

# **Changes in the Dutch Development Cooperation Policy**

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Image 1 front page, Euranet

**School of European Studies  
The Hague University of Applied Sciences**

**Elaine Voorderhaak  
08010854  
ES4-4F**

**Supervisor: M. van Munster**

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## **Executive summary**

Development aid is a sector that raises many discussions on whether it stimulates a developing country, or holds back economic progress. Most discussions are about bilateral aid, aid given from the government of a donor country, for example the Netherlands, to a government of a partner country, for example Rwanda. When there is no such thing as ‘good governance’ there is a big chance that corruption will arise. For this reason it is important for donor countries to have a sufficient Development Cooperation Policy and cooperate closely with the recipient countries, and their governments.

The Netherlands has changed their Development Cooperation Policy many times from the end of the Second World War until now. It is interesting to understand more about the reasons for changing the Development Cooperation Policy in the Netherlands, and to know what these changes include. The former cabinet Rutte has made the most recent changes in the Development Cooperation Policy, which are influenced by the economic crisis. The reduction of the total Official Development Aid (ODA) budget and the introduction of the four spearheads; Security and legal order, Food security, Water and Sexual and Reproductive Health and Rights (SRHR), are the biggest changes made by the cabinet Rutte in 2011. These recent changes form the basis for the main question of this report; “What are the consequences and benefits for the African countries, Rwanda and Mozambique, after the Dutch government recently changed the Development Cooperation Policy?”

The discussion about development aid, in particular bilateral aid, whether it stimulates the economic process of a developing country or not, will always exist. Questions like “Does aid really work?” are just too broad to provide with a clear answer. There will always be experts who will argue about different solutions for the developing countries. However, every developing country needs a different approach and has its own needs. Therefore it is important to customize the Development Cooperation Policy so that it can be of use in every partner country.

In history, the Netherlands has changed their Development Cooperation Policy many times. This is, because people got more knowledge and expertise about the developing countries and the Dutch government saw that poverty reduction and economic stability were the most important factors in the process of development cooperation. Furthermore, the different cabinets in Dutch politics are also a reason for the many changes in the policy. Every cabinet has its own expertise that they combined with the knowledge of former cabinets and international organizations, such as the World Bank.

The countries Rwanda and Mozambique have been partner countries of the Netherlands for a long period and are included as one of the 15 partner countries after changing the policy. With the recent changes in the Development Cooperation Policy, there will be some consequences and benefits for Rwanda and Mozambique. Because of the economic crisis, the budget for bilateral aid towards both countries will be reduced. This could influence the results and economic progress in these countries. However, the four spearheads make it possible to have a better focus and approach within the field of expertise of the Netherlands. The four spearheads also will increase the cooperation between the Netherlands and the partner countries. Moreover, when results are more visible, the civil society in the Netherlands and in the partner countries will have more interest and give more support towards development aid. Furthermore, the private sector will increase its support as well when the focus is on the economic sector and results are made visible. Collaboration with the partner countries, other donor countries, NGOs and the private sector is the key to success.

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## 1. Introduction

The economic crisis has changed the financial situation in many countries, including the Netherlands. Because of the crisis the Netherlands has no other choice than to cut back their expenditures. Therefore, the Dutch government decided to decrease the ODA budget, this was followed by many discussions whether it was the right thing to do. In the near future, the budget will decrease even more, which could have a big influence on the Dutch partner countries.

The approach of the Dutch Development Cooperation Policy has been changed recently to increase the results of aid in the countries that the Netherlands gives aid to. Since development cooperation is a topic that comes with many discussions, it is interesting to understand more about the reasons for changing the policy so often. However, it is even more interesting to find out whether these recent changes will have consequences and/or benefits for the Dutch partner countries. Therefore, the main aim of this report is to get an answer to the question: “What are the consequences and benefits for the African countries, Rwanda and Mozambique, after the Dutch government recently changed the Development Cooperation Policy?”

