mentioned. This idea is not new. Even in the Bible’s fourth book, *Numbers*, accounting is about measuring what brings blessing and prosperity. Every time we propose a new accounting model, and redefine profit, we’re reinterpreting that covenant.

## Where do you see this working in practice?

Over 20 years, we have refined the *Economics of Mutuality* into a simple, implementable model, tested in around 50 case studies. Consistently, it improves both business performance and social and environmental outcomes.

On the policy side, there’s progress: the EU’s CSRD [Corporate Sustainability Reporting Directive], China’s new standards, and the ISSB [International Sustainability Standards Board] globally are encouraging companies to adopt more responsible practices. But there’s also pushback. The anti-ESG movement seeks to discredit two decades of progress, and responsible business is being politicized and mislabelled as

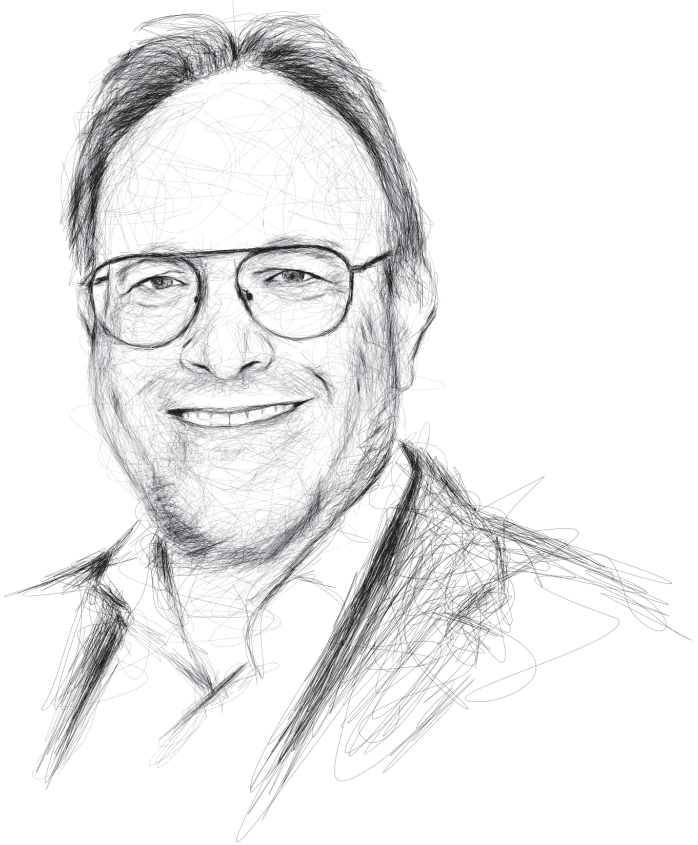
*“The question is not whether change will come, but how: through education and innovation, or will it take disasters and conflict to force us into action?”*

'woke'. Yes, greenwashing has been an issue, but it shouldn't erase the genuine advances.

**Are you hopeful about the future?**

I'm cautiously hopeful. If we don't transition to a new model, the system will collapse. We consume the resources of 1.7 planets. We generate massive wealth but hoard it, fuelling dangerous polarization. You don't need an economics degree to see that that simply cannot hold. This reality will not change, but many are trapped in information bubbles that amplify fake news seven times more than real facts. However, sooner or later, the inescapable force of natural laws will bring us all back to reality.

The question is not *whether* change will come, but *how*. Will we choose education and innovations – or wait for disaster to force us? Times of transition are shaped by human decisions. Even the choices and efforts of one single person can leave a lasting mark. This is one of those moments.





*Harmen van Wijnen*

## **Steering Pension Funds for Future Generations**

Harmen van Wijnen (1967) is Chair of the Executive Board of pension fund ABP. ABP provides pensions for Dutch employees in education and government. With assets exceeding 540 billion euros, it is the largest pension fund in the Netherlands and the fifth largest in the world. Van Wijnen previously served as a partner at Ernst & Young and earned a PhD in theology. In 2024, he was acknowledged in the *TIME100 Climate Leaders*, *TIME Magazine's* annual list of 100 global leaders driving climate action.

*On a bleak February afternoon, Harmen van Wijnen logs in for an online conversation. He takes his time and chooses his words carefully. As Chair of ABP, the largest pension fund in the Netherlands, he looks beyond the headlines of the day. For him, sustainability is not a trend but a natural path for an organization that manages money for the future. And this sustainable course is not driven by personal conviction alone. It is woven into the responsibility the fund carries for millions of pensions, and for a liveable world. As the pressure of the climate crisis intensifies, ABP continues to seek a careful balance between financial returns and responsibility.*

**Compared to other countries, the Netherlands has an enormous pension fund. That gives ABP a unique influence. What are ABP's intentions when it comes to sustainability?**

For over a decade now, ABP has been working on what we call sustainable and responsible investing. I've been part of that journey since 2022. With over 540 billion euros in investments, the entire global economy is effectively reflected on our balance sheet. Our guiding principle is to align with the Paris Agreement: by 2050, we aim to reach net-zero greenhouse gas emissions.

A pension fund is not just another publicly listed company. Companies are under constant pressure to deliver shareholder value in the short term. As a social institution, we carry a responsibility for the long term. That responsibility extends beyond financial returns, it's also about ensuring a liveable world. That's why our mission is: 'Building together for a good pension in a liveable world'. At the same time, we believe that investing in a sustainable economy is necessary from a financial perspective as well. Without it, the returns needed to secure good pensions simply won't be there.

**How does that mission translate into practice?**

You can say you're investing for the long term, but reality unfolds day by day. When I started as chair of the board on 1 January 2022, I couldn't have foreseen what that year would bring: Russia's invasion of Ukraine, its ripple effects on the global economy, high inflation, shortages of raw materials, and at the same time, soaring oil and gas prices. Those were significant short-term shocks. Vision and long-term thinking are one side of the coin; the real economy and daily realities are the other. Our aim is to connect the two. In 2022, we reported a loss of 96.9 billion euros. Naturally, that led to criticism of our policies. Some believe we exited fossil fuels too quickly.

*"Some believe we exited fossil fuels too quickly"*

### **To what extent do you still invest in fossil fuels?**

In October 2021, we decided to withdraw from fossil investments – oil, gas, and coal. It was a massive undertaking to unwind those positions, but we're nearly there. By the first quarter of 2024, we had sold all our liquid equity and bond investments in fossil fuel producers. We also divested all our futures contracts in oil and gas. What remains are illiquid investments with longer time horizons, such as stakes in fossil infrastructure like pipelines. But we are carefully phasing these out, step by step, as soon as it is possible and in the best interest of our participants. The proceeds from these sales have been reinvested in attractive opportunities aligned with our investment strategy.

### **Why did you decide to exit fossil fuel investments?**

Since the Paris Agreement in 2015, we have aimed to align with its goals. In the summer of 2021, reports from the IPCC and IEA made two things clear: the climate crisis is caused by human activity, and swift human action is needed to reverse course. They also showed that to meet the Paris goals, fossil fuel producers should stop developing new oil fields. We saw – and continue to see – the urgency to accelerate action. At the same time, it became evident that none of these fossil fuel companies were truly aligning with that path. Our initial approach was to steer these companies toward sustainability through active shareholder engagement, but that process proved too slow. The business models of these companies inherently cause damage, and we saw little genuine willingness to change that quickly.

ABP made this decision with the expectation that it would not negatively impact returns. As said, in recent years, partly due to the war in Ukraine, the stock prices of these companies have risen. But in the end, and certainly over the long term, we expect many other investments to deliver similar or even better returns. That's a crucial consideration for us.

For a decision like this, it is essential that our participants support it. And that broad support is there. Not only from groups like ABP Fossil Free and the trade group 'Universiteiten

van Nederland’, but among a significant proportion of our participants.

### **How are members and pensioners involved in these decisions?**

We regularly survey our participants to understand their views on our investments, which gives us a clear picture. A large majority supports the choice to invest sustainably. There is also a vocal minority who argue that it doesn’t matter how you earn your money as long as you generate sufficient returns. We hear comments like, ‘You pension funds haven’t been able to increase pensions or provide indexation for twelve years. Don’t focus on long-term goals with uncertain returns; just focus on making money in the short term.’

*“Vision and long-term thinking are one side of the coin; the real economy and daily realities are the other”*

But it’s important to remember that returns are always tied to risk. To provide our participants with a stable, inflation-proof pension, it’s essential to manage the risks within our investment portfolio.

We believe that sustainable investments will, in the long run, be beneficial both for the world around us and for our financial returns. And therefore, for the level of pensions we can provide.

### **Is there a risk that we’re just shifting our pollution to other continents while cleaning up Europe, a so-called ‘waterbed effect’?**

I don’t want to soften that concern, but I do think it helps to put it in a broader perspective. We look at the entire chain, from producers to suppliers and end users. Sometimes we find that our initial efforts as active shareholders in those producers have relatively little impact. In those cases, we shift our focus to the major consumers. Through engagement, we try to encourage them to transform their business models and change how they source their energy. So yes, it’s crucial to take a broad perspective. It helps that we are actively engaged worldwide in driving the energy transition.

**Is it already sufficiently straightforward to assess and justify the sustainable investments a company makes?**

That's a tricky question, mainly for technical reasons. More and more European legislation is coming into place to create structure, which means we constantly need to monitor what's changing. But in practice, many companies still lag in providing reliable data. That's why ABP is actively involved in pushing for better reporting, raising the issue with both companies and governments.

New regulations like the Corporate Sustainability Reporting Directive (CSRD) are forcing companies to take a broader and more transparent look at their annual reports. At the same time, the Sustainable Finance Disclosure Regulation (SFDR) requires investors to provide clear insight into the underlying sustainability data of their investments. We welcome these developments, even though there's still a long way to go.

**In the business world, there's often grumbling about these kinds of regulations. From your perspective, are they necessary?**

It's true that you hear complaints in the corporate world about the added burden of regulation. But from a financing perspective, it's a good thing that we gain insight into what's actually happening within a company.

At the same time, it's important to remember that an investor like ABP is just one player in a much larger system. The energy transition isn't solely the responsibility of companies. It also requires action from consumers and governments. For example, it's critical that polluters pay for their CO<sub>2</sub> emissions so that the true cost of production becomes visible. As long as that isn't the case everywhere, the bill will keep landing on others.

Governments have an essential role to play here, with clear legislation and targeted subsidies for new forms of energy. In this transition, everyone has a responsibility: companies, consumers, investors, and policymakers. We need each other to succeed. That's why we remain in close contact with our government and with European institutions.

### **Does ABP actively lobby on these issues?**

Yes, absolutely. I try to be in Brussels regularly, as well as at the European Central Bank in Frankfurt, where we work closely with policymakers. On the one hand, we aim to ensure that laws and regulations don't unnecessarily hinder investors, and on the other, we actively contribute ideas on fiscal policy and the pricing of issues like CO<sub>2</sub> emissions.

### **People in the business and financial sectors often seem hesitant to enter the public debate. Is that something you consciously engage in, or avoid?**

I believe it is important, as chair of the board, to participate actively in the public debate. That is why I started writing blogs on how we can manage money responsibly within the current financial system. I also deliberately initiated a tough discussion about the costs of private equity: how much is actually being paid to the parties investing in it? It sparked quite a stir, led to a motion in the Dutch parliament, and resulted in a conversation with the minister. That is how I try to contribute. Not because I'm looking for media attention, but because I believe our voice should be heard more strongly than it has been in the past. That is a conscious choice.

As an organization, we also want to play a role in these debates, even though we know we can't change the world alone. We're not an activist group, but we can act as a catalyst on issues like sustainability and responsible investing. Often, that happens behind the scenes through lobbying. Our lobbying strategy doesn't focus solely on governments; we also engage proactively with NGOs like Friends of the Earth Netherlands, and I'm personally involved in those conversations.

### **Sustainability transitions are increasingly becoming a legal matter. Do you see this legal push as a positive force or a destructive one?**

I think it can help. We can't achieve change as investors alone; we need other players to act as well. Sometimes legislation can

give slow-moving parties the push they need to start taking real steps. I see that as a legitimate tool.

**Transitions can be tense: you need everyone to move along, and success isn't guaranteed. How do you see ABP's role in preventing a political backlash?**

Big societal issues often create an undercurrent that can lead to polarization in society. I'm concerned about that. Our democracy, institutions, and the authority they represent are under pressure. We feel that discontent as a pension fund too. In recent years, I've had to explain on national television why certain things went wrong in our administration. Beyond the fact that we must get

*“But we must avoid giving the impression that we are a financial institution chasing shareholder interests alone”*

our pension administration in order, we also feel responsible for maintaining collective trust in our system. Taking that responsibility is a key ambition in our strategy.

**How do you try to safeguard that trust?**

We are a social and societal pension fund. Social, because we originate from the mandate of social partners, rooted in the Dutch polder model. Societal, because we want to contribute to a liveable world. In the Netherlands, a pension fund is part of civil society, even though we are also a financial institution supervised by the Dutch central bank. But we must avoid giving the impression that we are a financial institution chasing shareholder interests alone.

We want to show that we are different from the neoliberal mindset in the economy, which focuses on high earners and short-term returns. At the same time, our pension fund operates through funded pensions, making our business model part of capitalism. That makes it complex. In the boardroom, we regularly discuss the question: Is capitalism a tool to build a sustainable economy and a liveable world, or is it a goal in itself? These are the kinds of questions we grapple with and where we want to take responsibility.

**You have followed your own path, personally. You have a background in finance and studied theology. How do you bring those worlds together?**

The first part of my career, I worked in the financial sector as a partner at Ernst & Young. In 2004, young and with a clear opinion, I left. In interviews, I said, 'I don't want to work in a sector that's all about making big money.' I was convinced I would never return to the financial world. But a pension fund felt different. I've always sought a working environment where my values align with what I do. When ABP approached me in 2019, I thought: society is facing a major transition, and this aligns with what I want to stand for.

*“In the boardroom, we regularly discuss the question: Is capitalism a tool to build a sustainable economy and a liveable world, or is it a goal in itself?”*

When I started at ABP, the media immediately created a narrative: 'He's also a pastor'. One headline in a Dutch newspaper even read: 'New ABP CEO brings God into all his decisions.' It felt uncomfortable, as if I was about to run the fund through some theocratic management model. But that's not how it is. I'm not a moral crusader or preacher. For me, it's about values. When are you doing the right thing for society? For humanity? And what exactly is that 'right thing'?

**Do you mostly keep your theological background implicit, then?**

I don't want to hide it. It's more indirect than implicit. As a theologian, I learned to navigate complex ethical questions. Policy decisions are rarely black and white; it's always about weighing interests. And that's precisely the core business of a pension fund: the long term versus the short term, solidarity between generations, wellbeing versus wealth. I try to bring a broader palette of values into decision-making, including the responsibility we have for people *and* nature. That's not an exclusively Christian value. It's for everyone of good will.

The question of whether we should exit a sector as a shareholder is never simple. As someone who helps design decision-making

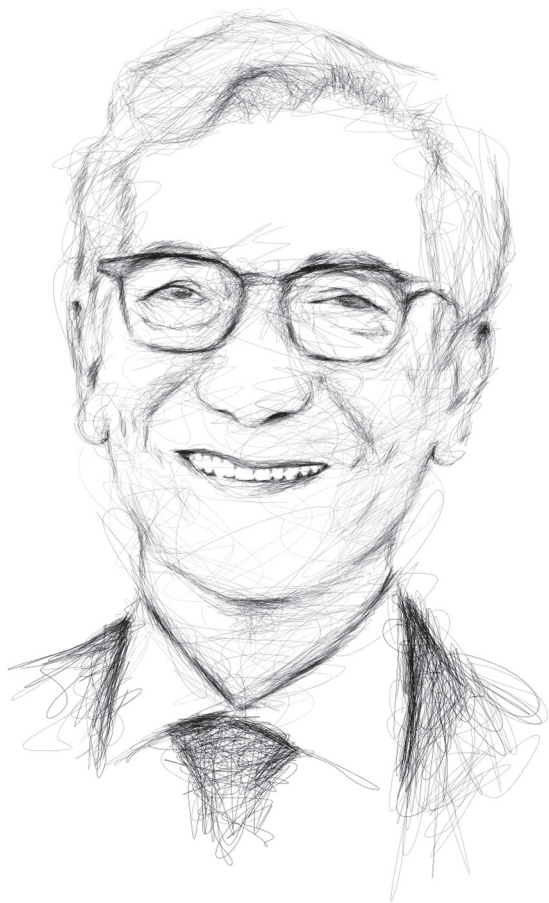
processes, I try to bring in the skill of ethical weighing, precisely because so many different perspectives come together at ABP. It's a skill to arrive at decisions together. I don't claim to be better at it than others, but my background as a theologian does help.

**The fossil fuel industry continues to post record profits, which can make it feel like nothing is really changing. Do you recognize that sense of discouragement? Does hope play a role for you?**

The billions in profits within the fossil fuel industry can indeed be discouraging. Yet I believe that is precisely when hope becomes meaningful. Hope shows that you care about the long term. As Jan van der Stoep, a lecturer at the Ede Christian University of Applied Sciences, once put it beautifully: hope is a point on the horizon, an anchor outside yourself, a larger story that continues to carry you, something you can trust in even if you know it can't simply be engineered in the chaos of daily life.

