

“Managing for broad welfare is complex”

AN INTERVIEW WITH HENRY BARTELET
BY MARTIJN SLOT

Alliander, Vitens, Enexis, Gasunie, Stedin, ProRail, Tennet, Port of Amsterdam and Schiphol and initiators Groene Netten/MVO Nederland and NGinfra recently launched the Alliance of Broad Prosperity.

Henry Bartelet, chairman of the consulting firm DynaMundo, is investigating how countries embrace broad welfare.

With the “Verbond Brede Welvaart” (Alliance of Broad Prosperity), Dutch infrastructure partners are looking to move away from neoliberal thinking: producing as cheaply as possible at the highest possible quality. The new focus will not only be on financials but also on what can be added, more broadly, to society.

“Internationally, there are already a number of countries that have been transitioning away from a sole focus on economic welfare to a broader definition of welfare. The frontrunners are part of the

Wellbeing Economy Alliance,” says Bartelet. “New Zealand is leading so far, followed by Iceland and Scotland. Finland and Wales have also recently joined the alliance.”

How are the other countries focusing on broad welfare?

NGInfra partnered with Bartelet, who lives in Australia for his PhD program, and DynaMundo to conduct a Wellbeing Economies & Infrastructure Report.

NGInfra wanted to explore what the Netherlands can learn from countries that have already started exploring broad welfare. NGInfra wanted to learn what worked and what didn't work to prevent the Dutch infrastructure parties from making the same mistakes.

“The frontrunners, of course, consist of very distinct countries. So how do they relate to the Netherlands? If they execute certain actions or programs, can that be applied to the Netherlands?”

For example, it is noticeable that the frontrunners are isolated countries, while the Dutch economy is highly dependent on trade. Its infrastructure reflects that. Therefore, this study is exploratory with fairly open questions. We need to conduct further research to develop a model specific to the Netherlands”.

GDP is no longer decisive

As the study is still ongoing, Bartelet cannot yet give definite conclusions, but a few things are already apparent. "The first thing I look at is how countries measure broad welfare/wellbeing. Countries used to associate everything with GDP. The frontrunners now all focus on social, economic, and ecological indicators, albeit each with their own interpretation. Based on differences in culture and socio-economic backgrounds.

For example, in New Zealand, the question of socio-economic equality plays an important role. Almost 20% of the New Zealand population consists of the indigenous population - Māori - who often, in the fields of education, work and income, are disadvantaged. On the other hand, in Iceland, there is less of this issue at play given that many more people have the same ethnic background.”

Finland is more similar to Iceland, but has other ideas for broad welfare goals,” Bartelet notes. “In Finland, they want to focus on the internal channels in the country. Instead of freight transport by land or by air, they want to focus on shipping across the channels. I think that's an opportunity for the Netherlands to share its knowledge about waterways and channels with Finland.”

Complex control

Bartelet is in favor of the goal of broad welfare, but does not see himself as a pure idealist.

“It's a good ideal, but to execute it effectively is very complex. You can quickly have twenty indicators that you want to improve. However, the question is what policy you need to have in order to improve those indicators.

In addition, did you miss any indicators? In addition, you may not be able to improve certain indicators at all, without negatively influencing other indicators. It is about understanding the trade-offs.”

For example, if you don't have dams in an area, rising levels of water could lead to a nearby coast being flooded. This would mean no other infrastructure or welfare, in general, in the near term would be possible. Thus, there are certain aspects, which make it critical to have good infrastructure.”

Long-term investments required

The regional inequality that Bartelet mentions also contains a complex question. “In the European Union, you had, in the past, all kinds of infrastructure projects.

In Spain, major roads were built that no one later was using. You can't just put infrastructure somewhere and assume that the problem has been solved. We must be careful that, under the guise of broad welfare, not a lot of hobby projects are taken on at the expense of the taxpayer.”

You see a similar situation in the Netherlands – the bigger the “Randstad” (metropolitan area) becomes, the more money goes there and the more emphasis or importance politicians place on it. It is a negative spiral. To break through, it is not an issue of relocating infrastructure to another part of the country.”

“Effective change requires long-lasting investments.”

“Businesses must establish themselves there, but education and quality of life are also necessary. It takes time to train the right people. In New Zealand, it is called a ‘Hub and Spoke’ model. So I see potential in broad welfare, but am not a pure idealist.”

The important role of government

The government plays a major role in the success or failure of promoting broad welfare.

“Canada is working on this. Their broad welfare framework was developed by a Canadian university with the input of its citizens. It’s very interesting. But, if it isn’t championed by the government, then it becomes difficult to obtain the necessary investments to get it off the ground.

I don’t know if the Dutch government will embrace broad welfare, but it’s important that it is not borne alone by the infrastructure partners. They can naturally present directions to their own stakeholders, but if it is backed by the government, then a lot more money will be invested to make a real impact.”

Set up a Court of “Broad Welfare” Auditors

“I could envision that some kind of auditor entity could be set up that will evaluate policy proposals from various political parties on expected outcomes in terms of broad prosperity. They can provide insight into the positive and negative effects of their policies on different indicators of broad welfare.

If that information is shared with society, citizens can also better understand the results of a particular policy. Currently, policies are only evaluated in terms of their effect on purchasing power. In an ideal scenario, broad welfare tools would be transparent and provide insight for citizens. Maybe you could even allow citizens to experiment with different policy options. You could narrow the gap between citizens and policies and improve welfare at the same time by increasing citizens’ engagement, trust in people making those policies, and buy-in in policies.”

It takes time, Bartelet thinks. “It’s a positive development that more and more countries are driven to pursue broad welfare. I really hope it’s not just a passing fad. It takes a long time before you get an entire organization on board to implement this. You can’t wait for employees to start thinking differently one day. That takes time. It will be a challenge for organizations and governments to internalize this in a lasting way. Nevertheless, the next generation is aware that change is necessary. That’s why you need to create success stories in the beginning, but at the same time emphasize that real change takes time. That’s really important.” ■

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