First of all, it is important to understand the term development aid completely and what types of aid there are, since there are many discussions about aid, especially on bilateral aid. Secondly, to understand the choices made by the Dutch government and to get an answer to the central question, it is necessary to have an overview of the former policies, and the changes which have been made throughout the years. Thirdly, the recent changes by former cabinet Rutte also will be discussed which gives a clearer view on the central question. The African countries Rwanda and Mozambique will be discussed in separate chapters; this will give a good overview of the developments in these countries. Finally, in the concluding chapter the answer to the central question will be given on the basis of the information given in the preceding chapters.

## 2. Introduction to development aid

“Development aid is an attempt to help developing countries to develop further in order to achieve a higher standard of living. In the Netherlands development aid falls under the Ministry of Foreign Affairs” (“Ontwikkelingshulp door Nederland,”2012, para.1). Development aid emerged after the Second World War when many countries were destroyed and the governments needed financial support to rebuild their nations. Later on, UN-agencies, the World Bank and several western countries started to give money, loans and expertise to new independent countries such as Pakistan and India. In the last five decades, this kind of help has grown into different themes and fields of aid, and every country has their own Development Cooperation Policy that includes all the information about aid. Furthermore, the ODA budget (Official Development Assistance) also changed over the years, “for example in 2004 the total ODA budget was 3.7 billion euro’s, and in 2009 the budget was increased to 4.7 billion euro’s. Half of the budget went to Africa” (“Ontwikkelingshulp door Nederland,”2012, para.5).

Development aid is a subject that has been discussed many times over the past decades, and there has never been a moment when development aid of any kind was not necessary. Every country has its own Development Cooperation Policy that, in their opinion, seems to be working. Furthermore, there are organizations established throughout the years that are connecting different countries and their Development Cooperation Policies.

One of the biggest organizations on development aid is the UN (United Nations). This organization was founded in 1945 after the Second World War, when many countries were demolished and needed financial and medical support. The UN describes the organizations as followed:

In 1945, the organization included 51 countries that committed to maintain international peace and security, friendly relations among nations and promoting social progress, better living standards and human rights. Nowadays, the UN consists of 193 member states and is most famous for peacekeeping, peace building, conflict prevention and humanitarian assistance. (“UN at a glance,”n.d.)

Another big organization which is putting effort in the underdeveloped countries is the World Bank. This organization is trying to reduce poverty in middle-income and creditworthy poorer countries, but also gives the world’s poorest countries the chance to get back on their feet. The World Bank does this in different ways, for example with low-interest loans, interest-free credits and grants to developing countries (“What we do; Two institutions, one mission,”n.d.).

## 2.1 Types of aid

Aid is a brought topic that can be separated in different terms. A good definition of aid is mentioned in the report *Doing Good or Doing Better* by the WRR (Wetenschappelijke Raad voor het Regeringsbeleid) from the Netherlands.

At its most general, aid consists of the transfer of all resources by donors to recipients, regardless of its purpose or of the status and need of the recipient, and thus could include assistance provided for political, military and strategic purposes, and that given to recipients who are neither poor nor needy. However, by convention, discourse about aid has tended to focus primarily and principally on assistance from richer to poorer countries whose purpose is to address and promote the welfare and development of the latter. (Lieshout, et.al, 2009, p.48)

When trying to understand the definition of aid, it is also useful to distinguish the different terms and types of aid. In literature and society, the main focus is on the non-emergency context of aid, also known as the part of aid paid through public money. The official term for this type of aid is Official Development Assistance (ODA). This type of aid is the main reason for discussions about aid, because it is mainly paid from the tax money that society has to pay to governments. The term ODA consists of two different types of aid that are known as bilateral aid and multilateral aid. Bilateral aid is when a government of one country decides to give financial support directly to a government of another country. Multilateral aid is when governments give financial support to international organizations such as the World Bank and United Nations. Both international organizations use this support to reduce poverty in developing nations. These two types of aid are the main reason why, in the history of aid, the question “Does aid work?” comes up. In the report *Doing Good or Doing Better* by the WRR, it is said that, “ the above questions has always really meant; Does that part of total ODA used for development purposes achieve its development objectives?” (Lieshout, et.al, 2009, p.49). Society would like to have an answer to this question, because people want to know where their money is going too.