That's why I keep emphasizing that, as a pension fund, we are not here for the issues of the day but for the generations after us. It means we look decades ahead. We need to keep bringing that perspective to the table, over and over again, especially when we're under pressure. It's my role to keep telling that story.

*“I was convinced  
I would never return to  
the financial world”*





Ronald Cohen

## Measuring Impact for a Good Economy

Sir Ronald Cohen (1945) is an Egyptian-born British philanthropist, venture capitalist, private equity investor and social innovator. He is cofounder and President of the GSG Impact, cofounder and Chair of The Portland Trust, and vice chair of Capitals Coalition, following its recent merger with the International Foundation for Valuing Impacts, of which he was cofounder chair. He is also a cofounder and former Chair of Bridges Fund Management, Better Society Capital, and Impact Weighted Accounts (IWA) at Harvard Business School and a cofounder and Director of Social Finance UK, USA, and Israel.

*He hesitates for a moment when we ask if we can start the video recording. 'I've just come from the tennis court,' says Sir Ronald with a smile, gesturing to his white tennis polo. No worries, we assure him – it's not a video interview, just an audio recording for our own notes. Cohen, now eighty, appears fit and speaks with a calm, measured tone. His energy remains fully focused on the mission that has driven him for years: building an impact economy where not only financial returns, but also effects on people and the planet take centre stage – all the way up to the stock index boards. Even in this conversation, he's not just here to talk. He wants to know what we think, who we're speaking to, and how his ideas might reach the right audience.*

**One of the proudest moments of your career was the implementation of the first social impact bond in 2010. What made this such a remarkable moment?**

In 2010, two 30-year-old colleagues from Social Finance UK came up to my office. They were thinking about how best to deal with young prisoner reoffending. Could we somehow prevent that, at that time, 60% of the young prisoners went back to prison within 18 months of their release? Their idea was to link a monetary payment to the reduction achieved. I told them, 'You just found the key to the capital markets for social entrepreneurs.' Just a few months later, the first social impact bond was raised. A very special moment: it was the first time that the financial return of a security depended not solely on financial variables, but on achieving a social good.

This first social impact bond has now inspired a \$700bn market in sustainability-linked bonds and loans. This effectively enables companies to reduce their financial interest if they achieve preset environmental or social targets. These kinds of innovations are changing our whole economy. I strongly believe that in today's world, an impact economy is necessary to sustain both democracy and capitalism. That's why that launch in 2010 makes me proud.

**You started your career in venture capital, which some might see as the opposite of impact investing. How do you explain your transition from one to the other?**

Actually, I think they don't have to be opposites at all. When I was at Harvard Business School at the age of 23, there was discussion for the first time of inventing new ways of funding young people who wanted to make money by introducing radical innovations. Be aware, that was a time when the consensus was only big companies could be successful at serious innovation. But I felt innovations from these companies would usually not be as disruptive as those from young newcomers. When I started what became Apax Partners at the age of 27, my social motivation was to create jobs at a time when Britain really needed them. At that time, Britain had nearly one million people unemployed.

We also established some moral guidelines for Apax investment: we did not invest in gambling, defence, alcohol or tobacco. Setting up a venture capital firm satisfied my need to do something useful, that would bring social good.

My later shift to impact investing was informed by my journey in venture capital. Instead of finding ways to fund those who wanted to innovate to become rich, the focus shifted to funding those who wanted to improve society as well as make money.

*“You can’t achieve accounting without impact valuation”*

**You mentioned that you felt a need to do something useful. Have you always had this drive?**

I think that my desire to help others partly originates from my childhood. My family and I left Egypt as refugees when I was only 11. We left with one suitcase each and 10 Egyptian pounds each. Apart from that, everything was taken away from us. Luckily, we were welcomed in the UK where I met an inspired history teacher. ‘Cohen, you should go to Oxford’, he told me. I responded, ‘How will I ever get into the University of Oxford from Orange Hill Grammar School – not a particularly distinguished school?’ Richard Farley taught me so well that I was accepted and received a scholarship. I’ve always felt that this was a huge privilege, that the UK had helped me get there. It created a desire in me, even a duty, to help others as well.

**Central in your work is the concept of an impact economy. What is an impact economy?**

In an impact economy, the measurement of social and environmental impact is integrated in all economic activity. Impact is central to government, business, investment, and consumption decisions. So, an impact economy is not just driven by profit, but by impact and profit together. It delivers systemic social and environmental improvement as well as economic growth.

**Is it possible or desirable to measure everything? To turn everything that is essentially non-financial into numbers?**

You can't achieve accounting without proper impact valuation. Impact investors need to compare the impact of a ton of carbon emissions with that of a cubic meters of polluted water. We need impact transparency. It gives investors the tools to say: 'I don't like this company; it's got all their people on minimum wage and is polluting the hell out of the earth. I would rather go to a competitor.'

Seven years ago, I met George Serafeim, a professor at Harvard Business School. I asked him whether he thought we could bring impacts into financial analysis and the valuation of companies. 'Absolutely', he told me. We decided to go for it. In September 2024, we published a dataset that contains 100.000 environmental value factors, covering 430 different impacts across 268 countries. We can now compare different impacts in monetary terms, and the impact performance of different companies. We can also compare impacts directly with profits.

**In your book, *Impact: Reshaping Capitalism to Drive Real Change* you describe how the introduction of financial risk measurement seventy years ago transformed the world of investment. You draw a parallel with the emergence of impact measurement.**

Yes. What has allowed venture capital to become a big part of the financial system today is the measurement of risk. In 1952, Professor Harry Markowitz at the University of Chicago measured how much a share or bond goes up and down and defined this as the riskiness of the investment. He introduced the measurement of risk alongside return. It changed the world and led to important new concepts: risk-adjusted return and portfolio diversification. Over time, this new thinking led investors to include more venture capital, private equity, hedge funds and emerging market stocks in their portfolios. While at the start of my career, we were struggling to get 1% of an institutional investment portfolio to be invested in venture capital and private equity,

*“What we measure matters”*

today it has become normal to allocate more than 20%. I feel the measurement of impact will lead to a similar transformation of portfolios. What we measure matters.

**At this point, what do you consider the biggest challenge within this transition?**

To get this data into the hands of investors. Our theory of change is that if we can get this data on Bloomberg, S&P, and other data provider screens, investors will begin to use it. Once financial data providers start to carry information about impacts in monetary terms, investors will be able to analyse both the profit of a company and the monetary value of its impacts. This will change the world of investment. We will be able to restate past profits, as well as future profits after impacts, compare them with peers, determine the effect of impact performance on future sales and profits. This change in investment behaviour will lead to a change in the behaviour of companies. Of course, it will take time. It's not going to happen in, you know, two years. But the biggest challenge now is to get this information in circulation.

**Currently, it seems that most investors are inclined to go for the highest financial yield. What makes you confident that in an impact economy, in the long run, investors may indeed make the most impactful choices?**

Doing *good* as an investor or business leader has simply become a better way to make money. It's about selling a product that people want to buy, and that talented people want to help produce. Consumer preferences are changing in favour of products and companies that have more positive impact, and younger generations are driven to do meaningful work. Therefore, impact accounting provides insight into making the most profitable choices. Furthermore, at this moment there is a whole generation inheriting money from the baby boomers. Huge amounts of money – around \$90 trillion – are being transferred to 40-year-olds who believe in the things we're talking about. They don't want to take risks with the environment, society or democracy.

**The United States has withdrawn from the Paris Agreement and there's a growing resistance toward ESG evaluations, now often called 'woke capitalism'. Do these political developments trouble the transition towards a more impactful economy?**

Even despite these political developments, I think the US will continue to move forwards in impact investing. Most big American companies are serving the European market. They must abide by European regulations. Forbidding such regulation in the United States won't stop this. Besides, American states such as California, Maine, and Vermont will probably continue with state legislation addressing these issues. They acknowledge that climate change is a huge risk for life, as well as for business.

Many European companies are emboldened by what Trump is saying. They don't want to be at a disadvantage compared to America, so I think it is important for us to show them that impact accounting simplifies reporting and compliance. Without impact accounting you have to qualitatively describe your societal efforts, by filling in more than a hundred EU criteria. With impact reporting, you can assign a monetary value to impact and set a threshold that a company must not fall below. So, I think we have to change the narrative now. Away from the moral, to the prudential. To show that an impact economy is about a better way of doing business, as well as reporting more efficiently on impacts.

**Anti-democratic tendencies are now visible not only in the United States but also in Europe. What factors have contributed to these tendencies?**

Currently, capitalism and democracy are clashing. Since the beginning of the tech revolution, the distribution of economic gains has been too unequal. Half of the population has benefited hugely. However, the other half has found itself leading stagnant economic lives. They can't afford the holidays they used to afford. They can't afford to send their children to the schools they choose.

This inequality has created huge frustrations. Populist politicians, who are on the rise in many democracies right now, have

exploited these frustrations, especially through social media. In doing so, they are undermining the values of democracy by creating a post-truth world where everybody seems entitled to have their own so-called truth, even about facts. And if there's no longer any truth, how can there ever be morality? The behaviour of extremist leaders is eroding the values and norms of democracy so much that it will take us a very long time to repair them and the institutions that have upheld them for decades.

**Originally, one could state that Europe and the United States have practised different kinds of capitalism: the Rhineland model of capitalism versus the Anglo-Saxon model. You have studied in both continents. What is your perspective on this?**

At Oxford I learned to think; at Harvard Business School I learned to do. I studied at Oxford from '64 to '67. Oxford was a very idealistic place in the sixties, concentrating on moral questions, for example with regard to nuclear disarmament. When I left Oxford, I knew two things: I wanted to do something which would be financially remunerative, because I knew I would have to look after my parents; and I wanted to benefit society.

*“If there's no longer any truth, how can there ever be morality?”*

At Harvard Business School, they didn't have the intellectual aspirations and inspiration of Oxford. It was more of a trade school. But in retrospect, I couldn't have done the things I did without Harvard. It gave me the skills to be able to be a good investor; to understand how the world works in terms of finance, the economy and policy. When we had our final session at Harvard Business School, they asked us how to improve the programme. I said they should teach moral philosophy. Since ethics and business often go in opposite directions, I believe that ingraining morality is extremely important.

**This year, you're turning eighty years old. What keeps you going?**

I think if you're a type A personality, that's not really much of a question. I've always been active, and I will continue to be.

**A 'type A personality'?**

I think it is a personality that is driven to action and achievement rather than enjoyment. I believe in the mission of impact, and we have now invented the tools to realize it. In 2000, the Social Investment Taskforce recognized the mission, but we didn't yet have the tools. Now, we have social impact bonds, sustainability-linked bonds and loans, impact accounting and impact capital markets. I have no doubt the mission will be achieved.


**Do you worry about not finishing the task?**

When I left Apax at the age of 60, I thought I would need 20 years to do anything useful at scale. Today, I don't feel any worry about finishing the task. There is a beautiful Jewish saying that our obligation is not to finish the task but to start it, and to keep at it as long as we can. To me, that is a liberating thought. If I just keep going, the next generation will pick up the baton. Together, we will get it done.

*“At Oxford I learned to think;  
at Harvard I learned to do”*







*Kim Tan*

## **Businesses that Transform Lives**

Kim Tan (1955) is a pioneering voice in social impact investing and biotechnology. For over 25 years, he has worked to show how business can drive change, partnering in social impact funds across Africa and Asia. As cofounder of the Transformational Business Network, he connects entrepreneurs and philanthropists who use enterprise to tackle poverty. Tan also serves as a trustee of the John Templeton Foundation and is pro-chancellor at the University of Surrey. Alongside his investment work, he writes about social impact, justice, and faith, including *The Jubilee Gospel* (2013), *Social Impact Investing* (2016), and *Jubilee and Social Justice* (2021).

*Kim Tan doesn't seek the spotlight. In fact, he prefers to stay out of it. But on a grey Friday morning in Surrey, just outside London, he appears on screen in a hoodie, ready to talk. It is 7:30 a.m., and the cofounder of the Transformational Business Network looks far from the typical image of a successful venture capitalist: casually dressed and with a calm, understated presence. Yet, as he begins to speak, it quickly becomes clear: for Kim Tan, business isn't just about profit. It's about changing the rules on who gets to thrive and what it takes to strengthen communities from the inside out.*

**You once described a moment in Khayelitsha, South Africa, as a turning point in your life. Can you take us back to that day?**

I was working as a venture capitalist in biotech. I had just finished my first fund and went on my first ever holiday to South Africa. Me and my family spent half a day in Khayelitsha, a large township just outside Cape Town. At that point, I had made money selling and listing our biotech companies. But standing there, I felt a strong sense of calling not to launch a second biotech fund. I realized I could write another cheque, but nothing would truly change. The poverty would still be there the next morning. Something else was necessary.

What if I could use what I knew – venture capital and building businesses – to help create jobs in those communities instead of

*“When people think of Asia, they think of investments; when they think of Africa, they think of aid or charity”*

handing out charity? For me, it was the beginning of a journey to think through the so-called ‘tiger economies’, the economies of rapid and sustained economic growth in Asian countries, particularly in comparison with African countries.

**You had already changed careers a few times by then. Can you tell us a bit about your personal background? How has it shaped your idea of entrepreneurship?**

I grew up poor, in a tin shack in rural Malaysia, attending a school with no windows and taking showers when it rained. My parents were immigrants from China. They arrived with nothing and built a small business to support our family of ten children. My father never had the chance to get an education himself, his own father died when he was thirteen, but he was determined that his children would. I was sent to the UK to study and ended up at the University of Surrey, thinking I would become an academic. I completed my PhD and went on to do three postdocs.

Eventually it hit me: I wasn’t smart enough to win a Nobel Prize. So, I left academia and took some of our discoveries – particularly around immortalizing sheep cells to produce antibodies – and

used them to start my first biotech company in diagnostics. There was no venture capital back then, so we bootstrapped the business, learned the ropes, made plenty of mistakes, and were fortunate to make a strong sale in the first year, which helped us build out the lab. But I soon realized I wasn't cut out to be a CEO. I didn't enjoy making the same product every week; I wanted to explore new things. So I sold part of the business and moved into investing in other, more interesting projects, eventually running a biotech venture capital fund.

**You mentioned that you researched the tiger economies. What did you discover?**

I wanted to understand why countries like Singapore, Malaysia, and Taiwan grew so rapidly without aid or microfinance. Sixty years ago, Ghana and Kenya had a higher GDP than Singapore, but somehow that changed. I realized that what made the difference was foreign direct investment. In the 1950s and '60s, Japanese companies moved their smaller, low-tech businesses to Asia, creating jobs and building up local industries.

When I looked at the data, I saw that developed countries have many small and medium-sized enterprises (SMEs) that form the backbone of their economies. But in developing countries, there are a huge number of micro-businesses, almost no SMEs, and then a few large multinationals. That missing middle is the real problem: if you can't get capital in the \$50,000 to \$500,000 range to grow an SME, you can't build a strong economy. Without fixing this, inequality will keep rising until it breaks societies apart. That's what pushed me, 25 years ago, to shift from biotech venture capital to what I then called 'social venture capital'.

**Why did you cofound the Transformational Business Network (TBN)?**

When people think of Asia, they think of investments; when they think of Africa, they think of aid or charity. We wanted to change that mindset. So, we created the Transformational Business Network, a network of 3,000 to 4,000 business professionals,

family offices and investors across Asia and Africa. Individually, members may invest \$10,000 to \$20,000, but together we pool up to \$200,000, and some funds invest as much as \$15 million per deal. This allows us to provide the kind of capital needed for enterprises to grow and scale.

**What distinguishes what you call social venture capital from other forms of development assistance?**

Lots of work is done by NGOs and faith communities. They have good intentions but often lack business skills and give too little funding for real growth. From my venture capital experience, I know undercapitalized businesses fail, not because of bad ideas, but because they run out of cash. We take a different approach. We ask: how much funding and time do you really need to grow? If they meet their targets, we continue to fund them, stage by stage, over 10 to 12 years if needed. Instead of a small one-off donation, we help build a solid business plan and management team, and ensure they have enough fuel to take off and scale. That's how we aim to create lasting change.

**Some people say cultural or colonial legacies explain differences in development across countries. Do you agree?**

Not really. At Harvard, many argue that cultural differences explain why some countries stay poor, but I don't see it that way. The only 'cultural' difference that matters is literacy. If you go out in Africa or India early in the morning, you'll see millions of people hustling, working incredibly hard. Lack of effort isn't the problem. But in many parts of Africa, illiteracy remains high and that blocks people from accessing capital. You can get a \$1,000 microloan but try getting \$50,000 to grow a real business if you can't read a contract. It is nearly impossible.

In Asia, literacy has been embedded in society for thousands of years. There was always a drive to educate the brightest child in the village because passing the national exam meant lifting the whole community. That competitiveness around literacy is the real difference, not culture in a broader sense.

**And perhaps a kind of difference in government quality. Especially when you bring in private money certain governments can be obstructive.**

Yes, correct. If there's good leadership, you don't need aid; governments will solve problems themselves. But if there isn't, what do you do? You can either walk away, blaming poor governance, or you can try to help. We choose the second option. We stay away from governments and work below the radar instead, with small and medium-sized enterprises. It's cleaner and more effective. And let's be honest, corruption isn't unique to Africa. People in the West often wrongly see Africa as corrupt or lazy. I tell them: if you want to see real corruption, come to Asia. We do corruption at \$6-billion scale, right? It's not about continents or governments. It's about finding ways to get your work done within these systems.

