

THE WORLD AROUND DOEN

RESULTS OF THE
EXTERNAL ANALYSIS

JUNE 2017

STICHTING
DOEN

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INTRODUCTION

The DOEN Foundation understands that its impact depends on what happens in the world. DOEN is constantly focused on the outside world, which is why it is regularly in dialogue with its partners, entrepreneurs, academics and other experts.

DOEN has consciously taken the time to study the world around her as part of the new Long-Term Plan. After all, if you want to look forward, you must first look around.

We talked to more than fifty stakeholders, project partners, academics, opinion leaders, the Charity Lotteries, the Supervisory Board and other experts about what they observe in the world around us. What trends and developments do they see? And how do these affect the role and working methods of DOEN? In addition, DOEN reviewed and analysed a selection of recent publications, documents, evaluation reports, and books.

Although, of course, this is only a selection of available sources, all of this has enabled DOEN to gain a deeper understanding of the context in which the organisation is going to operate in the coming years.

One thing is certain: our world has never developed as rapidly as it is developing now. The feeling that we have reached a tipping point is widely shared. This can either turn out positively or negatively - there are many worrisome trends and developments that clearly indicate that the world and society are going through a major ecological, social and economic crisis. But there are also many positive

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developments. Several trends suggest that many people are now aware of their ability to live sustainably. And that it is possible to create a society in which happiness and well-being are possible for everyone. That this is a substantial movement is underlined, for example, by the progressive agreements that government leaders have made with each other worldwide: the Sustainable Development Goals of the United Nations.

DOEN wants to contribute to positive developments. DOEN has seen that many people are actively working on innovative solutions for a better world on the basis of entrepreneurship. This is why DOEN is funding the initiatives of people who dare to take risks to bring their pioneering ideas to life and thus inspire others. In its analysis of what is going on around the organisation, DOEN also entered into dialogue with stakeholders about the role of DOEN as a funder. How will

DOEN stay relevant and how will it have the greatest possible positive impact? The interesting observations and ideas that were shared in the interviews have encouraged DOEN to take a firmer stance on accelerating change.

We would like to say a big thank-you to everyone who was interviewed by DOEN over the past months about trends and developments and our role and approach.

HOW DO STAKEHOLDERS SEE THE WORLD AROUND DOEN?

The results of DOEN's analysis are depicted here in the form of a tree. The roots represent the four social developments that are of major importance in the work of DOEN. Other developments relevant for DOEN join these four social developments to build the trunk of the tree. The branches then show very specific developments on the themes of Green, Socially Inclusive and Creative. One branch reflects the main trends in the field of investment. Finally, the birds represent the trends in the field of communication.





Our world is changing. More and more people believe that the current situation is untenable. **Crises** are more than ever **connected** to each other. Take the refugee crisis for example, which is partly due to a food crisis, which in turn is connected with the climate crisis. Moreover, power and prosperity are still very **unequally shared** in the world, and this is sustained by trade barriers.

STRESSED MARKET FORCES

Stressed market forces and commercialisation constitute a fundamental trend that is currently visible and tangible in the art and cultural sector, for example. This sector has greatly **declined** in the Netherlands over recent years due to budget cuts. This has sometimes led to risk-free exhibitions and targeted programming, and that in turn leads to **predictable art**, which no longer contributes anything or little of significance to the public debate. So the arts need **more room for free expression and experimentation**.

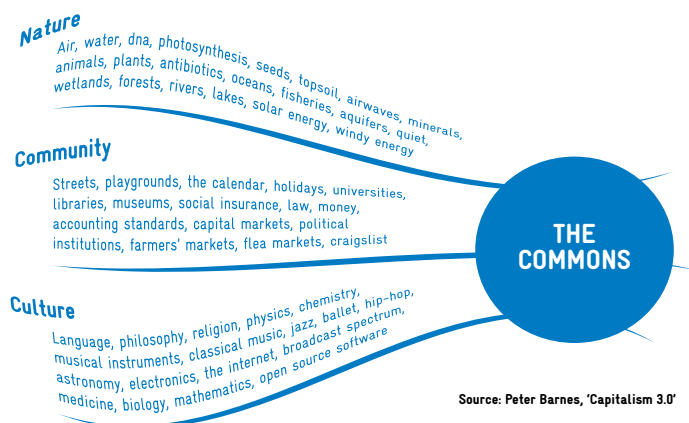
"In the past few decades, political or engaged art – one of the main criteria that make art what it should be – has been entirely lost from sight."