Next to these types of aid, there are other types of aid that fall under the term non-governmental aid. Non-governmental aid is when non-governmental organizations, also known as NGOs, provide assistance to an underdeveloped country and their citizens. An example of an NGO is the Red Cross. “The money that is used to provide the citizens with, for example medical support, comes mainly from public donations. Furthermore, these NGO’s sometimes receive money from governments to support their actions” (“Aid: What are the different types?” n.d.). The aid provided by the private sector firms and foundations, such as the Bill and Melinda Gates Foundation and the Ford Foundation, are placed under the brought term non-governmental aid. All these different types of aid are excluded from the Official Development Assistance, because governments do not

have anything to do with these matters. Therefore, these types of aid will not be mentioned often in the rest of this report.

## 2.2 Changes throughout the years in these types of aid

It is difficult to know what type of aid is meant, when asking the question “Does aid work?” This is mainly, because the types of aid described earlier in this report, have changed over the years. However, there are some analyses that could make it easier to understand both the importance of the different types of aid provided by the different donors, and how these types have changed over the years. Mentioned in the report *Doing Good or Doing Better* by the WRR, the following is said about the changes of the total ODA budget:

About thirty years ago most development aid consisted of ODA and the NGO's and private sector only contributed about 10 percent of the total amount. In the intervening period, the amount of aid that came from ODA increased about two and a half times and the humanitarian aid increased even more. In this period, also the support of NGO's and the private sector increased, because they were able to raise more money. The situation today is the result of this all. The amount of money from NGO's and humanitarian aid consist of 30 percent of the total amount of aid, this is even more when combining the funding of the private sector. Therefore, total official ODA probably accounts for less than two-thirds of all aid. (Lieshout, et.al, 2009, p.50)

Throughout the years there also has been an overlap in some types of aid. For instance, development aid and humanitarian have been mixed up. The WRR argues that:

Some development aid projects which are set up to provide medicines for AIDS or bed-nets against malaria, are primarily concerned about saving people's lives. Most of the emergency projects (humanitarian aid) are however focused on long term projects, such as reconstruction and rebuilding the environment. (Lieshout, et.al, 2009, p.50)

When looking at this situation it could be said, that these two types of aid have been mixed up and therefore are not easy to identify. After a disaster strikes, most lives are saved by local communities and not by the great amounts of money deployed by international aid agencies around the world.

The changing situation in the different types of aid and the overlap that has occurred in the past years is part of the reason why it is so difficult to answer the question if aid really works. Therefore, this report will not be focusing on this difficult question, but more on the situation in the Netherlands and the changing situation of their Development Cooperation Policy, and the impact this has on the African countries Rwanda and Mozambique. It is useful to know more about the consequences and benefits for these countries, after the Netherlands recently changed their policy.

In this way, an opinion can be formed whether the Dutch government has made a good choice when changing the Development Cooperation Policy. When talking about this subject it is important to understand the different types of aid, which has already been described, and the discussion about aid, this will be described in the following paragraph.

### 2.3 Discussion about aid

In the past years, there have been many discussions on development aid in literature whether it has a positive or negative influence on the developing countries. Corruption is one issue that always includes these discussions. Furthermore, development aid mostly consists of financial help and many parties have their own opinion about the amount of money spent, and the way it should be spent. In different countries the support for development aid is changing and people have doubts. In the media there are questions on the effects of aid. These days' people are trying to answer the question, "Does aid help?" Unfortunately this question is difficult to answer, because every country/continent that receives development aid is different from the other. For example, in Africa, there are many countries that receive aid, but differ in their cultures, political situation and so on. Furthermore, it is hard to say if aid really helps, because there are different types of aid and every government adapts their policy to the countries they give aid to.