*“We stay away from governments and work below the radar instead”*

**Can you give an example of a successful social venture capital investment?**

Inside Changi Prison, the largest prison in Singapore, we have invested in a call centre run by 80 men and 100 women. It is now becoming a contact centre as well. We upskill the employees and pay them a minimum wage, about 600 US dollars a month, so that when they are released, they leave with competencies and money in their pockets. When they are released, we rehire them in the call centre in the city. As a result, we have reduced the reoffending rate down to 3 to 4 percent. In Europe and the US, around 60 percent of ex-offenders reoffend within two years, so it's clear the traditional aid and charity model isn't working. We asked ourselves: as businesspeople, could we design a business that helps tackle this problem?

Today, we employ over 250 people. The business is profitable, pays dividends, restores broken lives and relationships, and brings dignity back to people. We are now using this model to expand into Indonesia and Malaysia.

## What is your future goal for TBN?

Now that we've proved this model works, with successes at scale and funds anchored by European and Japanese DFIs, corporates and institutions, our goal is to show that real transformation in Africa won't come from big multinationals or extractive industries alone. Rather, by backing small and medium-sized enterprises. We've already convinced companies like Johnson & Johnson to move beyond simply writing cheques. They set up a \$14-million fund for healthcare investments in Africa, and their CFO told me that if we deliver results they'll back us with whatever funding we need next.

That's exactly our next focus: to persuade more corporates to move beyond traditional CSR and commit to intentional, impactful investments. It's good for their business, it's good for their employees, it supports communities... Everyone benefits.

At the same time, there's another crucial piece. So far, it's mainly external capital flowing into African enterprises. But where's the local money? Right now, most local capital, like pension funds in Kenya, goes into government bonds. They earn around 16% interest, so there's no

*“Undercapitalized businesses fail, not because of bad ideas, but because they run out of cash”*

real incentive to lend to small and medium-sized businesses. At our last TBN conference in Nairobi, we issued a challenge: what if pension funds allocated just 1% of their assets to invest in local businesses? That idea has been picked up. We've received approval and are now setting up an impact debt fund to make it happen.

In addition, we have created a listed entity on a stock exchange to provide retail investors – ordinary individual investors – with an opportunity to invest in impact projects. To expand this, we need more listed entities on more exchanges, so that more retail investors can participate.

**You've said that one of your most important lessons learned is that social and environmental challenges are deeply connected. At what point did this become clear to you?**

My first project, in South Africa, taught us a lot about this. I asked myself: what can a philanthropist do in a district with 85% unemployment in the middle of nowhere? You can build a school, a clinic, an orphanage... All good things, but they won't move the needle for the local community. So, our idea was to use eco-tourism to catalyse change while intentionally hiring and training young people from the community. We bought 40,000 acres of degraded farmland and converted it into a safari game park. We built elephant-proof fences, brought back wildlife for the first time in 150 years, and developed a five-star lodge. We try to get all our food and supplies from local sources.

What became clear to me was this: the Western mindset thinks in silos, often focuses on saving forests or elephants, but unless you tackle hunger you will never be successful in protecting the environment. If people are poor they will chop the trees. If they are hungry they will poach animals. Because they need to feed their families. Instead of hiring guards to protect the park, we realized we needed a holistic approach, creating jobs, building local economies. Only then can we protect nature.

Now, we are applying this same mindset in Uganda's Budongo Forest, where poverty drives deforestation. We're building a luxury lodge to attract tourism and factories to create 150 jobs for local people, offering alternatives to chopping trees for charcoal.

**When do you step back from an enterprise? Do investors eventually exit their investments?**

That depends on the fund structure. Traditional limited partner funds require exits, but I don't prefer that because you often sell at the wrong time or under bad market conditions. Instead, we use permanent capital structures – holding companies where we remain minority shareholders, sit on the board, help grow the business, and keep receiving dividends. This way, we stay invested long term and support sustainable growth.

For smaller investments, we often don't take equity. We provide low-interest loans to help businesses grow and buy us out. For instance, we funded a chain of computer training centres in South Africa with small loans. They've grown from one store to 42 across townships. People pay a modest fee for the courses, which keeps them engaged and committed.

**You wrote several books on the relationship between your faith and work. How do those two relate to each other?**

I am deeply moved by the biblical vision of jubilee, where debts are forgiven, land is returned, and communities share what they have with the poor. It's a radical idea of freedom and generosity, not forced, but offered out of love. I experienced this myself when I lived in a commune for eight years, sharing everything with others. Well, everything except our wives and our books.

That vision of jubilee shapes how I see business: when we create wealth, we share it. Sometimes people say, 'That sounds like Marx!' But it's not communism. The difference is that under Marx, the state forces you to give. I believe true transformation and generosity can't be mandated by governments; it requires a deeper change within us. With jubilee, the generosity is voluntary, coming from a transformed heart and community.

**Marx also was in favour of the abolition of private property.**

The jubilee principle from the Old Testament inspires us to focus on private ownership: every family owns land to build wealth, which then supports their community. We start companies with employee share options. Over the years, I don't know how many employees of companies doing well have become millionaires. For example, before we sold a private cancer hospital in Malaysia, we allocated shares not just to doctors but also to cleaners and nurses. My fellow business investors thought I was going crazy. But the possibility to build assets transforms lives far beyond what salaries can do: one nurse could now save money for her

son's education. With just her monthly salary, this would have been impossible.

**How do you keep your vision alive across all the people you work with?**

Mission drift is inevitable. Organizations will gradually deviate from their original core purpose. We're realistic enough to accept that. But we try to prevent this as much as possible by investing only in people of good character. Our six-month training programme starts with a module focused entirely on character. That's key.

**What defines a good character, in your opinion?**

I believe that humility is crucial. Pride kills relationships, businesses, and families. But when people are modest and teachable, they can grow. Management researcher Jim Collins, in his book *Good to Great*, found a pattern: the best-performing companies were led by CEOs marked by humility and modesty. We take this seriously. We include a veto right on publicity in our shareholder agreements because we believe that too much attention invites pride, which destroys the mission. The prison call centre we invested in attracted lots of media interest: they wanted to make a biography of the CEO, documentaries and articles. But we told them to hold off on publicity. We prefer just to go on quietly and do things.

When I was running my biotech venture capital, I used to tell my team: 'If you arrive at a company's office and see fancy cars in the parking lot or a fountain in the lobby, cancel the meet-

*"The best-performing companies were led by CEOs marked by humility and modesty"*

ing. Those are not our people.' We have a policy of flying economy class, because we see ourselves as stewards of other people's money, not using it to upgrade our own lifestyle. For us, that sense of modesty and humility is essential.

**What keeps you grounded, even on the hard days?**

What keeps me grounded? Remembering where I came from. My parents made sacrifices so I could have opportunities, and I don't want to forget that. You can either let success make you forget where you come from, or you can let it shape how you live.

What keeps me going, even on the hard days, is seeing lives change. Staff who never had access to capital, building better lives for themselves. Former prisoners finding work, getting married, building a future. Survivors of the sex industry in the Philippines, running their own photo-editing business and earning enough to support their families. Nothing makes me happier than seeing that happen.

*“My parents made sacrifices so I could have opportunities, and I don't want to forget that”*







*Maria van der Heijden*

## **Future-Proof Businesses Seek Connection**

Maria van der Heijden (1960) served as managing director of MVO Nederland, now called 'Future Up', from July 2016 to June 2024. In this role, she was the driving force behind a network of approximately 2,000 Dutch companies committed to corporate social responsibility. Van der Heijden is widely regarded as a vocal advocate for a sustainable and inclusive economy. She also cofounded *Women on Wings*, an organization that supports job creation for women in rural India.

*We speak with Maria van der Heijden at 8 a.m. via Zoom – a rare slot in her packed agenda. She speaks with clarity, energy, and conviction. During our conversation, she reveals herself as a woman of action. Setting goals isn't the hard part, she says. The real challenge is translating them into action.*

**Can you tell us about how MVO Nederland started, and your mission as director?**

MVO Nederland started in 2004 as a network of companies committed to accelerating sustainability. What brought us together was the desire to make the world a better place. Idealistic? Certainly. The economy needs to change fundamentally. We want an economy where the focus is not on financial value, but on impact on people and the environment. We depend on nature, not the other way around. If we take that seriously, we must start paying real prices: for a living wage, clean air, fertile soil. Right now, we are not paying those prices, and that is unsustainable.

Our mission is to make ourselves obsolete once that economy becomes reality. But we haven't reached that point yet. I do see progress: in the past, I had to explain the 'why', now it is about the 'how'. The awareness that things must change is slowly taking hold. But there is still work to be done.

**You often speak of the need for a 'new economy'. What does that look like, in concrete terms?**

It is an economy that is carbon-neutral, circular, inclusive, and transparent. One where companies account for their environmental and social impact, where pollution is taxed and labour becomes more affordable. Where supply chains are transparent and prices reflect true cost. That's how you change the system.

*“Businesses still tied to old profit models won't be here in ten years. That's not a tragedy, that's reality”*

Since 2020, MVO Nederland has been tracking the transition to this new economy in the Netherlands using the NEx Index, based on seven key themes. Among these are biodiversity and transparent supply chains. Currently, we are at 18,5 percent, but the growth is stagnating; in 2025, the index grew by one percentage point. At this pace, we'll get there by 2100 – far too late. We need a breakthrough.

**Part of that breakthrough is shifting from a shareholder to a stakeholder model. What does that mean to you?**

A company isn't an isolated island; it exists within society. Businesses owe their existence to our society – to consumers, employees, and other stakeholders. If only financiers call the shots, you get a short-term financial logic that ignores social responsibility. We can't expect shareholders to solve the climate crisis. That's just not going to happen. Family-owned businesses often understand this better; they think across generations. Their mission naturally goes beyond profit.

**How do you put stakeholder thinking into practice? Should citizens be given a seat at the table?**

Bring society to the table. Not all 18 million citizens, of course. But you can build representation into your supervisory boards or advisory councils. Include young people or civil society organizations. Companies in our network are already doing this. It opens up space for voices beyond just shareholders.

**Do you see this happening widely in practice?**

Unfortunately, no. Many companies are still falling behind. Look at Shell, Tata Steel – businesses that have completely disconnected from society. This leads to lawsuits, because they fail to meet societal norms, which are much stricter than our legal ones, but companies are often unaware of this. Those companies are completely out of touch. Future-proof companies, on the other hand, seek connection. They understand that societal relevance is essential for their survival and orient themselves accordingly. Within MVO Nederland, many companies are already working on this. They do this, for example, by admitting young people to their supervisory board.

**Do supervisory boards have enough power to drive real change?**

Absolutely. They appoint the executive leadership. They hold the employer role. With the right people in place, you can shape leadership that understands and embraces the transition.

### **Where are the biggest systemic barriers?**

In government. The governmental incentives are off. Labour is taxed heavily, pollution is cheap. We need major tax reforms. Fossil investments are still being supported, for instance through export credit insurance. Government must rewrite the rules to ensure companies take responsibility.

Right now, we have a large group of frontrunners showing that it *can* be done. But they need a government that backs them, instead of a government that favours companies clinging to outdated models.

### **Is it a mistake to let big players like Shell leave the Netherlands? Or is that the right direction?**

To me, that's a no-brainer. I'm not bothered at all that Shell moved its headquarters to London. We need to stop treating 20th-century companies as the crown jewels of our economy. Philips and DSM have both undergone major transformations. Those still tied to old profit models won't be here in ten years. That's not a tragedy, that's reality.

They must redefine their mission and realign with society. If they stay stuck in shareholder logic and short-term thinking, they're committing intergenerational theft.

### **The Dutch branch of Friends of the Earth, Milieudefensie, recently sued Shell. Is legal action the way forward?**

I am more in favour of regulation. We need much stronger state intervention. Governments must impose a legal duty of care on companies. The EU is leading with initiatives like the Green Deal, CSRD, and taxonomy. But the Netherlands is lagging. That's a waste, because we have so much knowledge, innovation, and talent here. What is holding us back is political resistance in The Hague.

### **Do banks and financial institutions have a role to play too?**

Absolutely. All major banks are exploring new financing models. ASN Bank launched a biodiversity fund. ASR, a Dutch insurer,

is reducing lease prices for farmers that work more sustainably. Finance is shifting, because climate risk is now financial risk.

From banks to pension funds, the rules are changing. But money isn't the whole story. Value creation goes beyond profit. We need new reporting standards, where non-financial performance is integrated into accounting. That's still in its infancy. The Dutch central bank has been calling for it for years, but there's much work to do.

**Isn't there a risk this becomes too complex for companies?**

That is a common concern, but I rarely hear it from entrepreneurs themselves. You just have to shift your focus. We all

*“I'm not bothered at all that Shell moved its headquarters to London”*

learned to draw up balance sheets, no one said that was too complicated. Now, we need to learn how to measure and report our impact on people and the planet. It's not hard – just new.

**What is the most important factor for accelerating the transition?**

Collaboration. Companies that share knowledge and work together in sector coalitions – that's incredibly powerful. They sit down not as competitors, but as allies tackling shared challenges.

We see it works. We've built coalitions in coffee, textiles, chemicals – 20 to 30 companies sharing how to improve transparency in supply chains, ensure living wages, boost soil health, increase biodiversity. It's about collective learning and inspiration.

The government plays a role too. In some areas – circular economy, nature-inclusive management – we see real support. But ultimately, it comes down to people. Change starts with individuals: civil servants, politicians, marketers, CEOs. Where there's a will, there's a way. Where there isn't, there's a workaround.

### **How do we ensure continuity beyond individual leadership?**

Leadership isn't a solo act. It's not just for CEOs. At MVO Nederland, I led a team of 50. Everyone had equal influence, CEO or not. Leadership means collaboration as well. For example, of businesses that reach out to the public sector, academia, and civil society. I believe in the 'triple helix' model. You often have more influence in your own role than you realize.

In 2007, I cofounded *Women on Wings* with one other woman. Today, we've created more than 500,000 jobs for women in rural India. That started with a bold mission. But in the end, it comes down to action. 'Plan, do, check, act', that's what makes change real.

### **Are you hopeful about the future?**

I have to be. In my position, hope is a moral responsibility. Not because I *know* things will turn out okay, but because I need to keep moving. Hope keeps me acting and helps me bring others along. Don't let fear or panic get the upper hand. Surround yourself with hopeful people. Break down big goals into small steps, and you'll see that change is possible.

*“We all learned to draw up balance sheets, no one said that was too complicated”*







*Marcello Palazzi*

## **Leading Europe's B Corp Movement to Foster Responsibility**

Marcello Palazzi (1957) is an economist and serial entrepreneur. After 11 years as cohead of his international family business in environmental technologies, he founded Progressio Foundation in 1989. This organization fosters human progress through 'for good' entrepreneurship in business, society, culture, education, and the polity. Since 2013, he is the cofounder and coleader of B Corp Europe which certifies 'B Corps', businesses that meet the highest standards of verified social and environmental performance, public transparency, and legal accountability to balance profit and purpose.

*We talk to Marcello Palazzi via Zoom, just before Christmas. Palazzi has lived, studied, and worked all across Europe. He is a thinker, but also an entrepreneur. During the interview, he shifts gears as quickly as his dynamic career suggests, jumping effortlessly from Europe to the US, from business to government, from big ideas to real-world action. He takes us on a rapid journey through the history of Europe and his leading role in B Corp. That same pace, he notes, is often lacking in Europe, particularly within centralized governments.*

**You've been working on sustainability and responsible entrepreneurship since long before they were mainstream. What set you on that path so early?**

I come from an internationally minded entrepreneurial family. I was born in Italy, went to school in Switzerland, studied in London during the Thatcher years, lived in the Netherlands and spent many weeks in Denmark over nearly a decade. Because of my background, I was familiar with another sort of capitalism than the one that was branded in the UK at that time. The European capitalism that I knew was much more directed towards public goods. Businesses saw themselves as part of the social fabric, as providing solutions for society. I began studying companies like the Lehman brothers, Unilever, Mars, Cadbury, Phillips, Olivetti and Bosch – family businesses that originally practised what we might now call 'societal entrepreneurship'. That's where my thirty-year journey began.

I was also drawn to philosophy. The big ideas behind economic systems fascinated me. People often quote Adam Smith's *Wealth of Nations*, but forget he also wrote *The Theory of Moral Sentiments*. He understood that economics is not just about markets; it is about what moves us as human beings. Ultimately, economics returns to Aristotle's *oikonomia*: the good stewardship of our collective household.

**You introduced the concept of a 'civic economy'. What does that mean?**

The term 'civic' comes from ancient Rome – it refers to citizens and their shared responsibilities. A civic economy puts the wellbeing of all citizens at the centre. It challenges the idea of the rational, self-interested homo economicus. But don't get me wrong, it's not about pure altruism either. It's about balancing personal interests with those of others, as the Greeks already understood.

Crucially, the civic economy is also about good governance. The so-called invisible hand of the market doesn't guarantee the common good. What we need is future-oriented governance

that bridges the financial sector and the real economy. Look at 17th-century France or Italy: economic life flourished when embedded in local ecosystems of school, training institutes, and care systems. These economies were complex systems that were only successful when all the different parts were successful. That model is still relevant today.