Hans Hartog den Hunter

But this is only one manifestation of market forces that have overshoot the mark. Stressed market forces affect our society as a whole, and basic services such as healthcare and energy are becoming more exclusive. The interests of the individual govern this trend.

FROM THE 'ME' ERA TO THE 'WE' ERA

However, there is also a counter-movement underway; according to some, the 'we era' has arrived. This counter-movement is, in essence, a return to a model that puts the shared-resource system, the **commons**, ahead of the individual. In this model, the focus is on collective property and its long term-term value, and people collectively maintain, operate and manage the commons. This is often accompanied with the idea of communities that take matters into their own hands and a return to **local, self-reliant economies**.



NEW TECHNOLOGY

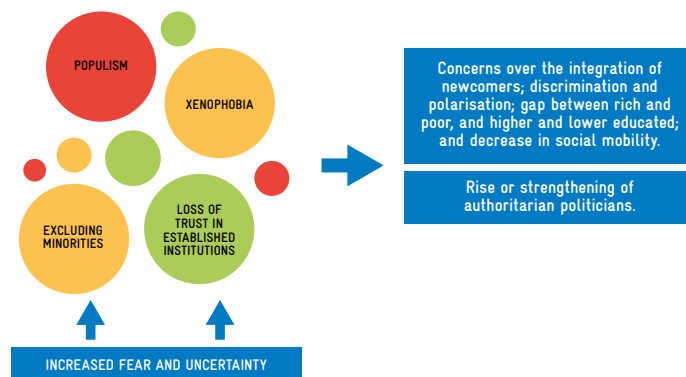
Another important development is the rapid emergence of **new technologies**. Examples of this are blockchain, fintech, agritech, Artificial Intelligence, and robotics, 3D printing and the Internet of Things. The applications of such new technologies have potentially a lot of positive impact, but may also have a negative impact. They need a stimulus in order to be deployed for a more sustainable world. In theory, technology has a positive impact because, for example, it can help optimise and **improve the sustainability of food chains**

by making them more transparent. But at the same time, technology can have a disruptive effect, because it makes the old business models redundant. In the short term, this can lead to adverse effects such as growth in unemployment. In the long term, it can lead to a more sustainable society, where shared ownership or a shared service is the norm: the **sharing economy**. A good example of a shared service are car-sharing systems, which make owning a car unnecessary and increase access to mobility. In the light of the trend that younger generations are focusing more on **the quality of life** and less on material wealth, the sharing economy could well take off in the years to come, for the simple reason that new technology is making it easier and cheaper.

FEAR AND UNCERTAINTY

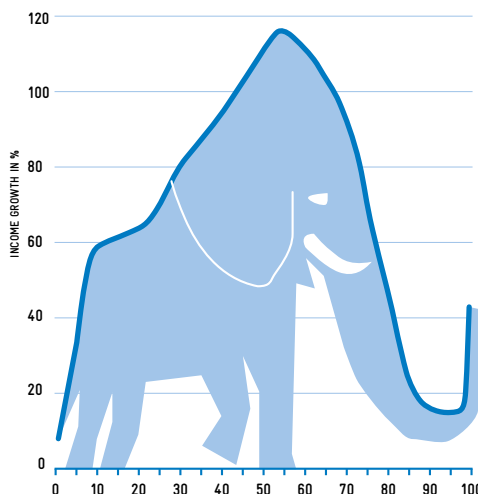
An important, fundamental trend is people's increasing **fear** and uncertainty. This development is leading to **populism**, xenophobia, and the exclusion of minorities. Many people trust established institutions less and less, and there is even a loathing of anything intellectual or 'politically correct'. In extreme cases, this movement is helping **authoritarian politicians** into the saddle or is strengthening their position. In these countries, democratic freedoms are shrinking at a rapid pace. But this trend is also present in the Netherlands. It shows itself in developments such as growing concerns about the **integration** of newcomers; increasing discrimination and **polarisation**; a widening gap between rich and poor, and between higher educated and lower educated, and a decrease in social mobility.