The question, if aid from well developed countries to less developed countries really helps to solve the problems like poverty, is an issue that comes back every now and then, and has never been really answered completely. As said before, it is very difficult (maybe impossible) to answer this question, because aid is so broad and changes a lot. Therefore, it is easier to look at which type of aid helps which countries and their society, and under which conditions. J.Voorhoeve argues in his book *Rechtstaat in Ontwikkelingslanden?*, that there have been cases in which developed countries received the wrong types of aid, and was followed by corruption and protest of society. Voorhoeve argues that:

In history there have been cases in which the wrong type of aid was given to countries with another reason than only to improve the situation in an underdeveloped country. A good example is budgetary support to regimes that severely mistreat their population, but that the security-political or economic interests of the donor country seem to support. (Voorhoeve, 2008, p.45)

Most of the time, experts are focused on answering the big questions on development aid, such as the questions described in the book *Arm en Kansrijk* by A. Banerjee and E.Duflo . These questions are: "What is the ultimate cause of poverty? How much confidence do we have in the free market? Is democracy good for the poor? And is there a role for foreign aid?" (Banerjee & Duflo, 2011, p.13). These questions are so big and have a different answer for every developing country.

Jeffrey Sachs, an advisor of the UN and director of the Earth Institute of Columbia University in New York, is such an expert who is willing to try to answer these big questions. People like Jeffrey Sachs are also known as ultimate planners. Jeffrey Sachs (2011) argues that:

Poor countries are poor because they have a hot climate and therefore most of the land is infertile. Furthermore, most countries are torn by malaria and are often far from the sea. These are the main reasons why the people in these countries are not very productive without first having a big investment to handle these enormous problems. (Banerjee & Duflo, p.14)

Unfortunately, it is not possible for these countries to get a grip on the problems, since they do not have the money for these investments. Jeffrey Sachs (2011) argues that "when nothing is done about these problems there is no need for a democracy or a free market, and this is also the reason why international aid is so important" (Banerjee & Duflo, p.14). Because of development aid, it is possible to initiate a process by helping poor countries with investments in these key areas, making them more productive. Jeffrey Sachs is famous for his book, *The End of Poverty*, published in 2005.

Other experts within the field of development aid argue that the ideas of Jeffrey Sachs are not right. William Easterly is one of those experts; according to him (2011) "Planning is not the solution to reduction poverty in underdeveloped countries" (Banerjee & Easterly, p.14). William Easterly is not against development aid, he assumes that by setting up small initiatives/projects the underdeveloped countries have a better change to improve their situation. After the publication of his book, *The Elusive Quest for Growth*, and *The White Man's Burden*, he became one of the world's most famous experts on the field of development aid (Banerjee & Duflo, 2011, p.14). Next to William Easterly there is Dambisa Moyo, expert on economics and former employee with Goldman Sachs and The World Bank, who wrote the book *Dead Aid*, in which she describes her opinion and ideas about development aid. In her book she focuses only on the continent of Africa. Dambisa Moyo (2009) argues that "Aid has been, and continues to be, an unmitigated political, economic, and humanitarian disaster for most parts of the developing world" (Moyo, p.2).

Roger Riddell is the writer of the book *Does Foreign Aid Really Work?* and also forms an opinion about development aid that is between Sachs and Easterly. "In his book he provides a comprehensive examination of official, NGO and emergency/humanitarian aid, and argues that aid is not necessary for development to happen--though, if used properly, it can provide an important factor to the development process. Furthermore, he argues that one of aid's main failings is the existence of too many donors and too many NGOs" ("Description," n.d.).

Both Easterly and Moyo are saying that development aid does more harm than good in the way it is being used these days. According to them (2011) "Aid prevents people to find their own solutions and stimulates corruption within local institutions" (Banerjee & Duflo, p.14). Furthermore, they state (2011) "The solution for poverty is to let the free market do its job" (Banerjee & Duflo, p.14). When this will happen, the people will develop solutions by themselves and aid is no longer necessary. Experts like William Easterly and Dambisa Moyo are also called searchers, who are the opposite of the ultimate planners like Jeffrey Sachs.