### **What does this imply for entrepreneurship?**

In the civic economy, there is a strong emphasis on entrepreneurship. In fact, an entrepreneurial spirit is crucial. But not the kind that's fixated solely on profit. Civic entrepreneurship responds to real human needs – social, environmental, political – and does so with creativity, innovation discipline. It encompasses a diverse variety of organizations such as co-ops, public-private partnerships, social enterprises.

*“People often quote Adam Smith’s Wealth of Nations, but forget he also wrote The Theory of Moral Sentiments”*

People sometimes claim that we have ‘too much business’. I think that this is true, but only in the sense that we have commercialized and privatized our businesses too much. The problem is not entrepreneurship. The problem is entrepreneurship that does not evolve into a *public* entrepreneurship.

That’s why I helped bring the B Corp movement to Europe. I saw this as a means for companies to self-regulate. It gives companies a framework to measure, monitor, and improve their societal impact. The beauty of B Corp lies in its disciplining with an assessment tool that requires certification every three years and that has indicators that evolve over time. This dynamic system supports businesses to foster a discipline that is essential for a well-functioning market-economy.

**Your focus on public entrepreneurship strives to address the difference between doing good and doing well. But is there a financial trade-off in being a B Corp? Can companies do good and still do well?**

That question assumes a false binary. The issue isn't doing good *or* doing well. Instead, it is about having multiple dimensions.

Until twenty or thirty years ago, people who went into business were educated in liberal arts or engineering. They had enjoyed a broad education. Now, many of the people in the boardrooms have been trained as accountants or economists. They have been trained only in one dimension: the financial one. Having multiple dimensions means being aware of the social and environmental issues and seeing the real opportunities for business. If you're blind to social and environmental realities, you miss opportunities for real value creation.

Most companies are in the hands of the stock market. That is a very one-dimensional world. But in the end, there are also financial reasons for doing well. Former Unilever CEO Paul Polman put it well: the costs of inaction are higher than the costs of action. Ignoring externalities today will cost us all tomorrow. At the end you will pay the price.

### **Should governments do more to push companies in that direction?**

On the question of regulation, I'd like to say two things. First, I am not a fan of more regulation for its own sake. Many businesses, even those with strong values, are already overwhelmed by it. Regulation is one tool to govern the economy, but it is not the only one.

I am convinced that we must add other tools. Governments should lead by example. Public procurement, for instance, can be a powerful lever: only purchase from high-end companies that demonstrate good governance and social performance.

*“Anglo-American ideas become dominant through the global spread of English in business schools”*

In addition, setting the right incentives can make a huge difference. Within the impact investment movement, it's acceptable for executives to earn substantial salaries, but a portion of their earnings should be reinvested in society. I believe that anyone earning above a

certain threshold should commit a portion – say 50% – to social investments. That’s not charity or tax. It’s a civic contribution, a meaningful reinvestment in the community.

**That sounds close to Mariana Mazzucato’s concept of the mission economy. Do you see parallels?**

Absolutely. I know Mariana Mazzucato, she and I both sit on the commission initiated by Pope Francis. I fully subscribe her view that the economy needs to pursue a public good instead of the interests of a few billionaires or big companies, and that governments must pursue public purpose, not just enable markets.

But I also believe that governments can’t solve everything. I wouldn’t hand more power to the Venezuelan government – or even Italy, frankly. What matters is the *relationship* between governments and business. Right now, it’s often adversarial: ‘Let’s tax companies, so we can fix things.’ That is not the right way. We should instead enable business to serve the public interest. That’s where the real shift lies.

**How can that shift happen more concretely?**

One idea I’ve long advocated is to involve more civic-minded entrepreneurs in public institutions. Think of it as an expanded version of the Dutch Social Economic Council (SER). I believe that it is possible because I have seen it in Denmark: many CEOs actively contribute to public life, for example of Carlsberg and Grundfos – they see their work as serving society. We’ve lost that sense in other countries, including the Netherlands.

**Talented people sometimes become discouraged by working for the government, because it is not experienced as an innovative working environment.**

Yes, and that is exactly why we need more entrepreneurs in public institutions! There are huge time lags between innovations happening somewhere in society and the moment that governments find out about them. We should be quicker in implementing them. The Netherlands is a dynamic country,

but the government could be more dynamic. It's a pity that the government hasn't been more inclusive and more open to these innovators.

Talking about governments... For me, it does not make sense to have a centralized government with 20 ministries. It is the old-fashioned way. We need decentralized governance – more leadership at the local or regional level. Countries like Germany, where decision-making happens more locally, often show stronger economic performance.

### **How can governments support local innovation more effectively?**

A couple of years ago I was in Palo Alto, Silicon Valley. Lots of things are not right in Silicon Valley, but in terms of innovation it is an amazing place. In the UK, the same is happening around Cambridge University: lots of startups, scale-ups, venture capital, etc. The Dutch area around Eindhoven is also very dynamic. Such innovative ecosystems are not easy to copy. Instead, these thriving ecosystems are quite place-based. When areas like this are becoming successful and they have a thriving ecosystem, you must keep fuelling it with investments and talent to let it become a real success. And then you can try to have others learn from this success.

I think governments are not very good at fuelling those special areas, more than others. They tend to focus on equalizing everything – creating equal opportunities and a level playing field. I can see that it is a challenging issue: on the one hand you want to create more equal opportunities, but at the same time some places are more innovative than others. Ideally, governments should fuel those hubs, not flatten them, and utilize their energy for the benefit of other places.

**We were surprised that B Corp started in the United States and only after becoming quite substantial there, took over to Europe. How do you explain this?**

***“It’s acceptable for executives to earn substantial salaries, but a portion of their earnings should be reinvested in society”***

It’s a funny twist. In fact, the whole idea started from looking at Europe. The B Corp founders were inspired by European thinking – frameworks like GRI,

EIRIS, OECD guidelines – and adapted them to the American context. The idea of voluntary, self-regulating reporting mechanisms thus came from Europe, not the other way around. Ten years after the introduction of the Global Reporting Initiative, a global organization that develops guidelines for sustainability reporting, we started with B Corp in the US, but originally it was not an American idea.

**In recent years, you have been working to revive Europe’s own economic thinking. Why did that tradition fade in the first place?**

I believe this development was not only a question of high philosophy but also the consequence of very practical mechanisms. One of the main reasons is the monopoly of the English language. Anglo-American ideas become dominant through the global spread of English. Everyone in business schools read Michael Porter and *Harvard Business Review*. They inspired many banks and thinktanks to get the money machine to work in their favour, to adopt those internationally communicated ideas about entrepreneurship.

Also, the more humanist, communitarian European tradition was less immediately profitable. People could make more money and serve the interest of many by pushing the agenda of commercialization and privatization. And let’s not forget – the 1980s were a crisis period. The Netherlands was called ‘the sick man of Europe’; people were desperate for solutions. Thatcher acknowledged that we couldn’t go on like this. She offered a solution – albeit a flawed one. Efficiency became the mantra. But efficiency is a means, not an end. The true goal is a thriving society.

**B Corp has created an international network with many passionate entrepreneurs. What inspires them?**

*“Like doctors take an oath, business leaders should also declare what they stand for”*

People assume that entrepreneurs are in it for the money. Of course, some are. But just like in politics, the field of business contains many different philosophies. There are many different colours, many different shades and schools. I already mentioned Adam

Smith's *The Theory of Moral Sentiments* in the beginning of our conversation. Smith explains that human beings have sensitivities to the questions of society and humanity and that that is a central element of economics. I meet entrepreneurs who acknowledge this, and who see business from a multidimensional perspective. They see that business is here to provide solutions to our world. And then there are also people like Donald Trump, who screw the world to make money. There is that kind of basic reality.

At the same time, we can create the culture we want. That is the power of human beings. Our laws, our sentence system, the way we do our financial reporting, it is all man-made. We can remake it differently, creating the right incentives, giving the right signals, creating the right language.

**Creating a new language and establishing it as the dominant discourse is known as mainstreaming the margins. What is the most essential topic within this new economic discourse?**

Responsibility. That's the cornerstone of a new economic discourse. That sense of responsibility should be cultivated in the three pillars of any society: citizens, owners, and leaders. Currently, we do not require citizens to do very much. When you are born in the Netherlands, you get your Dutch passport, perhaps you must sign something, but that is about it. Governments could do a lot more in creating more engaged citizens. How do they wish to contribute to our society?

The second pillar comprises the owners. Whether you are a pension fund, whether you own a company, or you own a house...

it comes with responsibility. The more you own, the more should be expected. Just obliging the law is not enough. What do we expect from owners? What do they expect from themselves?

Thirdly, the leaders. Like doctors take an oath, business leaders should also declare what they stand for. To what goals and to whom are they committed? In B Corp, we've developed a director's certificate that does just that.

### **Are you hopeful about the future?**

Yes. We have more knowledge, education and resources than ever before. The potential is enormous. In that sense I am completely optimistic and hopeful. But change is too slow. We're muddling through. That's better than nothing, but it's not enough.

As the Brazilian philosopher Roberto Unger said: we must start dreaming again. That's how the Renaissance happened. That's how the UN was created. But the dreaming and doing can't just happen in Brussels or The Hague. It must start at the most local level, with citizens themselves. That is where real change begins.

*“The dreaming and doing can't just happen in Brussels or The Hague”*





*Marjan Minnesma*

## **Pioneering to Accelerate the Transition**

Marjan Minnesma (1966) is the founder and director of the Urgenda Foundation. Since 2007, Urgenda has been working towards a circular economy powered by renewable energy and green resources. The organization pioneered the import of the first electric cars to the Netherlands and organized the first collective purchase campaign for affordable solar panels. In 2013, Urgenda famously sued the Dutch state over its insufficient action to reduce greenhouse gas emissions. Previously, Minnesma was codirector of DRIFT, a transition science research institute linked to Erasmus University Rotterdam.

*Our Zoom call with Marjan Minnesma gets off to a flying start. Her answers are to the point, her tone energetic, and it is clear she's not here to waste time. In the background of her video, wind turbines stand tall. A fitting scene: no frills, no detours, just action.*

**You're considered one of the most influential climate campaigners in the Netherlands. What path brought you here?**

I could pretend it was all part of a master plan, but real life doesn't work that way. I started out studying business administration, then went on to do an MBA in London. After that, I took up philosophy and law, and interned at both Shell and Greenpeace.

Looking back, those studies and internships turned out to be invaluable for the work I do now. But honestly, after business school, I had no idea what I wanted to do. I thought, 'Maybe I'll study a bit longer and figure it out along the way'. But I ended up enjoying law and philosophy so much, I finished both. One thing led to another.

**Are you saying it was more or less accidental?**

No, but I also wasn't about to take just any job. The idea of working in marketing or selling more coffee or oil; none of that appealed to me. I wanted to contribute to something that felt meaningful. But what that was, exactly? At 21, you simply don't know. You have no real sense of what kind of jobs are out there, and most of them don't line up neatly with your education.

*“At Urgenda, we try to focus on doing”*

Gradually, by trying things out, my drive to work on climate issues started to grow. When I was studying law, the first UN COP took place in Berlin, and the topic grabbed me. I ended up writing my thesis on the climate treaty at Greenpeace, where I met people who were deeply involved with the climate and genuinely worried.

Later, when I worked at the Institute for Environmental Studies at VU University, I learned a lot about the actual state of the climate. A personal turning point came when I had children. They could live to see the year 2100; that's no longer an abstract date; it's a point in their lives. That realization changed me.

**In 2007 you founded Urgenda, now one of the best-known Dutch NGOs focused on sustainability and climate. What is Urgenda's approach?**

The Dutch are great at talking and analysing, but not so strong when it comes to taking action. At Urgenda, we try to focus on doing.

We always start with a simple question: what is needed? If you want a society without coal, oil, or gas, you've got your work cut out for you. Homes need to become energy neutral. We have to change the way we travel, eat, produce, consume, and generate all our energy sustainably. We try to break those challenges down, make them tangible, and then start building real solutions. Wherever things are stuck, we try to unstuck them and create momentum.

Take our 2010 collective solar panel purchase – the first in Europe. We imported 50,000 panels at our own risk. By buying in bulk, we brought the price down by a third for consumers. They sold out almost instantly. Other organizations followed, and suddenly solar panels were far more accessible. Great – once that took off, we moved on to the next thing. Same with electric vehicles: we helped bring the first series production cars to the Netherlands using the same kind of direct, hands-on approach.

**That sounds quite entrepreneurial.**

It is. And unlike many other organizations, we carry the full financial risk ourselves. When those 50,000 panels were shipped from China... You just hope it all works out. Luckily, it always has.

Besides taking the lead ourselves, we also support other frontrunners. We regularly go on regional tours to meet local pioneers and ask: what do you need to take the next step? Then we try to help. If they want a meeting with a regional minister, for example, we'll arrange that.

We also do work that is less visible. I am in conversation with companies like Tata Steel and Dow. I have noticed that a lot of heavy industry wants to move faster on sustainability. But they need help. I ask them: what would actually enable you to switch

course? I focus on what can be done by 2030, not 2040 or 2050. Then we try to bring the political side along.

**Urgenda runs a wide range of initiatives for a relatively small team. How do you manage to drive change?**

There are about fifteen to twenty of us. I don't want the organization to grow any larger, because I want no layers, no bureaucracy, no management teams, no annual plans, no meeting minutes. That only works if you stay small and agile.

How we do it? We pick up projects and let them go when we're no longer needed, or when they no longer fit our role as an NGO. Many 'spin-outs' have emerged this way – colleagues who started something at Urgenda and eventually continued independently. For example, Liset Meddens, founder of *Fossil Free Netherlands* first worked with us. The campaign around the 'carbon bubble' was developed and launched within Urgenda, after which she continued with her own organization.

Another colleague focused on 'street farmers', people working on urban greening. He is now a street farmer in the Dutch city of Zwolle and runs his own business. Once Urgenda becomes obsolete for an initiative, we spin off our initiatives.

**You were also involved in DRIFT, a research institute on sustainability transitions. What, in your view, are the biggest roadblocks?**

We have trapped ourselves in systems. We need to change quickly, but our systems are rigid. Take, for example, how we organize ourselves within the EU: you can't just simply award a contract to the most sustainable party. You have to follow a procurement procedure. Then you're jumping through hoops just to try and let the most sustainable party win. Those rules were originally meant to prevent unfair competition, but in practice they end up stifling progress. 'Who cares', is what I think, then. But breaking out of that is not easy. The system is inert and artificial.

*“When those 50,000 panels were shipped from China... you just hope it all works out”*

On top of that, people are trapped in shareholder logic. I know plenty of top executives who genuinely want to move faster, but they say: ‘If I take

bold steps, I’m out tomorrow, and then no one benefits’. So, they take baby steps, but that’s simply not enough. That’s why governments must step in to course-correct. Companies can’t do it alone.

### **How should governments intervene?**

It starts with vision. Where do you want to go as a country? What do you want to keep? Suppose you want an economy without synthetic fertilizers; why would you keep two fertilizer plants running? Maybe you decide you *do* want a small steel industry, because you’ll occasionally need steel. Fair enough. But do it properly, with a long-term vision.

A problem is the knowledge gap inside government ministries. Very few civil servants have a science or engineering background. Companies like Tata Steel can say whatever they want, and officials may not have the knowledge to challenge them. I often find myself debunking false claims. I have to explain to civil servants that Tata Steel is feeding them nonsense – that they’re being misled. It’s hard to cut through that.

### **Six years ago, Urgenda won its landmark climate case against the Dutch state. How do you look back on that outcome now?**

The biggest gain is that it created momentum. Hundreds of climate lawsuits around the world now build on our case – from France and Germany to Switzerland and South Korea. These legal battles put pressure on the system. They remind governments that climate change is a human rights issue. That signing a treaty isn’t just symbolic, but that states have a legal duty to protect their citizens.

What I didn’t foresee was the emotional impact of the ruling. When we won, people from around the world called us in tears. Some had lost hope. This gave it back. Suddenly, they felt: ‘We can keep going. This matters.’ That emotional lift among people

who devote their lives to this work is more powerful than you might think.

### **Did it give *you* hope as well?**

No, I don't really work that way. That's not to say I'm happy with how things are going, I'm not naïve. But I don't get depressed about it. I just keep going. I keep pushing and trying to get things moving. I do what I can. No more, no less.

### **How do you manage to keep going?**

It's a mix of personality and luck. I'm not someone who gets gloomy easily. I also don't need much sleep, so I can cram a lot into a day. And it helps that I get to work with pioneers. I draw energy from the things we *do* manage to achieve. Those 50,000 solar panels. The electric cars on the roads that we helped introduce. The fact that we're the second-largest tree planter in the Netherlands after the Dutch Forestry Commission. That's amazing. That gives me joy. It keeps me going.

*“I don't want the organization to grow any larger, because I want no layers, no bureaucracy, no management teams, no annual plans, no meeting minutes”*

### **Many people – especially young people – feel powerless in the face of the climate crisis. What would you say to them?**


Do something. Anything. It *really* does help. There's so much more possible than people think. Join a climate action. Come help replant trees for a weekend. The moment you start moving, you realize: you *can* make a difference.

