Summary of Sociaal Economische Raad (2020)  
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**Summary**

This article addresses diversity and inequality within the economic crisis, as well as how that might come back to adversely affect the economy. Not surprisingly, the measures advocated by Sociaal Economische Raad (2020) are rooted in inclusivity. The article paints a picture of a future of sustainable prosperity, which is not necessarily a future of high GDP, but rather a future built on sustainability and inclusivity principles.

**Implications for infrastructure**   
According to this article, infrastructure needs to be inclusive of vulnerable groups who do not have income and social security as others to. And so, infrastructure should be adapted to take care of the specific needs of these groups. Apart from obviously investing in sustainability, infrastructure should cater to elderly, youth, women or those with unconventional jobs such as free lancers, flexi or seasonal workers.

**Causal loop diagram**

The simple causal loop diagram (see Figure 1) offers a very general look at the economy with special emphasis on its connection to healthcare and the role of vulnerable groups of citizens. The purple variables are the 10 policies suggested by Sociaal Economische Raad (see Table 1). The crisis has shrunk the total money spent on consumption as well as the money spend on production, thus stopping the impact of the reinforcing loop that is usually driving economic growth (see Table 2). Undoubtedly, it has impacted the confidence people have in economic development and prosperity, further debilitating the chance for economic recovery. Although, the article states that the Dutch are found to be generally pessimistic about their economic future even in times of low unemployment and prosperity.

This is especially important for vulnerable groups as the article repeatedly emphasizes that they have been hit hardest, which further undermines confidence about the economic future at least for these groups. The healthcare standard and the economy are said to reinforce one another, which is clear during this pandemic as the pandemic has lowered the health standard, urging lockdown measures that have crippled the economy. Not only that, but the open nature of the Dutch economy has increased sensitivity to international shocks despite previously boosting economic growth through increased trade. Last, the Dutch have high private debts, which has historically been shown to correlate with slower economic recovery due to the burden it has on economic spending.



Figure 1. Stock-and-flow diagram based on Sociaal Economische Raad (2020). The dotted arrow is an assumption induced from the document.

In light of this, 10 policies are proposed. Most of them aim to track the development of vulnerable groups and improve their situation through special social and income policies. On a broader scale, the same inclusivity argument is used to support less developed countries, which can be thought of vulnerable groups within a larger European context. Back to the Netherlands, policies promoting continuing education and improving the attractiveness of public jobs are proposed to stimulate the labor market. Finally, there are calls for political decentralization, which would aid customization and adaptability.

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| **N.** | **Variable name** | **Description** | **Quote** |
| 1 | Support for sustainable companies | Economic support for companies leading the way to a sustainable digital future | It is important that support for specific companies is in line with transitions in the field of energy, climate and digitization. |
| 2 | Social innovation policies | Economic support targeted towards vulnerable groups. | It is important that the government continues to support vulnerable groups, companies and sectors.  Social innovation, for example by closely involving employees in changes, increases the chance of success. |
| 3 | Support for healthcare standards in other European countries | Economic support for healthcare in less developed countries | It is important that the corona virus is effectively combated in all countries, including countries with less money and a less developed health system. |
| 4 | Policies for continuing education | Policies aimed to aid and stimulate training and re-training | The Netherlands has invested in strengthening the learning culture, partly in response to the crisis of 2008. |
| 5 | Support for youth | Policies to help youth overcome the challenges arising from the COVID-19 crisis | It is important to support and make sustainable initiatives such as the 'homework buddy' - in which a student and an adult are linked - to make them sustainable. |
| 6 | Social and income security for vulnerable groups | Social and income security measures for vulnerable groups | The crisis therefore requires the social partners and the government to take energetic action on a new agenda for the labor market and social security. |
| 7 | Monitoring policies for vulnerable groups | Policies that monitor the development of new vulnerable groups | It is important that (new) vulnerable groups are monitored |
| 8 | Policies for increasing the attractiveness of the public sector | Policies that increase the appreciation of public jobs | This can be a basis for improving public services and thus also making the public sector a (more) attractive employer. |
| 9 | Policies for political decentralization | Policies that distribute money and power to the local level | Customization is needed: the countryside requires different solutions than the city. It is therefore important that the national government gives municipalities policy scope, for example with broader powers or room for experimentation. In addition, the national government has the task of adequately compensating municipalities for the extra costs they incur in the recovery phase. |
| 10 | Policies to prepare for future crisis | Policies to plan reactions to future societal shocks | The Netherlands needs to be better prepared for a new revival of the current corona virus or a future pandemic. This preparation also includes an assessment framework that can be used in a future crisis situation to make assessments about quality of life, social consequences, health care effects and economic effects |

Table 1. A description of the proposed policies.

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| **Quote** | **Causal link** |
| Companies and institutions produce less and offer fewer services, consumers postpone large purchases and spend only a fraction of their previous budget on catering and holidays | Money spent on consumption -> Money spent on production  Money spent on production -> Money spent on consumption |
| Everyone's confidence in the future is getting a big blow. | Money spent on consumption -> Confidence about economic future Confidence about economic future -> Money spent on consumption |
| With its open economy, the Netherlands is extra sensitive to international shocks. | Global trade -> Sensitivity to international shocks  Global trade -> Money spent on production  Global trade -> Money spent on consumption |
| The Dutch have relatively high private debts, mainly due to mortgages. As a result, consumer spending falls faster and longer than in other countries in a recession | Average private debt -> Average private expenditure -> Money spent on consumption Effect of debt level on private spending -> Average private expenditure |
| Healthcare and the economy are not in competition with each other, but exist in mutual dependence: a healthy economy cannot exist without good healthcare and vice versa. | Money spent on production -> Healthcare standard  Healthcare standard -> Money spent on production  Money spent on consumption -> Healthcare standard  Healthcare standard -> Money spent on consumption |
| Various studies have shown in recent years that many Dutch people feel insecure and have concerns about the future, despite the economic boom and low unemployment. | Number of vulnerable citizens -> Confidence about economic future |

Table 2. Causal links found within Sociaal Economische Raad (2020)

**References**

Sociaal Economische Raad (2020) *Denktank: 10 bouwstenen voor herstel na coronacrisis.* https://www.ser.nl/nl/thema/aanpak-coronacrisis/publicaties/bouwstenen-voor-herstel, accessed on 13 October 2020.