These arguments and ideas make it very difficult for people to decide what to believe. It is too difficult to choose a side, since the discussion is too abstract and too broad. Unfortunately, the information which is used in these discussions is not very useful, and makes it difficult to answer questions like, "Does aid really work?". There will always be enough convincing stories that will reinforce a position in these big discussions. The development of Rwanda is used a lot as an example to influence discussions about aid, since Rwanda got a lot of financial aid after the genocide, and therefore has made a lot of progress within the economic sectors. When looking at Rwanda and compare this with the ideas of Jeffrey Sachs, it can be said that development aid has worked in Rwanda. When looking at it in the way Damisha Moyo would, it can be said that Rwanda is a good example of a country that is able to make progress on its own, without development aid.

When trying to answer questions on development aid, it is better to take different countries than just one. This will also be the case in this report. When looking at the Development Cooperation Policy of the Netherlands, it is also important to look at the situation in several partner countries. Every country is different and therefore has its own needs and makes its own developments.

### 3. Former Dutch Development Cooperation Policies

Policy can be meant so good and be thought through, if it isn't running correctly it sometimes has no effect. Unfortunately, quite often there is a gap between intention and execution. The frequent failure of authorities is often seen as the cause when good policy in practice doesn't want to work. In the past, the failure of authorities also has been used many times by people who are against development aid as a reason why, according to them, foreign aid and other attempts in poor countries is only making it worse and not better. (Banerjee & Duflo, 2011, p.238)

Peter Thomas Bauer was a developmental economist who is most remembered because of his ideas about development aid. According to Bauer (2011) "The most effective manner to help developing countries advance is through state-controlled foreign aid" (Banerjee & Duflo, p.238). In his book *Dissent on Development*, Bauer (2011) describes that "foreign aid in any form won't work if the government is not well organized" (Banerjee & Duflo, p.238). This argument relates to the government of the developing countries like, Mozambique and Rwanda, and to the governments of the donor countries. When the political situation of a country is right, this will automatically lead to good policy.

On international level, the Netherlands is seen as a very generous donor and one whose aid programs clearly contain an element of humanitarianism. In the report "Netherlands Aid Policies on Poverty Reduction", by P. Hoebink and L. Schulpen a description is given for the position of the Netherlands in the development cooperation sector. Hoebink and Schulpen (1998) point out that:

The country is mostly classed in the same category as Norway, Finland and Sweden. A high volume of aid, with an important part of it going to the least developed countries and a large portion dedicated to poverty reduction, is what identifies the Dutch position. However, for a long period commercial interests dominated the aid programs of the Netherlands. Also, a number of budget cuts brought Dutch aid down from 1.0% of GNP to 0.8% in the 1990's and even to 0.7% these days. (Hoebink & Schulpen, p.10)

At the moment, the Netherlands is facing a difficult time with all the budget cuts that have to be made as a result of the economic crisis. It seems that there have to be made cuts in almost every sector. One of the most argued issues is the Official Development Assistance from the Netherlands. Different parties argue why there should, or should not, be cut a lot in the ODA budget. Furthermore, the discussion is not only about the ODA budget, but also about the approach of the Development Cooperation Policy. The Dutch Development Cooperation Policy has changed many times in the past, but with the economic crisis, which every country is facing at the moment, there have been discussions about whether the approach of development cooperation had to be changed as well.

However, the cabinet of the (now former) Prime Minister Mark Rutte has just resigned which makes it impossible to know if new changes would be made in the policy. To get an answer to the central question of this report, it is important to look at the former (changes in) Dutch Development Cooperation Policy from the 70's, 80's and 90's. Furthermore, the policy changes written in the letter to the House of Representatives will be used as the recent changes in the Development Cooperation Policy, since this letter was submitted by the former cabinet Rutte.

### **3.1 The Dutch Development Cooperation Policy in the 1960s- 70**

In the past, there have been made a lot of changes in the Dutch Development Cooperation Policy which makes it very interesting to look at. With the help of the paper "Netherlands Aid Policies for Poverty Reduction", written by P.Hoebink and L. Schulpen, a good description can be given of the changes on Development Cooperation in the Netherlands.