I also want young people to realize they have a unique kind of influence. They're often taken more seriously than professional activists when they knock on corporate doors. Don't let smooth talkers brush you off. Bring an experienced mentor who can cut through the spin. Together, you can apply pressure.

My generation was the last to grow up with improving prospects. That's no longer the case. And we should never accept that

as normal. Say it clearly: 'You might be gone by 2050, but *I'll* still be here'. Speak up, show them that this is about *your* future. You have more power than you think.





*Hannah Ritchie*

## Finding Hope Through Data

Hannah Ritchie (1993) is a Scottish data scientist and senior researcher at the Oxford Martin School. As deputy editor at Our World in Data, she uses statistics to shed light on the world's biggest challenges. In her first book, *Not the End of the World: How We Can Be the First Generation to Build a Sustainable Planet* (2024), she uses data to show the progress made in the field of sustainability. Ritchie argues for an 'urgent optimism' about large-scale problem-solving and the possibility of creating a sustainable society.

*Right on time, Ritchie joins our Zoom call, calm and approachable, yet unmistakably focused. Speaking in a warm Scottish accent, she explains how she once immersed herself solely in the numbers behind sustainability. But over time, she realized that beyond a certain point, progress hinges not just on data but on people and the economy that shapes their choices. It's why she now seeks out conversations across disciplines, sharing her insights with clarity and without jargon – much like she does in her book.*

**In 2024, you published your book *Not the End of the World*. What made you want to write this book?**

There were a few motivations. The first one was quite personal. I've always been concerned about climate change and other environmental issues. Ten or fifteen years ago, I was extremely pessimistic. It felt like no one was doing anything, like we were sleepwalking into total disaster.

But more than that, I had this overwhelming, and mistaken, sense that all the things we care about as humans were getting worse. That the world was falling apart, and so was my future. That mindset made me feel helpless, even though I wanted to contribute. And that is not the kind of mentality that drives action. We need people who are motivated *because* they believe change is still possible.

I've moved on from that place, but I get emails from many young people who still feel exactly like I did: stuck in despair,

*“It felt like no one was doing anything, like we were sleepwalking into total disaster”*

convinced they have no future. I even get that sense from some climate scientists. So, one reason I wrote this book was to speak to them, and to my younger self. These problems are big, but it's not too late. We can still do something.

The other motivation was more technical: I saw a disconnect between public perceptions and the actual data on what works. A lot of people have strong intuitions about what is 'green' or sustainable, but those don't always align with what the evidence shows.

**Your book shows that young people not just in the West but also in countries like India, the Philippines and Brazil, feel humanity is doomed. We were surprised that that feeling is not just a Western phenomenon.**

It surprised me too. Past research has often shown that lower-income populations rank environmental issues lower because they face more immediate challenges. But on the flip

side: wouldn't someone living in the Philippines be more worried about climate change than someone in the UK?

I expected one of those two narratives to show up, but instead, young people across very different countries reported remarkably similar feelings. That sense of doom appears to be global.

**Still, one of the central messages of your book is that there are also positive trends. How did you come across them?**

When I was most pessimistic, I was following the news, not the data. I had no real idea how the world was actually changing. That changed when I discovered the work of Hans Rosling. His TED talks were brilliant. He'd ask simple questions like: 'Is extreme poverty going up or down?' Most people, including myself, would get the answer wrong.

That was a turning point for me. I realized that a lot of things I assumed were getting worse were, in fact, improving. And that data is incredibly valuable in helping us understand the world more accurately.

Part of the disconnect, I think, comes from the fact that people don't realize how bad the past really was. We take so much of our current lives for granted, things like child survival rates, or access to vaccines. People don't realize that not that long ago the chances of a child surviving were fifty-fifty. Also, many of the most important global changes are happening now, but quietly, in the background. They don't make headlines. That skews our perception.

**Would you say that the media should be doing more to highlight those stories?**

I've been quite critical of the media in the past. I think they're in a tough position. Their business model is built on clicks, so they report what gets attention in the moment. And psychologically, we're wired to respond to negative news, to the urgent, not the slow and steady.

The real question is: is journalism meant to inform or to entertain? Ideally both, but I do think the media could do a much

better job at informing people about how the world is actually changing.

**Environmental organizations and the IPCC often also use very alarmist messaging. The name Extinction Rebellion suggests that it is already ‘five past twelve’.**

I wouldn't say that about the IPCC. They're actually very cautious, sometimes *too* cautious in how they communicate. Their reports are long and dry, and most people never read them.

But you're right about some activist groups. I think their negativity often comes from frustration, from the sense that no one is listening. So, they feel they need to shout louder, paint the worst-case scenarios, just to be heard.

The risk is that it turns people away. Most of us don't respond well to extreme messaging. It can feel alienating. If we want people to engage, they need to believe that their actions matter, that there's still something worth fighting for.

**There is a fundamental, ongoing debate between deep ecology and modernist ecological thinking. Deep ecologists argue that unless we change the mindset that caused the crisis, we'll keep hitting new dead-ends. Modernists focus more on the promise of technology. Where do you stand?**

I think technological innovation will be absolutely crucial. Without it, I'd be far more pessimistic about our chances. Sociocultural change is incredibly difficult and often slow. So yes, we need innovation.

But the real question is: will technology and cultural change combined be enough? I'm very clear that technology alone won't save us. We also need to reshape the systems in which technology operates. There's no point in developing brilliant solutions if people won't use them or if the economic system is stacked against them, so they can never properly break through.

It's about creating a world where those technologies can actually succeed. That means economic change, cultural change, governance – everything. You can't treat innovation in isolation.

## **Do you really believe that technology can solve all aspects of the climate crisis?**

It depends on the sector. In some areas, cultural change will be more critical than in others. Take energy: I actually think it's one of the easier transitions. That's not to say culture plays no role, but we already have strong alternatives to fossil fuels. The energy shift makes sense on so many levels: not just environmentally, but also economically and socially.

But there's one key area where I'm much less optimistic about technology doing the heavy lifting, and that's food. What we eat is fundamentally a cultural decision. If we're serious about addressing environmental pressures in the food system, reducing meat consumption has to be part of the conversation. And yet, we've seen very little progress on dietary shifts. Globally, meat consumption is still rising. That's expected as more people

*“A lot of people have strong intuitions about what is ‘green’ or sustainable, but those don’t always align with what the evidence shows”*

move into higher income brackets. But even in wealthy countries, meat consumption isn't really going down. There are some exceptions, but no broad cultural shift, not even across Europe. That worries me. I don't see signs of rapid change there, and I'm not sure technology alone can fix it.

## **You're often described as being very optimistic, perhaps overly so. How do you see it?**

I think my position is not super optimistic. I actually try to be very realistic: 1.5 degrees is not going to happen. I am not so naive to assume that. I think it is quite damaging to tell people that 1.5 degrees is going to happen, because we need to adapt to a world that is going to be more than 1.5 degrees warmer. Pretending that we are going to stay below that is in some sense denial and doesn't allow us to prepare for the impact. To strike the balance is hard, but I try my best.

I try to be realistic. It is important to hold on to hope. But false hope can do harm.

## **What gives you hope? What inspires you?**

A big source of hope for me is history. If you look back over the past few centuries, there are countless examples of progress and real, transformative change. Not without pain, of course. But history is full of powerful stories about people who tackled problems we once thought were untouchable.

I often ask myself: how would someone in 1850 look at the problems of their time? They probably would have seen them as hopeless. Just like many of us now see climate change. But we've done extraordinary things since then. Things they would have called impossible. So yes, that gives me perspective.

The other thing that gives me hope is the people working on these problems today. You don't see them in the headlines, but

*“If we want people to engage, they need to believe that their actions matter, that there's still something worth fighting for”*

they're out there. Think about all these engineers, scientists, communities, even everyday people installing heat pumps. There's a huge collective effort underway that doesn't make the news, but it's very real.

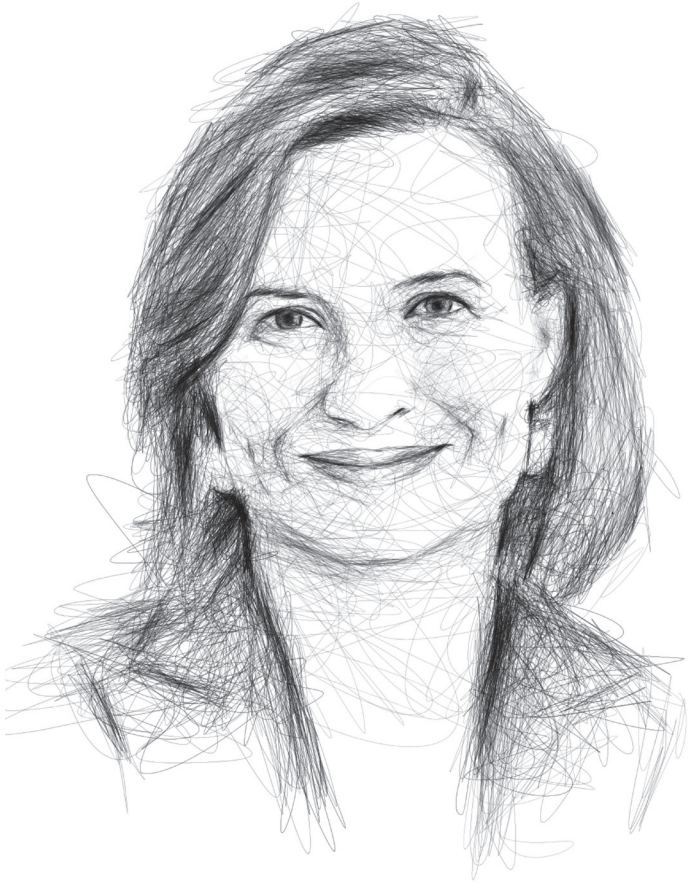
## **What would you say to someone struggling with climate anxiety or despair?**


First, it's a very natural response. Many people feel isolated in their anxiety, but they're not alone. It's a common, even rational, reaction to the scale of the crisis.

One of the best antidotes, I think, is taking action, however small. The worst place to be is feeling helpless and paralyzed. No, you won't solve the entire problem yourself. But you *can* do something. And surrounding yourself with others who are engaged and trying to make a difference really helps.

These feelings won't disappear, and maybe they shouldn't. In some ways, anxiety is a protective instinct. But it's about channelling that into something useful, something positive. And one final piece of advice? Read less news.







Sabine Rau-Oberhuber

## Shifting Power and Responsibility in Circular Business Models

Sabine Rau-Oberhuber (1971) is cofounder of Turntoo, an Amsterdam-based consultancy and think-tank focused on developing and implementing circular business models. In her book *Material Matters* (2016), she advocates for an economic system where consumers become ‘users’ rather than ‘owners’, materials gain rights, and waste becomes a thing of the past. Together with architect Thomas Rau, she also launched Madaster, a materials registry that supports circular construction by documenting what materials are used in buildings and other structures.

*We meet Sabine Rau-Oberhuber in the main hall of the Vrije Universiteit Amsterdam, just as she is saying goodbye to her son, who is a student there. ‘This interview is a pleasant coincidence,’ she says with a smile, explaining that she had recently given her husband an earlier book by Govert Buijs and Jan Peter Balkenende as a Christmas present. During our conversation, she speaks calmly and thoughtfully, weighing her words with care. Afterwards, she wonders aloud if she focused too much on the challenges. To us, her reflections offer valuable insight into the tough decisions and practical realities involved in working towards a more sustainable economy. Rau-Oberhuber shows why real change is so complex, and why there is still reason for hope.*

**You grew up in Germany's Black Forest. What shaped your view on sustainability during your childhood?**

I remember two moments that were truly defining. As a child in the 1980s, I watched how the rolling green hills of the Black Forest turned into a jagged landscape filled with dying trees due to acid rain. I can still recall the shock I felt at seeing firsthand what we, as humans, are capable of doing to our environment. The importance of sustainability was suddenly visible, right in front of my eyes.

Another key influence was my mother, who was one of the first founding members of the Green Party in the 1970s. At home, we would be glued to the radio or television, waiting to see if the Greens would finally win a seat in the Bundestag or the state parliament. So, you could say my interest in sustainability was instilled in me from a very young age, along with the awareness that there are ways to change the status quo.

**Together with your husband, Thomas Rau, you focus on a circular business model known as 'product-as-a-service'. How did this idea develop, and what does it mean in practice?**

Thomas founded his architecture firm, RAU, 33 years ago, with the vision of creating sustainable architecture. I initially worked in publishing but later joined RAU for a time. My father was also an architect, so that world was not unfamiliar to me.

Around 2007, the Cradle-to-Cradle concept was gaining traction: the idea that products should be designed so that their components and materials can be endlessly reused or recycled. This

aligned perfectly with what we had already been working on for years. We had just completed the headquarters for WWF in the Netherlands, the first energy-neutral building in the country. We wanted to furnish our office as a Cradle-to-Cradle showcase. But we quickly ran into a problem: there was no business model to

*“Embracing the circular economy is a strategic imperative for businesses and countries in today's world”*

truly close the loop. Manufacturers had no incentive to take back or maintain the quality of Cradle-to-Cradle products.

This led to a key question: what if the producer remains the owner? We didn't need to own the lights, chairs, or carpets in our office; we just needed to use them. That's how we began developing the product-as-a-service or PaaS model. Together with other companies, we launched 'light-as-a-service', 'seating-as-a-service', and 'flooring-as-a-service', using our own office as a testing ground. Companies we collaborated with then asked us to help them develop this model further. To do this effectively, we formed partnerships and, with their support, founded Turntoo in 2010.

### **How does product-as-a-service work in practice?**

Take lighting as an example. Instead of selling us lamps, Philips (now Signify) provided us with the service of 'light'. They installed the lighting, but ownership remained with Philips. They also covered the monthly energy bill, and if a lamp broke the cost was theirs. As a result, Philips chose to install the most energy-efficient and modular LED lamps available. The longer the lamps lasted and the lower the energy consumption, the more Philips earned. The result for us? We had top-quality lighting we could never have bought ourselves, and our energy consumption for lighting dropped by 40%.

When both the power and the responsibility lie with the company, different incentives arise. That's when we discovered that business models are a crucial key to driving change. With this experience, we began helping organizations transition toward circular business operations.

One of Turntoo's first projects was with a housing corporation in Amsterdam. They noticed that tenants were falling into financial difficulties due to high energy bills. We arranged for tenants to rent energy-efficient refrigerators or washing machines from Bosch for less than ten euros a month, as a service. Bosch remained the owner and responsible for the appliances. While tenants still paid the energy costs, their bills dropped significantly

each year. Many of them would never have been able to buy such energy-efficient appliances on their own. Unfortunately, Bosch recently discontinued the model. Running a product-as-a-service model is still challenging under current financial paradigms, particularly in consumer markets.

However, I also see more and more successful examples. For instance, I recently came across a German manufacturer of water meters that, faced with low-cost Chinese competition, began taking back their meters in 2007. Since then, they have become fully circular: all components are now designed for longevity, refurbishment, and reuse, which drastically reduced costs. By shifting to a product-as-a-service model, they ensure that products return to the factory after use; in addition, it opened up new service revenue streams.

### **In your book, you push back against the linear model. Why?**

The current linear model revolves around buying, using, and disposing. Power lies with the company, while responsibility is placed on the consumer. Because of this division, companies have a financial interest in products becoming obsolete, breaking down, or going out of fashion quickly. This is called planned obsolescence, something that was first introduced in 1924 by a cartel of light bulb manufacturers: they agreed bulbs should burn out after 1,000 hours, as durability hurt their profits. In the 1930s, General Motors discovered that making cars just a bit more attractive each year would ensure people no longer wanted their old models. Their innovation director coined the phrase: “The key to economic prosperity is the organised creation of dissatisfaction.” These strategies have become the norm, but they lead to enormous waste. In the light of the environmental consequences and the increasing scarcity of resources we cannot longer afford these types of models.

**You are also a cofounder of Madaster, a cadastre for materials. How does that contribute to a circular construction sector?**

The construction sector accounts for about 40% of all material use in our economies. To manage this vast material stock and enable reuse, we need insight into the ‘urban mine’ – the materials already present in our cities. Madaster, as the name suggests, was created as a cadastre for materials. It registers buildings and infrastructure and provides a detailed overview of all materials and products they contain, including their financial residual value, circularity, and carbon footprint. This information is valuable for investors and property owners, particularly since they need to report on these factors in ESG disclosures. When buildings are deconstructed, Madaster provides transparency about which materials are present and how they can be reused.

**Can you give a concrete example of this?**

In the German city of Heidelberg, we mapped all municipal buildings, including a former US army base slated for partial demolition. By making the materials and their value transparent, market players quickly stepped in, seeing opportunities to reuse these materials. The value remained the same, but the knowledge revealed a viable business model.

*“Business models are a crucial key to driving change”*

**Is reusing construction materials not incredibly energy-intensive?**

It does take energy, but producing new materials takes much more energy and has a significantly higher environmental footprint. The bigger challenge is that deconstruction requires a lot of manual labour, while demolition is typically done quickly and aggressively. Once the wrecking ball has swung, all that’s left is hauling away the rubble. To make deconstruction economically viable, we would need to make labour cheaper and the use of new materials more expensive, for example through taxation, something the Ex’Tax Foundation has advocated for years.