In the Netherlands, we can also see socially significant **differences** in the level of amenities provided by municipalities, due to the Participation Act, decentralisation and budget cuts. As a result of this, there is a threat that some problem groups will disappear entirely **off the radar**.



One example is what the Dutch call 'ghost kids' – young people without work, education or benefits who are no longer registered in the system. And while everyone expresses the desire for a socially inclusive society, there is growing inequality in the distribution of wealth worldwide (see the so-called 'elephant' chart).

INCOME GROWTH WORLDWIDE BETWEEN 1988 AND 2011



Source: Branko Milanovic, 'Global income inequality by the numbers: in history and now', World Bank 2012

Moreover, this **inequality** is becoming increasingly visible through the intensive use of **social media**, where everyone can see exactly how others live, work, and where they go on vacation. But increasingly hands-off government also has positive effects, as well as negative effects.

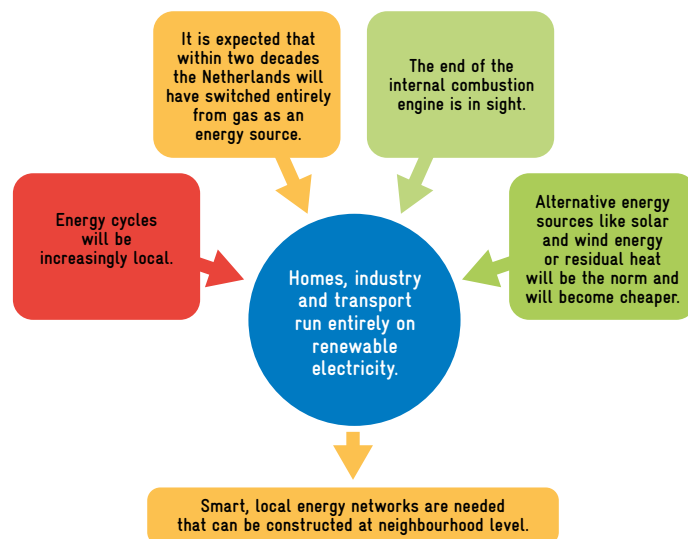
“More and more people want to regain control over their own lives, and be able to be autonomous again. This can best be organised collectively.”

Rik Winsemius

This has led to a movement of **active citizens**, who are taking charge themselves. For example, this is evident in communities that are collectively investing in **sustainable local energy production**. However, there is also a less positive side to this movement and a risk that it will actually increase inequality. After all, not everyone is able or can bring themselves to take part in this kind of movement.

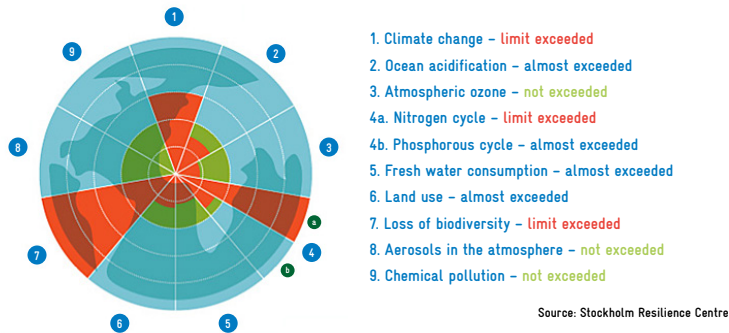
MAJOR ECOLOGICAL PROBLEMS ENCOURAGE COUNTER-MOVEMENTS

Another fundamental development is **climate change** and loss of **biodiversity**. These are two environmental problems that are almost too large to comprehend. Yet a lot is happening to stop this. For example, there are many initiatives focusing on the local, sustainable generation of energy. In the Netherlands, we are now talking about an inevitable **energy transition**, in which houses and vehicles will be **all electric**, and where renewable energy is the norm.



A number of large companies are already preparing for this coming transition, but the challenge is to enthuse and activate the wider public and small entrepreneurs through social media, for example. This transition to renewable energy is also going on internationally. In southern countries, this often concerns areas where there used to be absolutely no energy infrastructure. In such areas, **access to an energy supply** often serves as a motor for social development and helps people to escape from the poverty spiral.