**You help companies transition to circular practices. Does this ever meet resistance?**

Yes, change often meets resistance. Circularity requires not just the company but the entire supply chain to adapt. Departments like procurement and facility management suddenly need to collaborate and align. Agreements with external parties are needed: how will revenue be shared? Who adds which value? Trust becomes essential: are you willing to share the necessary information so others can repair your product? Circular business models demand new skills, a different mindset, and sometimes even different people. But with the right mindset it also generates a lot of positive energy!

**Apart from human factors, there must also be process-related obstacles. Which ones do you see?**

The supply chain is complex. You need a circular product that is repairable and easy to disassemble from the design stage, but you also need a supply chain that can support this, from return logistics to partners who can disassemble and help reuse parts in production. It takes time to build such a chain. Many companies also lack knowledge about materials, data analysis, and reverse logistics.

There are financial barriers too: products often need to be depreciated within six years, which is problematic for service-based models. Legally, it's challenging as well: if you want to take back your own products for reuse, you run into waste legislation and need to register as a waste processor or collaborate with one. You either must meet the criteria for waste processing yourself or go through complex certification processes to ensure your product is not classified as waste. This applies even to new, non-functioning products returned by customers. It becomes bureaucratic and complicated.

**The current economic flows and legal systems are, of course, all designed within the linear model. But the fact that it goes this far...**

Part of it stems from legitimate safety considerations, but there are also vested interests surrounding the circular economy. In the early stages, the term ‘circular economy’ was outright hijacked by the waste industry, which saw it either as a threat to existing practices or as a business opportunity. When the first European guidelines for the circular economy were being developed, the waste lobby applied significant pressure. Many have since fought to clarify the difference between the circular economy and waste recycling. Circularity is not about waste processing; it’s about truly redesigning business models and product life cycles. You can see this reflected in European regulations, for instance in the ‘right to repair’ policies.

*“Circular business operations require new skills, a different mindset, and sometimes even different people”*

**How do you view current societal and political developments in the transition toward circularity?**

On the one hand, there is a growing awareness among consumers and businesses about the importance of circularity. More and more people refuse to accept that they have to throw away an entire appliance because of a minor defect, like a loose wheel on a suitcase or a broken microwave handle. Vintage clothing is becoming mainstream. This growing awareness pushes companies to think about circular models.

In addition, businesses and governments are beginning to recognize the strategic relevance of the circular economy. In a context of growing resource scarcity, price volatility, and supply chain vulnerability, circularity can significantly reduce business risks. As mentioned earlier, it can also help to cut costs, spur innovation, and reach new customer groups. In my view, embracing the circular economy is a strategic imperative for businesses and countries in today’s world.

Yet many businesses and governments are stuck in outdated systems and regulations. I would like to see legislation offering more space for companies to experiment and innovate, especially in the early stages of transitioning toward circularity.

Initiatives like the European Green Deal and the EU Taxonomy for Sustainable Activities are important steps forward. But they did not originate from politics; they emerged because a societal movement had begun. The current spirit of the times made them possible. In many respects, politics and legislation are followers rather than leaders.

**You are currently working on a materials-as-a-service model. What does that entail?**

The idea is that the ownership of materials remains in the country where they were extracted. Only the right of use is sold, together with the obligation to use the material in a circular way. This would create a recurring revenue stream, allowing resource-rich countries to participate in the value creation of raw materials mined on their territory. It would also benefit future generations

– generations that may otherwise be left with nothing but a hole in the ground. Initially, this seemed like a utopian idea, but I am now being invited to speak about it at major international forums. It is particularly relevant for African countries, as it offers a way to link the circular transition to questions of justice.

*“Materials-as-a-service allows resource-rich countries to participate in the value creation of raw materials mined on their territory”*

**Are there also potential downsides to a materials-as-a-service model?**

As with any transformative idea, success hinges on governance. Our vision is for materials to be governed through stewardship models and treated as commons, with revenues from these service models benefiting the entire population through permanent dividend funds, similar to the sovereign wealth models of Alaska or Norway.

My greatest concern is that circular service models in general, and materials-as-a-service in particular, could devolve into a neo-feudal system. In this scenario, ownership of everything we use would be concentrated in the hands of a few global corporations. Combined with Internet of Things-operated products, we risk creating a techno-feudal future – one that echoes the WEF’s 2016 slogan: “I own nothing, have no privacy,” but without the final promise: “and life has never been better.”

Therefore, as-a-service models must be designed very carefully and should not be applied indiscriminately.

**Despite all these challenges, you sound hopeful about the transition to a circular economy. What gives you that hope?**

What gives me hope is the enormous energy and innovation I see in companies and startups working within this new paradigm. I genuinely believe we are building enough momentum to reach a tipping point. Whether the growing societal resistance should depress me or give me hope, I am not always sure. But the fact that this resistance is growing is also a sign that something is becoming real.





*Julian Rosefeldt*

## **Critical Art that Moves and Provokes**

Julian Rosefeldt (1965) is a German artist. He studied Architecture in Munich and Barcelona. Rosefeldt's latest works encompass film and video installations, often based on multichannel panoramic setups. Rosefeldt's installations include *Manifesto* (2015) with Cate Blanchett playing 13 roles performing various artist manifestos, and *Euphoria* (2022), a large-scale installation on current-day capitalism and the history of greed. Both works have been on exhibition around the world. Rosefeldt has held a professorship of Media Art at the Academy of Fine Arts in Munich since 2011.

*What does an artist have to say about the modern economy? From the start, one thing was clear: we wanted to speak with Julian Rosefeldt. Each of us had already seen his installation Euphoria – impressive, grand, critical, and intellectually sharp. Since Rosefeldt was occupied by new work, a conversation about Euphoria wasn't possible. Instead, we were invited to send over a rough outline of the interview, based on previously published sources. Through an email exchange with Rosefeldt, this initial draft gradually evolved into the piece you are now reading.*

## **You studied architecture but became a visual artist. What attracted you to architecture?**

When I was 20 years old I lived in Italy for a while, where I did an internship at an architect's studio. He was an architect in the Italian sense: he designed anything that surrounded him, including landscapes, fashion, graphic design, paintings, and also buildings. I was fascinated by the idea of him being the creator of all these different things. This experience was of great importance to my decision to study architecture, first in Munich and then in Barcelona.

At the time, I found architecture in its all-encompassing interest for the world which surrounds us – including aspects like sociology, urbanism and history – to be the most interesting art form. Architecture was something that I could sympathize with. I had this image of art academies that didn't attract me much: a lonely painter with a bottle of beer in his hand in front of his unfinished painting. I'm completely aware that this is a

*“I had this image of art academies that didn't attract me much: a lonely painter with a bottle of beer in his hand in front of his unfinished painting”*

cliché. But I just wasn't attracted to this idea of self-centred creation. It's funny because at the time this image was triggered by my hometown's art academy, the Academy of Fine Arts of Munich and now, I work as a professor there.

## **How did your passion for film develop?**

Since I was young, I have always been a passionate movie- and museum goer, and during my studies I had multiple jobs at the theatre, for TV stations, and as a freelance photojournalist. The film museum in my hometown Munich offered great retrospective screenings and made me discover some filmmakers who've profoundly influenced me until today: Buñuel, Kubrick, Antonioni etc., you name it – the usual suspects.

Those experiences widened my interest in the construction and contextualisation of images and, alongside my teamwork experience in studying architecture, help me a lot in my work

until today. As a teenager and young adult, I was fascinated by the fact that everything we see on TV, on stage in the theatre and at the movies – including in more mundane products of culture such as soap operas, TV news or publicity – is deliberately crafted, shapes our perception of the world and therefore also our behaviour.

News on TV and in print media for instance don't only talk about the world. They construct it in our minds by carefully selecting and collaging a cocktail of terrible and comforting news. It always has to be the right mix so that we can deal with it without switching off the TV or our cell phones, or throwing away the newspaper, because that would mean we would stop watching the publicity tailored for us.

**You have described movies as myth-making machines. What do you mean by that?**

A good example are westerns in which a precise combination of elements – the lone cowboy, the campfire discussion, the saloon bar fight, the waiting women, etc. – follows a repetitive recipe that varies only in details. The *myth of the frontier* is transmitted to us not by history books, but rather by John Wayne and Lucky Luke. The resulting artificially crafted stereotypes overwrote in our imagination and collective memory the true story of the brutal colonisation of the American West.

A lot of my work is about the construction of images and about the creation of emotions and myths within cultural production. In my films I often combine things that don't necessarily belong together. In narrative cinema for instance music underlines action, or a specific location tells me what might happen soon. I try to challenge the viewing habits of the spectators and to activate them by not offering such a logic connection between location, action, spoken word, sound design and score. Or I show the mechanics and alchemy of filmmaking and what is going on behind the scenes. But those deconstructions are of course again constructed, not the reality.

**Your work *Euphoria* (2022) is about the modern economy. Why did you decide to focus on this theme?**

Well, it's hard to pinpoint exactly where and why my projects begin. Most ideas grow slowly – through research, links with other ideas I'm already thinking about, or topics that keep coming back to me. It usually takes quite some time before an idea becomes clear or takes shape. Often, a project starts with something I don't understand, something that feels like a grey area. I choose subjects that raise questions for me or that I simply don't know much about.

Economy was one of those things. I was the kind of person who skipped the economy section in the newspaper because I just didn't get it. Those pages always seemed impenetrable, confusing and a bit suspicious to me.

But it must have been around the time of the Lehman crash in 2008, that I realised that I didn't want to isolate myself from the world of economics forever. I thought it would be interesting to dedicate a project to economy. I began with collecting text material, reading books, from standard classics about the principles of economics to recent insights, from left to right, so to say. At the same time, I started looking for a way to explore these fairly dry economic theories in a more sensory or tangible way.

**Did you have a specific goal in mind with *Euphoria*?**

Well, I'm not an expert on economics at all. It was certainly not my goal to explain how economy works. My aim was to question that what seems self-explanatory, the dominant assumption of modern man: that capitalism is *the air that we breathe*. Why does our economic system seem to be without alternative until today? Why does it remain so seductive and irresistible – thus the title *Euphoria* – even to people who are aware of its destructive nature?

Although you might sense that I'm sceptical about the unleashed neoliberal form of capitalism that dominates our life today, I wanted to allow a polyphonic chorus of different opinions to be heard all around us. That's also true in a literal sense. There's a lot of singing in *Euphoria*, in the installation a

choir of 150 children of the Brooklyn Youth Chorus surrounds the audience. The children have a specific role here: as in classical Greek theatre, the choir represents the consciousness of society.

***Euphoria* has a strong intellectual foundation. You selected more than a hundred texts from thinkers like Adam Smith, Plato, Ayn Rand, and Jean-Paul Sartre. The installation features normal people, such as a group of teenagers, who recite the words once spoken by these famous intellectuals. Can you explain how you proceeded here?**

I always give myself a few basic rules at the beginning of a project. One of the rules in *Euphoria* was that I wanted people to speak out the texts that normally would not be connected to their content, or to the quality of the writing and thinking of the quoted text material. Transferring classic, 'out-dated' texts into our contemporary times, prompts us to question to which extent historical material can be relevant in a modern context. Besides, the actors in *Euphoria* speak these texts as if they just came into their mind, with the surprising result that you can't really feel the difference in time between a quote from Socrates and Snoop Dogg.

The teenagers have a specific function in *Euphoria*. We entrusted them with the more hopeful texts. Being still young and unspoiled, they are free to dream in unrestrained utopias. They are entitled to say certain things that we don't accept with grown-ups, where you would probably get the feeling that it's too dogmatic and ideological.

*"I was the kind of person who skipped the economy section in the newspaper because I just didn't get it"*

### **Why is that?**

We so much take our own lifestyle for granted, that we do not want to face the possibility that something can be fundamentally wrong with it. But we see that something is running out of control. Climate change clearly demonstrates that we are on the wrong path. Yet, it's very hard to give up on the privileges we fought for

so hard. I'm a father of three. I feel responsible for what we leave to them. Our children will have to bear with the world we leave behind when we are gone.

In *Euphoria*, the actress Cate Blanchett lends her voice to an animated tiger that observes and judges us cynically. Animals, with the strength of the natural forces living in them, also are witnesses of what we're doing wrong. The animals in my works are the sceptical observers commenting on what we do. The children may not be here forever, but animals will definitely be here after us.

**What did you learn about the economy after reading so much on greed, growth, and neoliberal thinking across 2000 years of history?**

That there is no unlimited growth on a finite place like earth – and I'm obviously not talking about growth balancing natural inflation, or necessary growth to create fair and stable living standards in so-called emerging nations and formerly called Third World countries. I think there is some profound truth in philosopher Brian Massumi's "We need to uncouple value from quantification".

Not only the monetary, but also the societal reward system is still based on sheer greed, a primitive *more is more* mindset. It's a relic from the evolutionary phase of survival of the fittest, take as much as you can get before someone else does. Or rather: take it from others, weaken or kill them before they can fight back – the credo of colonialism and to this day the fundamental principle of enrichment in times of neo- and post-colonial exploitation. Trump's rare earth deal with Ukraine is a good example of this; the outsourcing of the production of Western consumer goods to low-wage countries without social labour and environmental standards is another.

*"We so much take our own lifestyle for granted, that we do not want to face the possibility that something can be fundamentally wrong with it"*

I hope I don't sound like an old communist here. But I simply cannot understand why we teach our children manners and respect for others, yet fundamental values such as justice and decency no longer seem to apply when it comes to money. How is it that we still find it admirable and attractive when someone has a lot and brags about it? That's why in *Euphoria*, a clever teenager proclaims naïvely: "We need to educate capitalism."

### **What would be key elements of this 'education' of capitalism you call for?**

We say: *The fish rots from the head down*, because the animal's brain begins to decay first after the fish dies. If we allow so few people to possess such an infinite amount of money – and no, the public does *not* benefit from this, that's a myth, because it doesn't serve the public's good to be able to fly to Mars one day – we shouldn't be surprised when more and more people turn away from serious politics and towards populist, divisive parties. Because even the underprivileged factory worker or office clerk knows that the ultra-rich may have earned their wealth through entrepreneurial skill, but of course they never could have done so without the university education of their employees, financed by taxpayers; or without the severely strained social and environmental standards at their production sites; or without their obscene profits on the stock markets, which are based on the multiple losses of under-informed small investors.

Bill Gates' plan to donate a large portion of his wealth to good causes is therefore not a gesture of generosity, but something that should go without saying. However, in a better world, a global community of shared values – and especially for the future of our children – it would be far better if it never even came to a point where such vast wealth could be accumulated by individuals in the first place. The most successful entrepreneurs would still be wealthy enough if they settled for a few percent of their profits and shared the rest with their entire workforce, who significantly contribute to their success.

**You make it sound simple, in a world of complex political and economic dependencies.**

In fact, it's simpler than many investors, financial specialists, or Wall Street brokers would have us believe. The world economy seems to follow the natural principle of pendulum motion just as history or art history does – war follows peace follows war, Renaissance follows Baroque follows Classicism, a Hayek-inspired correction on the world markets is followed by a Keynesian one, and so on. What we are witnessing now follows the same logic. Marx said: “History repeats itself. First as tragedy, second as farce.” And as a thinking person, father, and someone who – perhaps recklessly – decided to be part of society as an artist, I refuse to accept that economics is far too complex to be understood by individuals or even to get involved in.

What *everyone* who is currently witnessing the turbo-charged dumbing down and division of our civil society can understand, is this: we clearly need regulations that prevent a few tech giants from mentally enslaving and financially exploiting humanity through their deviously designed search engine algorithms and “social” networks. And we need a global unconditional basic income and, ideally, global tax standards as well, to distribute collectively generated wealth in a participatory and fair manner.

**You make a case to restrict capitalism. Critics often argue that any constraints on economic freedom impedes growth and ultimately harms human wellbeing.**

Worldwide, the rule is this: when the traffic light turns red, the car stops – to avoid crashing into another and causing damage and human suffering. No one calls this a restriction of individual freedom. We simply understand that this rule benefits everyone equally.

Now I may be drifting into utopian territory again, but let me still say something that any child can understand. In a similar way, there could be global standards: for regulating unrestrained greed and malicious misinformation, as well as for ensuring stable healthcare, social welfare, and education systems. These

could perhaps be designed and enforced by an institution akin to the UN, which may still need to be created. A country with high educational standards and a secure social and healthcare system is a more stable country and less susceptible to extremist propaganda. In the end, everyone benefits from that, economically as well. And those states that would still refuse to comply with such regulations would hopefully come to feel more quickly that it is not worthwhile in the long run to promote values that erode civilization.

Instead, the prevailing message to this day remains: you too can make it – if only you act selfishly enough. And Warren Buffet, the poster boy of smart investment banking and luminous figure for millions of duped small investors plays the same role in this illusion game as the 100-year-old chain-smoker who never got cancer.

**In their book *Capitalism Reconnected*, Jan Peter Balkenende and Govert Buijs argue that artists are part of the sphere of ‘imaginative reflection’ – the people and institutions that critically think, feel, or intuitively react to current problems and at the same time imagine future alternatives. Do you agree with this?**

While studying the artists’ manifestos from the 20<sup>th</sup> century for my work *Manifesto* (2015), I realised that artists have always been seismographs of their time. Artists seem to have senses for their time and for what’s coming up. But in a different way than just in the role of an observer. In the contemporary art world, there is this common sense that we should inform our audience, that we have a message. However, I think that a good reportage of a professional journalist is often saying more about the respective political issue than an artist could do. Our job, if you want to call it a job, is more than that. It’s more than just observing. Art

*“Artists seem to have senses for their time and for what’s coming up”*

is language in itself. It’s adding up to the subject of its observation in that language and therefore speaks in a more enigmatic way to the audience.

Art can activate the observer. Finally, the audience completes the work.

I'm consciously using the word *can*: it is wishful thinking that art will inevitably make the world better. Yet, I want to believe in it.

### **You're critical of art's limited ability to truly effect change?**

I love to be in dialogue with the viewers of my work, but I do question the dynamics between creators and the audience. In this hermetic white cube museum context in which we mostly show our work, we are preaching to the choir, and too often everybody agrees with everything you have to say anyway. But then what? What's the next step?

*"I simply cannot understand why we teach our children manners and respect for others, yet fundamental values such as justice and decency no longer seem to apply when it comes to money"*

It's nice to discuss – let's say as in my work *Manifesto* – the actuality of historic artists manifestos with people that sympathise with them. They would say, 'Oh, that text is so relevant, it made me think about Trump.' And

sure, everyone nods along, and I see the connection too. But where does the energy of the piece go? The real provocation would be if such work reached those outside the art world bubble – the people in power who could actually be challenged by it: politicians, economists, business leaders. Yet these groups rarely engage with critical art, often due to disinterest or simply being out of reach.

That's the dilemma of the whole production of art: you can either make work that reaches millions but is rather uncritical, or you can make critical work and reach only those who are already critical about the issues you are talking about. With *Euphoria* I attempted to present something that has the potential of reaching beyond the established groups of art-loving people.

**If the desired audience isn't in the museum or cinema, should artists try harder to reach people outside of cultural areas?**

I definitely think that artists should become more part of the political discussion, even outside the context of cultural representation. And even more in a time, I think, where political life itself becomes kind of a talk-showbiz with less and less really committed contenders. Artists might play a secondary, yet an important role here. Not only by changing something in the heads of those few lawmakers who make it to an art opening once a year. But generally: simply to speak up and engage and understand this as a need, as an important contribution to the ongoing discourse.

Meanwhile, across the globe, we're witnessing a growing trend: the rise of populism. Its influence spreads through simplistic, hollow rhetoric that flattens complexity and thrives on fear. This noise is rarely more than a distraction masking a lack of real ideas. In artist manifestos you'll also find a great deal of anger. But their anger isn't empty, it's charged with imagination, depth, and poetic power. These texts vibrate with intellectual force, offering a kind of resistance to the shallow outrage dominating public discourse. This difference matters. The vitality found in artistic expression can stir us into action. It can help us shape our own visions and find the courage to speak from where we stand. Whether you are a teacher, a journalist or an artist.

***Euphoria* didn't have a conventional, narrative ending. Neither do most of your other works. In your personal attitude towards current developments, is there hope for any progression, solution or mercy?**

I am a very optimistic pessimist. My works may be critical, but the door is always ajar. You can always find a hidden element of hope in it; a layer or a turning point that you didn't expect, a *deus ex machina* scene.

For instance, in *Manifesto* there's that moment when all of a sudden, all the voices unite in that mantra-like spoken polyphonic chant. To me, that is indirectly hopeful. *In the Land of Drought*

ends with a ritual that looks from above like a giant eye. It resembles a surveillant eye, as if the scene is observed from a divine perspective. But it can also be seen as cell division under the microscope; or as a big bang. Where new life starts, it always leads to somewhere.

In *Euphoria*, this liberating *deus ex machina* moment can be found in the bank scene, when suddenly all the employees turn out to be acrobats, dancers and magicians and fall into a crazy rave. There's always some light shining through.

*“My works may be critical, but the door is always ajar”*

*This interview draws in part on previously published sources (see references below). It has been further shaped and refined through an email exchange with Julian Rosefeldt.*

<https://www.youtube.com/watch?v=oeAAXkhcQEE>

<https://www.youtube.com/watch?v=TSRfqVeBjog>

<https://www.youtube.com/watch?v=G7boIPBSg6o&t=2s>







*Cardinal Peter Turkson*

## **Culture Critique Rooted in Faith**

Cardinal Peter Turkson (1948) has been Chancellor of the Pontifical Academy of Sciences and the Pontifical Academy of Social Sciences since 2022. These two institutions support the Pope by advising him on the intersection between faith and the secular sciences. In this role, Turkson emphasizes the complementary relationship between faith and science, and advocates within the Church for social justice and ecological issues. He also contributed to the first papal encyclical on ecology, *Laudato Si'* (2015).

*We're in luck. Cardinal Peter Turkson is travelling to the Dutch city of Roermond the week after our conversation and, despite a packed schedule, sets aside time for an interview. He joins us on Zoom, with the calm composure of someone used to speaking in public while ensuring nothing is said by accident. Turkson weighs his words carefully, speaking in a measured, steady tone. Yet behind what can sometimes sound abstract or distant, his personal commitment to justice, the climate, and the role of the Church in today's world becomes clear.*

**How did your interest in the interconnectedness of social, economic, and ecological issues begin?**

Interestingly, the Dutch diocese of Roermond played a role in this. When I became bishop of Cape Coast in Ghana, I noticed that churches in the Global South often felt very dependent on donations from churches in the North. I found this unhealthy. So, I immediately set to work on a different form of financing the mission of the Church through impact investment.

For example, for the development of student housing we sought out financiers who were willing to participate as impact investors. Impact investors provide capital for projects, in the form of loans which must be paid back; but the interest that must accrue to them financially is commuted into the non-financial form of *impact*: the *good or the benefit that the project does for people*.

The diocese of Roermond, as such an impact investor, provided the capital for the project. This was a mutually beneficial agreement: the mission office of the Roermond diocese has got back its money, and can help some other group with it, making the capital *circular*. My Archdiocese received an interest-free capital to realize a necessary project. With the loan paid back, the students have hostels, and the facility is now an asset for the Church in Cape Coast.

The unhealthy North–South financial dependency led me to explore the underlying questions: What about our economy? What about capitalism? Later, other social and ecological issues came into focus. But the initial trigger was my search, as a young bishop, for a practical solution to financing the mission of the Church.

*“The ecological crisis requires a deeper societal transformation, a shift in how we think, live, and feed”*

Roermond diocese has got back its money, and can help some other group with it, making the capital *circular*. My Archdiocese received an interest-free capital to realize a

***Laudato Si'*, the 2015 encyclical, earned former Pope Francis the nickname 'Green Pope'. It's said you were the actual author of it. Is that true?**

It is neither correct nor true! If you wanted to cook a meal, and you ask a friend to buy you ragu from the supermarket, this will not make the friend the cook of the meal. So it was with *Laudato Si'*. Pope Francis, as head of the Church, made use of resources at his disposal to write the encyclical; and the authorship and credit is fully his, and no other's.

Pope Francis had been interested in ecological issues already as a prelate of the Church in Argentina and, as the secretary general of CELAM (Latin American Bishops' Conference). After his election as Pope, his first public mass in Saint Peter's Basilica was the Feast of Saint Joseph. Reflecting on the role of Saint Joseph as a 'custodian' of the Holy Family, Pope Francis invited the faithful to be custodians also, but of the Earth, our common home. That was where the encyclical was born. Our office of the Pontifical Council of Justice and Peace was invited to share its reflections on this.

**What is the core message of *Laudato Si'*?**

I often describe the message of *Laudato Si'* using '7 C's' to make it easier to remember. The first C stands for *continuity*: the text especially, its central teaching on integral ecology, doesn't stand alone but builds on ideas from other popes, especially, John XXIII, Paul VI, John Paul II, and Benedict XVI. The second C is *collegiality*: the Pope not only cites other popes but also refers to what bishops' conferences worldwide have said about ecology.

The third C of *Laudato Si'* calls for *conversation*. The climate crisis is a global problem that requires dialogue involving all. The fourth C is about *care*: the conversation is about what is happening to our common home, and how to care for it. Having received creation, as a gift, we do not want to pass it on to future generations as a wilderness. This requires a fundamental change. The ecological crisis demands more than energy saving and

recycling. It requires a deeper societal transformation, a shift in how we think, live, and feed.

This leads to the fifth C: *conversion*. The Pope refers to this as ecological conversion – a profound spiritual and social change. This, however, is not something individuals can or should do alone. Societies need to support one another, through education, dialogue, and gatherings focused on ecological issues: this is educating people for *ecological citizenship*, which is the sixth C. Pope Francis invited everyone to reflect on their role as citizens. What responsibilities come with that? How can we act as responsible ecological citizens?

Finally, *Laudato Si'* recalls the figure of Saint Francis of Assisi and his admiration of creation, and the *contemplation* of the presence of God in creation. This is the seventh C; and with it, Pope Francis invites all readers to also learn to contemplate the wonders of creation, our common home. Loving creation begins with gratitude and reverence. This requires moments of stillness, contemplation, or prayer.

### **Was *Laudato Si'* a break with the Catholic Church's past approach to ecological issues?**

Yes and no. Yes, because ecological consciousness was late in becoming a central concern in Western Christianity. However, in the Eastern Orthodox Church, it has been an important theme for a long time – they even have special prayers and services dedicated to caring for creation in the full. In the Western Church, this awareness was late in coming. Of course, we had St Francis of Assisi, the saint from eight centuries ago, who was a great lover of our natural environment. But his example didn't lead to a comprehensive ecological framework like *Laudato Si'*.

### **Some argue that Christianity, with its anthropocentric focus, isn't well-suited to address the ecological crisis. What's your view?**

I understand that criticism. People often refer to *Genesis*, where humans are given 'dominion' over the Earth, and conclude from

there that human beings have the right and power to treat creation as they desire. The word 'dominion' is often misinterpreted. I believe dominion doesn't justify exploitation but rather entails a responsibility to care for all life and prevent plundering.

*“Once you divest, you close relationships, and there is no room for conversation anymore”*

This is made even clearer in the Bible story that follows. God places Adam in the Garden of Eden. Notice, it is a garden and not, for example, a forest. This is not an accident. A garden is a cultivated space, a place of order and care. A garden is not a wilderness.

God then commands Adam to 'work and keep' the garden. These two words are very significant. Humans are tasked with cultivating the earth so it can flourish. In Hebrew, the word *avad* means 'to work'; but it also means 'to render cult'. Cultivating the earth is simultaneously an activity of work and an act of worship or paying reverence. The second word, *shamar*, means 'to keep,' but also 'to watch over' or 'to protect'. Together, these words show that working, revering, protecting, and maintaining the Earth are interconnected. These are beautiful examples of how the Bible offers guidance for a proper relationship with the Earth.

### **Has the Vatican itself undergone an ecological conversion?**

Ecological awareness is growing in the Vatican too. Although there are calls from some religious groups to divest from fossil fuels because of their contribution to pollution, divestment is not the way to go for us. We prefer – in the sense of *Gaudium et Spes* (1965), the pastoral constitution on the church in the modern world – to engage in a conversation with these industries to discover a path to an energy transition.

Once you divest, you close relationships, and there is no room for conversation anymore. Rather, we choose to build relationships to enable conversations to go on and encourage companies to work on the transition to renewable energy sources.

Concretely, the Vatican, since the days of Pope Benedict XVI, has installed solar panels as a symbolic gesture to reduce the

Vatican Carbon footprint. And out of Pope Francis' *Laudato Si'*, 'Laudato Si' Action Platforms' have grown in local Churches around the world. They pursue seven *Laudato Si'* Goals: listening to the cry of earth, listening to the cry of the poor, ecological economics, adopt simple lifestyles, ecological education, ecological spirituality and community participatory action.

**Reports on climate and ecology, like those from the IPCC, are published regularly. How does the Church's contribution differ?**

The Catholic Church offers practices that reveal our deep connection with God and nature. This is very tangible and material: water is used in baptism, wine and bread are shared at Mass. Faith in God always has an ecological dimension. It shows we are directly linked to the elements of creation, as its siblings. Our bodies are made from its material, and its products nourish and sustain our lives. But, most importantly, the work of our salvation is also accomplished by the rites that its water, bread, oil, incense, and other elements, make possible.

The Christian perspective also calls on people from diverse backgrounds to engage in dialogue about what truly matters, including ecological challenges. This dialogue isn't only with God but also with one another. We are not isolated individuals but interconnected beings. I may be a believer, and you may not, but we are both human. As humans, we share a common home, as the encyclical states – something beneficial for us all. It's crucial to come together, despite our diversity of faiths, to strive for the common good. A crisis is never solved by one person alone; we must tackle this together.

*“Working, revering, protecting, and maintaining the Earth are interconnected”*

**What sustains your hope and perseverance in addressing the ecological crisis?**

What gives me hope and what keeps me going are two different things. My faith is my primary source of hope; and it is faith in God who *“did not create the world a chaos, but formed it to be*

*inhabited* (Is. 45:15) and who uses even the unexpected to cause something new to happen.

Accordingly, what sustains me daily is the emergence from unexpected places and people of initiatives, big and small, which affirm people's growth in their recognition of how their lives are integrally related with creation and the physical, social, and human commitment to the common good or wellbeing of humanity.

What sustains me and makes me persevere in promoting solutions to the ecological crisis is the sprouting of witnesses from old professors who are ending their career, as well as from young people who are only now entering college – like Astrid, Greta and Aidoo – who are passionate about seeing change happen in people's lives. For, upright life, according to Pope Benedict XVI, is 'hope in action'!





*Mariana Mazzucato*

## The Entrepreneurial State

Mariana Mazzucato (1968) is an Italian-American economist. She works as a professor in Economics of Innovation and Public Value at University College London and is founding director of the Institute for Innovation & Public Purpose. She advises policymakers around the world on innovation-led inclusive and sustainable growth. She is best known for her work on the role of governments and the economy. She is author of *The Entrepreneurial State* (2013), *The Value of Everything* (2018), *Mission Economy* (2021), *The Big Con* (2023), and *The Common Good Economy* (2026).

*In the atmospheric Paushuize in Utrecht, we listen to Mariana Mazzucato. How is she doing? She laughs and admits the jet lag has left her with short nights, making her feel a bit hyper, she says. But once she gets going, it's clear that her sharp lecturing style isn't affected in the slightest. With clear examples and a powerful message, she effortlessly engages the audience: governments should not merely act as facilitators of the economy but dare to take a far more active role in shaping it.*

This piece is an edited version of a lecture and a brief exchange with Mariana Mazzucato, adapted with her permission for this publication.

**In times of crisis – like climate change, biodiversity loss, or the COVID-19 pandemic – governments often seem slow to act. What is behind this apparent lack of urgency?**

I believe the climate crisis and the COVID-19 pandemic are deeply connected. The pandemic emerged in part from our destructive relationship with biodiversity. It should have been a wake-up call – a moment to truly ‘build back better’. But we failed to seize it.

Reports like those from the IPCC warn us that time is running out. Still, we act as if there’s no real urgency. Contrast that with how we respond to war: we define victory, mobilize resources, and act swiftly. But when it comes to climate or inequality, we lack a clear vision of success, a shared sense of purpose, and focused investment. So, we remain stuck in this cycle of inaction and stagnation.

*“We’re stuck by design, not by chance”*

**What lessons did the pandemic offer in terms of our ability to respond to large-scale crises?**

COVID-19 reminded us of what’s possible when systems are mobilized effectively. Take Italy, often criticized as unstable. When northern Italy was hit hardest early in the pandemic, the country pivoted fast. In just three months, Italy went from fully dependent on Chinese PPE (Personal Protective Equipment) to becoming self-sufficient. Through a national strategy focused on outcomes, 137 small and mid-sized firms came together to produce all the PPE the country needed. Those saved lives, especially among frontline workers.

But the crisis also exposed major inequalities. In cities like London, many children lost access to education because they lacked digital tools. Governments had invested in digital infrastructure for years – but it went unused. Instead, consultants were brought in. Deloitte, for example, was paid £1 million a day for the UK’s test-and-trace system. They had no relevant expertise, and the system failed. COVID should have reminded us of the

importance of public systems and to build internal capacity to address crises effectively.

**But didn't we also manage to develop vaccines in an incredibly short period of time, through collaboration between the public and private sectors?**

Yes and no. Everyone hails the vaccines as a triumph of public-private partnership. But did we fulfil the most important goal: vaccinating the world? No. As WHO director Dr Tedros called it, we saw a 'vaccine apartheid'. Wealthy countries sent expired vaccines to the Global South. That is because we continued to structure intellectual property rights in a very problematic way.

The Oxford–AstraZeneca partnership was different. Oxford's researchers, funded by the state, set clear conditions: the vaccine had to remain affordable, and the knowledge had to be shared globally. That was a mission-oriented approach rooted in reciprocity. In contrast, Pfizer operated through a more traditional corporate model. One of the most financialized companies in the world, Pfizer benefits from public investment but prioritizes shareholder returns – mainly through stock buybacks. That's deeply problematic in a sector with such enormous public stakes. The pandemic showed us how much design matters in these public-private partnerships.