Climate change is making a transition essential. The realisation that the planet has limits within which we must live is becoming increasingly pervasive. The loss of biodiversity and the supply of drinking water are two other limits that have to be taken into account, for example. The idea that we have to live within the limits of what the planet can handle is becoming established. Yet many people cannot or do not want to accept that some of these limits have already been exceeded.



Along with this awareness, there is a rise in thinking about new economic models. An example of this is the **regenerative economy**, in which the natural limits of the earth come first, instead of being constantly stretched. **Ecodesign** (such as cradle-to-cradle and circular design) lies at the base of this and is increasingly used in production processes.

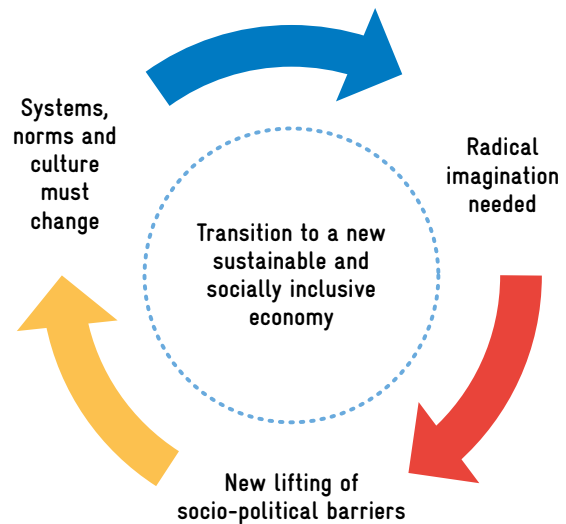
Nature is increasingly being looked to as a source of inspiration. In that sense, appreciation of nature is also increasing, not only because of its economic value, but also because of its intrinsic value. We can also see that nature conservation areas not only being preserved, but also restored, and returned to their natural state. That has positive consequences for biodiversity in the area concerned, but unfortunately it has not yet led to stopping the loss of species worldwide – on the contrary.

CONCLUSION: A CHANGE OF SYSTEM IS NEEDED

All in all, it is logical that we need a change in our systems, our standards and our culture to create a more sustainable society. This requires huge brain power on our part, which seems almost infeasible because the alternative is too abstract. Which is why we need **radical imagination**. Radical imagination is the ability to depict the world not as it is but as it can be.

So partly for this reason, art has an important role in this transition to a sustainable, new world. We also need society to think outside the box. Sectors, experts and professional practice should connect with each other and learn from each other. There must be room for connectors who drive innovation. In other words, a further lifting of socio-political barriers is necessary to achieve sustainability. In a sustainable world, culture, society and the environment are not separate, but are closely connected with each other.

Such a transition requires an incredible amount of nerve and courage. As a funder, DOEN wants to help entrepreneurs, initiatives and organisations that have the nerve and courage to create a greener, more socially inclusive and more creative society.



THE FIELD OF PLAY AND DOEN'S POSITION IN IT

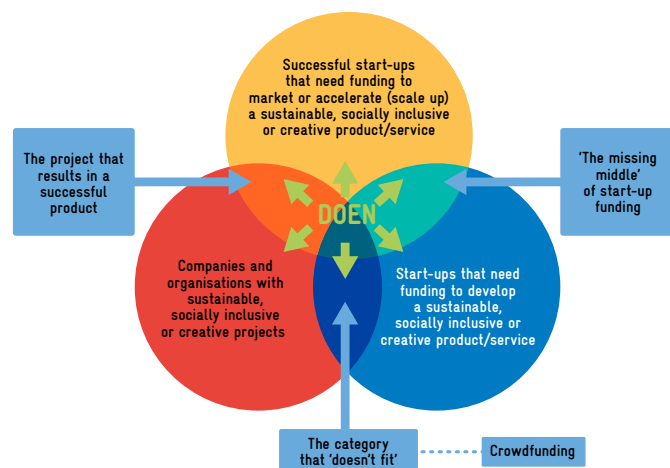
Every year, with its contribution from the Charity Lotteries, DOEN supports 200 to 300 initiatives by means of subsidies, loans and equity investments. DOEN supports both large and small initiatives and works from the philosophy of subsidising where necessary and investing where possible. DOEN does not do this alone. Other funds, banks, social impact investors and (local) governments also support entrepreneurs and organisations that want to create a more sustainable, more socially inclusive and more creative world with a product, service, project, performance, meeting place or residents' initiative. There are also a number of trends and developments visible in this funding playing field.