**What is driving the financialization of companies like Pfizer?**

It's largely a product of corporate governance structures. In countries like the UK, 80% of finance is reinvested into finance – disconnected from the real economy. That isn't inevitable. It is a choice shaped by governance models. Since the 1980s, the idea of shareholder primacy has dominated, but we've forgotten there are alternative forms of capitalism.

Even when CEOs publish op-eds calling for stakeholder capitalism or write letters urging companies to 'do good', they often ignore the deeper question: how is value actually created? We need to redesign our systems so that public and private actors

cocreate value from the *upfront*. That prevents the need to clean up the damage afterward.

### **You talk about ‘designing’ an economy. What does that mean?**

Karl Polanyi’s *The Great Transformation* (1944) showed that so-called ‘free markets’ were never natural – they were created through political decisions and institutional design. Markets aren’t spontaneous outcomes; they are structured by choices. There’s nothing inevitable about climate breakdown or an over-financialized global economy. These are no deterministic forces. We designed it this way, and that means we can redesign it.

That is actually a hopeful message. If these outcomes are the result of decisions, then we have the power to make different ones. I am very drawn to the concept of collective intelligence. But it has to mean something: aligning the system of interactions encompassing governments, businesses, labour, and civil society around shared challenges, both locally and globally.

### **The UN’s Sustainable Development Goals (SDGs) aim to solve global problems by 2030. Are we on track?**

Not unless we start seeing the connections between the goals. Let me give you an example. Yvonne Aki-Sawyerr, the mayor of Freetown in Sierra Leone, points out that many rapes in her city happen when girls go to fetch water. That connects gender equality with access to clean water: SDG 5 and SDG 6. Focusing on one goal in isolation can make things worse elsewhere.

Globally, there are similar examples. Lithium mining for Tesla batteries pollutes water systems. The US Inflation Reduction Act has pulled capital out of African energy sectors, undermining progress. These contradictions reveal a deeper crisis of commonality. Without addressing the structural design of our economy, we won’t meet the SDGs. We’re stuck by design, not by chance.

### **What kind of shift does that require?**

A paradigm shift. A fundamentally different way of understanding the economy and the government. For decades, we’ve

told ourselves that public policy exists only to fix market failures. That makes governments reactive: they focus on responding to crises rather than on shaping the system proactively. If we view the economy as an outcome, then it becomes clear that policy, just like investments and cooperation, actively shapes the economic system.

A recent book, *When McKinsey Comes to Town* (2022) by Mike Forsythe and Walt Bogdanich, shows how governments have become risk-averse and choose to rely on external consultants even when they lack expertise. This reliance stems from a failure to invest in the government's own capacity and capabilities. As long as public institutions see their role as merely reactive, creativity and ambition will remain stifled. To truly shift, we must reimagine the role of government as a dynamic, innovative force that drives transformative change. But currently, the trend is rather to stop investing in their own capacities.

The paradigm shift entails that we place collective intelligence at the heart of the economy. Whether it's a knowledge economy, a digital economy, or an economy focused on wellbeing. We must move beyond the narrow, negative approach of fixing failures and toward building an economy that serves people and the planet. Yet many public administration programmes are still based on outdated textbooks that emphasize market failure correction. This limits the space for public actors to innovate or think outside the box.

*“For decades, we’ve told ourselves that public policy exists only to fix market failures”*

**In your book *Mission Economy*, you highlight the Apollo programme as a model of bold, mission-oriented policy. How is this relevant today?**

The moon landing was a monumental achievement. Everyone involved knew it would be hard, but they were committed: *we are going to do this together*. The programme reimaged procurement, incentivized innovation, and required deep collaboration across sectors.

The key takeaway isn't to fixate on technology itself but to focus on the structure to address the problems. Solving today's challenges demands the same kind of ambitious, cross-sectoral strategy. Climate policy, for example, can't be siloed within an energy department. It's about how we live, how we eat, travel, build, consume. That's why each SDG should be turned into a mission, with clear goals and accountability. Without that, even large investments risk becoming scattered.

**The NextGenerationEU plan allocates 800 billion euros with the goal to transform our economies and societies. Does that reflect your vision?**

It is a small step in the right direction, but still too fragmented. The funds are allocated toward climate and digital initiatives, but without clear missions or accountability, we risk a 'sprinkling' effect: too many projects, too little impact.

We need shared missions that cut across ministries and sectors. Climate isn't just about energy; wellbeing isn't just about health-care. Mission-oriented thinking can help break down silos and foster innovation where it's most needed.

**Are there better examples already in motion?**

Yes. In Germany, loans to the steel sector were not granted simply to protect the industry but were tied to broader missions. That helped modernize the sector and build ecosystems around it. In the end, that will help them transform.

Denmark is another fascinating example. Copenhagen set a mission to become the world's greenest city. That long-term commitment fostered a thriving green-tech sector, enabling Danish companies to become top digital service providers to China. These examples demonstrate how mission-driven innovation can drive systemic transformation and innovation.

*“Subsidiarity matters: making decisions at the lowest effective level”*

**To formulate a shared mission statement, don't we need a shared sense of what the 'common good' actually is?**

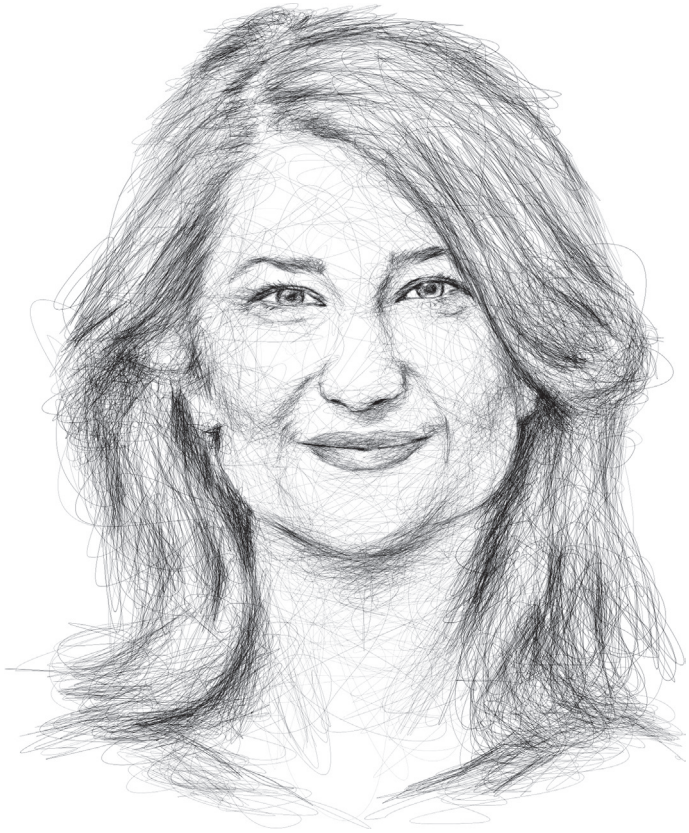
Absolutely. We urgently need to revive a serious discussion about the common good. Not just about the end goals, but the process of getting there: *how* we work together is as important as *what* we're trying to achieve. I explored this process in depth in my forthcoming book, *The Common Good Economy: A New Compass*. The concept of mission sounds quite inspirational and useful. But unless we embed it with a new notion of what we mean by 'good', what we are trying to reach, it is just a cumulation of individual decision-making by different actors in a pareto-optimal welfare kind of sense. We need an economy structured around cocreation and participation.

Our former Pope Francis, in *Laudato Si'*, laid out practical principles, like subsidiarity and the preferential option for the poor. These offer a compelling foundation for designing just and sustainable systems. We need to return to those kinds of conversations.

**Populism is on the rise across the West. Can a mission economy speak to people who feel left behind?**

It has to. Populism is a response to an economic system that has excluded too many. The people voting for Trump aren't stupid; they've been excluded from the benefits of globalization. They don't feel part of the conversation.

That's why subsidiarity matters: making decisions at the lowest effective level. It's not about top-down control from Brussels or Westminster. If people are heard, if they see policies making a difference in their lives, there's a way forward. We need empathy, participation, and belief in the public purpose of government again.





Lara Wolters

## Battling for Change in Brussels

Lara Wolters (1986) has been a Member of the European Parliament (MEP) for the Dutch GreenLeft–Labour Party since 2019, where she is part of the Progressive Alliance of Socialists and Democrats. She initiated the Corporate Sustainability Due Diligence Directive (CSDDD), a law requiring large companies to identify and address the human and environmental impacts of their supply chains – sometimes referred to as the ‘anti-looking-away law’. At the time of this interview, an agreement on the directive had just been reached. In the summer of 2025, the European Commission proposed significant changes and delays to the CSDDD. The European Parliament voted in favour of this at the end of 2025.

*When we speak, Wolters is reflecting on a hectic year: after months of lobbying, the CSDDD has been adopted, and she has just been re-elected. The final stretch of the directive coincided with her election campaign. ‘It’s probably for the best you don’t know in advance that it would get so hectic,’ she laughs. Still, she appears determined, clear-eyed, and armed with a sense of humour.*

**In recent years, you have worked on corporate social responsibility. How did that begin?**

I grew up in a family with engaged parents who worked for NGOs like WWF and Greenpeace and were active in all sorts of social initiatives. At the kitchen table, we would discuss what was happening around us, and it was always about the collective. Even when we were going on holiday and I had packed my suitcase, they would ask, 'Have you done something for the collective?' That instilled in me a sense of duty to contribute.

Before becoming an MEP, I worked at a consultancy and law firm in Brussels. Once a year, they would organize something for a good cause, like planting trees or collecting trash, and sometimes we would do pro bono work. It all ended up nicely packaged in

a glossy brochure. But everybody knew that was not where the prestige was.

All year long, it was about bringing in money, working for the worst clients: people speculating on grain prices, making money from hunger, or those responsible for the financial crisis. That hypocrisy sparked something in me.

*“As an MEP, you have plenty of tools and resources. There’s budget for travel, staff ready to assist, and everyone wants to talk to you”*

**How did that come together once you started working in the European Parliament?**

In the years before I was elected, I was already working for the S&D group and saw that Parliament can be like a candy store. As an MEP, you have plenty of tools and resources. There’s budget for travel, staff ready to assist, and everyone wants to talk to you. It’s tempting to scatter your focus, but I knew I needed to concentrate on one meaningful project during those five years.

My experience at a law firm led me to the Legal Affairs Committee: a small, low-profile committee with plenty of room to make a difference. I quickly encountered the unsatisfactory way Parliament had been handling corporate social responsibility. Of course, many members had worked hard to bring CSR to life in a European context, but I thought: 'Is this really it, in a Europe that

is always so full of talk about our values?’ That’s how I started with the CSDDD.

**The CSDDD hasn’t only received praise. Some say it demands too much of companies. Fox News frames it as ‘yet another European woke law’. Is there a risk that Europe is overplaying its hand?**

Many companies indeed complain of ‘regulatory fatigue’. It goes without saying that we need to take that seriously. We can’t blindly push forward without listening to business concerns. At the same time, I believe this legislation is long overdue. For too long, the mantra was ‘anything goes’, turning the market into a playground for whoever wanted to take advantage. I don’t think there is too much regulation now; we’re trying to correct that imbalance. And yes, that means the balance may temporarily tip the other way.

We must constantly ask ourselves: what are we doing this for? Ultimately, it’s about protecting lives and halting the destruction of nature. If we can achieve that goal, even with some bumps along the way, I can live with that. Because it’s absolutely clear that we need to change how we produce, consume, and trade.

**Many entrepreneurs have welcomed the level playing field that the CSDDD aims to create within Europe. How do you see that?**

That’s true; many entrepreneurs appreciate the clarity and the level playing field within Europe. At the same time, there’s often a gap between the public statements and the behind-the-scenes lobbying to water down the law’s sharper edges. That gap was sometimes frustrating.

There’s no CEO that wakes up in the morning, rubs their hands together, and plans to exploit child labour. That doesn’t happen. But I also know financial interests often prevail. I hope we can not only create a level playing field but also take real steps on climate and human rights.

**Europe wants to lead on these issues. Is there a risk that it sidelines itself in doing so?**

There were moments when I wondered if I was keeping the right balance and seeing clearly in my role as someone leading a legislative initiative. Those were the moments that kept me awake at night. But in legislation, you can't avoid these questions. Progress is never easy; it's always a struggle. As MEPs, it's our job to make those judgments. It can be reassuring that we don't do it alone. The European Commission and the member states are also at the table. Precisely because so many parties are involved, it's an extremely balanced process. That can be frustrating for progressives, but it's also a safeguard. The caricature of Europe as a 'super woke continent' where someone just scribbles out policy is nonsense.

**Initially, it seemed unimaginable that the EPP (European People's Party) would support the CSDDD. Yet you managed to secure their backing. How did you do that?**

From the start, it was clear we couldn't pass this with just the S&D group; we needed a majority. Without the EPP, the largest group, it would be tough. I see their support as partly a result of the personal relationship I built with their negotiator.

I remember, when the initial report was published he sent me a long text message saying this was a far-off issue for the EPP, that they couldn't even consider negotiating on it, and that they would let this cup pass them by. I invested a great deal in that relationship at the time – in explaining the interests involved and trying to convince that colleague. During that intense period, our relationship grew immensely. A telling moment was when he even brought baby gifts when I had my first child in 2021.

**The criteria for which companies fall under the directive were adjusted during negotiations. Was it difficult to ensure the law retained enough substance?**

I always believed we shouldn't pass the law if too little remained. European laws are hard to change, and adopting a

hollowed-out directive would enshrine something bad for the long term. Our priority was to preserve the structure of the law: human rights, the environment, mandatory cooperation with trade unions, liability for victims, and meaningful penalties had to be included properly.

We also knew from the start that the precise scope was less critical. The key was ensuring that multinationals would be covered, as they have the largest impact. Those multinationals, in turn, work with smaller companies that may not fall under the law themselves but will now receive questions from their larger partners. The indirect scope of the CSDDD should not be underestimated. We were clear from the outset about what ‘good enough’ meant to us.

*“There were moments when I wondered if I was keeping the right balance and seeing clearly in my role as someone leading a legislative initiative. Those were the moments that kept me awake at night”*

### **How do you view the next phase?**

Right now, Europe isn’t exactly eager to take on more projects like this. The potential for backlash worries me deeply. But in the long run, I am convinced we need an economy that is truly sustainable and robust. Europe has a duty to lead that transition. If we don’t, no one will. There is no other bloc in the world that seeks consensus the way we do, among, in principle, democratic states.

In terms of industrial policy, we have woken up. The US and China have long been making deliberate investments in their industries. We are behind, but the realization is growing that we need to compete with these powers.

### **What will it take to achieve that?**

European solidarity. And we don’t have that yet. Take investments in electric vehicles, for example: countries fear that only Germany will benefit. That competition between member states is understandable, but it kills any chance of a shared industrial

policy. We need European champions so we can stand on our own two feet. That requires a strong, well-designed cohesion policy to ensure that all of Europe benefits from these investments.

**It was hard work to get this done. How do you keep the energy to continue?**

Saying it was hard work is an understatement, especially during the election campaign. But I have seen that people who want to create change always move a little faster than those who want to stop it. The latter group mostly tries to frustrate the process with media games and meaningless amendments. But I noticed their organization was never as strong as ours. People who truly want change, have a fire in them. They work together toward one goal and look for ways to achieve it. If something doesn't work, they find another route. That gives me hope for the future.

*“For too long, the mantra was ‘anything goes’, turning the market into a playground for whoever wanted to take advantage”*

# Epilogue

Sixteen conversations with dreamers, thinkers, and doers is what this collection brought together.

In the introduction, we looked back to 2015. In this epilogue, we look forward to 2035. Ten years ago, the world seemed to be on a different track. The Sustainable Development Goals, the Paris Agreement, and *Laudato Si'* pointed toward a hopeful future. Yet that promise has been overshadowed by Brexit, the invasion of Ukraine and Donald Trump's presidency. Since then, optimism about a world that naturally improves over time has steadily lost its credibility.

And yet, we remain hopeful about where we might stand in ten years. There's every reason to be. Political leaders, businesses, the financial sector, and civil society organizations have set changes in motion that are not easily reversed. Renewable energy is now cheaper than fossil fuels, and this collection offers numerous examples that building an economy that serves both people and nature is worthwhile.

Working toward a new economy is not just a matter of idealism. Above all, it is realism. An economy that undermines the very conditions for its own existence cannot sustain itself indefinitely. An economy that exploits society and nature is, ultimately, sawing off the legs of its own chair.

That change is necessary has become clear. That it is also possible is the hopeful conclusion we draw from these sixteen conversations. We can rethink the meaning and structure of our economy – and act accordingly. Through bold investment decisions. By measuring and valuing what truly matters. By empowering pioneers and pulling laggards along.

We hope this book inspires to continue that work. Because ultimately, a new economy is a human endeavour. Yes, the economic system is larger than any one of us, and no individual can fully shape it to their will. But each of us can start somewhere.

So how do we move forward over the next ten years? All interviewees addressed this question in one way or another. Their answers differ in form, but they all point in the same direction: it comes down to beginning – even if you won't be the one to finish it. Trust that someone else will carry it forward. As Lara Wolters put it aptly: those who want to change something, who have a clear horizon in sight, always run just a bit faster than those who want to hold things back. Sixteen people have set the pace. Now it is our turn.

## About the Authors

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