In general, it appeared from the interviews that there is still a great need for early-stage funding and start-up subsidies, because the risk appetite of other funders and subsidisers is not large. Entrepreneurs themselves indicate that there is a need for more than just money. Technical support in areas such as accounting and HR is also needed. In addition, innovative funding structures and instruments have been made possible by technological innovations such as fintech.

Furthermore, it is clear that the number and size of investments in start-ups in the sustainability sector has taken flight in recent years. A lot of accelerator and incubator programmes have also been set up to support start-ups that offer a sustainable product or service. Moreover, banks are also less reluctant to grant loans to such start-ups, and

social impact investors have attracted more capital to invest. Nevertheless, there are many initiatives that fall between two stools. Crowdfunding is increasingly seen as a solution for this kind of initiative, but this is far from always successful. Furthermore, there is a gap between start-ups and up-scaling start-ups (so-called 'scale-ups'). That gap is referred to as the 'missing middle'.

One specific trend in the funding field of play is the popularity of subsidies for renewable energy projects. Subsidy schemes for these are often oversubscribed. It is striking that solar energy is very much in demand, in particular. In addition, a lot of funders are putting money into the transition to completely electric homes and vehicles.



In the social sector, in particular, people are working for an inclusive society through projects aimed at creating equal opportunities for all. Funders of residents' initiatives, such as welfare and healthcare institutions and municipalities, are focusing particularly on activities. There seems to be less attention for the long term – despite the fact that the continuity of initiatives is very important for their impact – and many initiatives struggle to stay afloat.

In the cultural sector, we can see a lot of funds opting for projects that focus on large and diverse groups of people. Projects must allow the public to 'experience' art and culture optimally, and involve them in it. Meanwhile, experimental art is undergoing cuts.

DOEN'S POSITION

The interviews that DOEN has conducted show that it is highly appreciated for daring to provide innovations and pioneers with financial support. DOEN dares to take risks – even when an initiative is still at a very early stage – and is flexible. Moreover, DOEN is unique in its ability to invest in enterprises.

In addition, DOEN is regarded as a funder that has a network function – one that brings initiatives together and connects them. There is considerable appreciation for these aspects, and many interviewees have stressed that DOEN should continue to pursue this course.

The challenge that many see is how DOEN can bring about a broader movement that has even more impact based on all the different projects and enterprises that it supports. For this, DOEN wants to collaborate even more intensively and equally with its partners, other funders, and stakeholders

"You should not just support the good examples. That's not enough. You should create a different Umfeld, start a movement. In the end, you have to mobilise a group."

Quirijn Bolle

such as municipalities and welfare organisations. In addition, DOEN will have to involve the wider public even more, and influence the public debate where possible.

HOW DOEN WORKS

Many people see DOEN as an approachable funder that believes in the entrepreneurial initiatives that it supports. The fact that DOEN has green, socially inclusive and creative programmes, and operates both inside and outside the Netherlands, is seen as a strong point. Thus, DOEN has a good position for connecting initiatives and sectors with each other, by supporting existing networks and helping build new networks, for example. Given the increase and strengthening of authoritarian regimes, it is important that DOEN creates autonomous locations and refuges in such countries, where people can come together to discuss sustainable alternatives for society. In this, DOEN must primarily operate as a facilitator, and help shape developments itself on the basis of its own conditions and strengths.

What's more, it is important for DOEN to examine why some initiatives succeed and others do not, and share the lessons learned from this. This information is valuable for other funders and for new applicants, but also for DOEN itself, because it makes it possible to assess the impact of

new initiatives more effectively. Moreover, this fits with the increasing openness and transparency of organisations. Also concerning initiatives that fail.

The words 'nerve' and 'courage' recurred often in the interviews that DOEN carried out. Many people have realised that we have reached a tipping point in our present society, and that we can arrive at a sustainable society only if we stick our necks out and keep on experimenting. As a funder, DOEN can do that by continuing to invest in new and innovative ideas, and by providing support for a longer period of time if necessary. In this respect, it is also important that DOEN can offer other forms of support, such as information and expertise in the field of business management by third parties, providing a network, or maybe influencing the rules. It is important to more clearly identify what the impact is and how we can learn from it.

"Years ago, here in the Eastern Bloc,
we worked behind the Iron Curtain, but we
were still supported by organisations
like DOEN. That takes courage.

So, DOEN, be brave!"

Milena Dragičević Šešić

WHAT IS DOEN GOING TO DO IN THE YEARS TO COME?

DOEN has developed a Long-Term Plan based on the interviews and will build further on the work of previous years. The publication '7 opportunities for Change: Long-Term Plan of the DOEN Foundation 2018 – 2022' describes how DOEN is going to implement its plans. Central to this plan are the four system transitions that DOEN has chosen to work on:

- From dominance by the market or state to more attention for joint action;
- From a linear, depleting economy to a circular economy;
- From growing differences to a socially inclusive society where everyone matters and participates;
- From market forces in culture to more room for radical ideas.

DOEN wants to contribute to accelerating these transitions. Because only then will DOEN achieve lasting changes that will make and keep the earth liveable for everyone. DOEN will do that by supporting, strengthening and enlarging movement from the bottom up. In the coming years, DOEN will continue to support initiatives, but will free up more time to position these initiatives more structurally within its work on transitions. This is why DOEN is going to help build new networks, wants to connect initiatives, and wants the system conditions to change, so that other initiatives will also get opportunities.

ACCOUNTABILITY

The DOEN Foundation has based the analysis in this publication on interviews, desk research and meetings. We would like to thank everyone who has provided input.

INTERVIEWS

Pallas Agterberg, Alliander

Martijn Beckers, Johnny Wonder

Freek Bisschop, Rockstart

Teun Bokhoven, NVDE, TKI Urban energy

Quirijn Bolle, Marqt

Bram Büscher, Wageningen University & Research

Michelle Coffey, Lambent Foundation

Julien Dekoninck, corporate finance adviser

Milena Dragičević Šešić, University of Belgrade

Willem Ferwerda, Commonland

Andrew Finkel, journalist and writer

Mieke Franssen, Jongeren Cultuurhuis Kanaleneiland

Laurens Friso, Shell Foundation

Astrid Greven, Perspectief network

Erik Hagoort, artist/philosopher

Maarten Hajer, Utrecht University

Harish Hande, SELCO

Antoine Heideveld, Het Groene Brein

Bas Hochstenbach, Asilia Africa

Ted Howard, The Next System

Annelies Huygen, TNO, University of Amsterdam

Stephanie Jones, Good Energies Foundation

Lieke Joosten, Johnny Wonder

Jozef Keulartz, Radboud University Nijmegen

John Kerkhoven, Quintel

Manon Klein, Impact Hub

Abdoulaye Konaté, Conservatoire des Arts et Métiers

Multimédia Balla Fasseké Kouyaté

Paul van der Linden, De Omslag

Birgitta van Loon, In'tent

Jacqueline van Loon, !WOON

Saskia van der Mast, DOB Equity

Jesse Moore, M-KOPA

Tine de Moor, Utrecht University

Hari Natarajan, Clean Energy Access Network

Martijn van Klaveren, Dutch Postcode Lottery

Sam Parker, Shell Foundation

Niels Penninx, Green April
 Jeffrey Prins, IKEA Foundation
 Eva Rovers, art historian and author
 Felwine Sarr, Gaston Berger University of Saint-Louis
 Otto Scharmer, Massachusetts Institute of Technology
 Benjamin Schmerler, Root Capital
 Helene Smits, Stating the Obvious
 Maurice Specht, independent researcher
 Evelien Tonkens, University of Humanistic Studies
 Helen Toxopeus, New Economics
 Merlijn Twaalfhoven, composer
 Kees Vendrik, Triodos Bank
 Marieke van der Werf, Dröge & van Drimmelen
 Bas van Wieringen, Peelpioniers
 Herman Wijffels, Expert
 Rik Winsemius, University of Humanistic Studies
 Fred Zijlstra, Maastricht University
 Joke van der Zwaard, independent researcher
 Bram de Zwart, 3D Hubs

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