Since the early 1970s, Dutch aid has been directed at two objectives: economic-reliance and poverty reduction, also known as the 'two-track policy'. The Dutch Development Cooperation Policy has always revealed a kind of battle between a strategy aimed at direct poverty reduction and one aimed at the economic self-reliance of developing countries. This was mainly the situation in the 1970s when Jan Pronk was the Minister for Development Cooperation (1973) within the cabinet-Den Uyl (the formation of the Den Uyl cabinet was due to the progressive partnership in the Netherlands in the seventies). In Dutch history the importance of poverty reduction has always been very clear right after the Second World War (Hoebink & Schulpen, 1998, p.8).

"In the period after the Second World War (from 1949) until 1973 the Dutch government was mostly focused on receiving and giving information to other countries and on financial assistance" (Hoebink & Schulpen, 1998 p.11). Furthermore, the Netherlands was focused on the ideas of modernization and the trickle-down theory "the idea that tax breaks or other economic benefits, provided by government to businesses and the wealthy, will benefit poorer members of society by improving the economy as a whole" ("Trickle-down theory", 2012, para.1).

Poverty reduction was not seen as the most important factor when helping other nation's develop. Hoebink and Schulpen (1998) point out that:

Until the mid-1960s there was a focus on multilateral aid that took up 23% of the total aid budget between 1950 and 1962. Bilateral aid was not much used in this period, since the Netherlands had insufficient financial means at its disposal to provide bilateral aid on a large scale. Most financial help was given to the (former)

Dutch colonies such as: Dutch Antilles, New Guinea and Surinam. (Hoebink & Schulpen, p.11)

From 1965, Dutch organizations and business also started to show their interest in aid and therefore got involved with the Dutch government. Bilateral aid became more important, since the financial support increased, and in 1968 expenditures under bilateral aid were more than those under multilateral aid. Dutch business got involved in the aid programs of the government, and became the prime executors of these programs. When bilateral aid became bigger than the multilateral aid, it also showed that there was a shift from a humanitarian aid program to a more commercial program (Hoebink & Schulpen, 1998, p.11).

In the years when Jan Pronk was Minister for Development Cooperation, a lot of changes were made. The Netherlands became one of the first donors to achieve the UN target of 0.7% of GNP for development aid. Furthermore, it was decided that the Minister for Development Cooperation received more responsibility, like coordinate aid activities and policy in specific developing countries, and the financial part was moved from the Economic Affairs budget to that of the development cooperation. The growing bilateral aid led to a growing amount of partner countries on the list, and therefore many organizational problems. New criteria were formed to select countries that would receive a part of the Dutch aid. However, this did not lead to the removal of any countries from the list. In 1977 it was made official that the Development Cooperation Policy would be changed, including new goals and frameworks (Hoebink & Schulpen, 1998, p.13).

In the new policy paper, the term 'self-reliance' was used a lot. "Self-reliance referred to economic, political and social emancipation in developing countries" (Hoebink & Schulpen, 1998, p.13). Furthermore, this new policy paper described that most aid should be focused on the poor in the Third World. Also there were new goals to be reached with the development projects, like fighting welfare inequality and strengthen the economic position of the poor (Hoebink & Schulpen, 1998, p.13). For the first time in history, poverty reduction became the most important goal in the Dutch Development Cooperation Policy.

### **3.2 The Dutch Development Cooperation Policy in the 1980's**

In 1977, J. de Koning became the new Minister for Development Cooperation, who continued with the policy set out under the former Minister Pronk. De Koning did make one important change in the policy; he added the promotion of political and economic emancipation of nations. "This change in policy is also known as the 'two-track policy'. This policy meant that, when an improvement was made in the position of the poor, this was automatically coupled with the economic self-reliance of Third World countries" (Hoebink & Schulpen, 1998, p.14). This two-

track policy did make the entire policy a lot broader, but this did not mean that it was not working. The two-track policy eventually became the central guideline for the entire policy.

Minister E.M. Schoo was the next Minister for Development Cooperation who made some changes in the policy. In 1982, this new government (1998) stated that “Dutch development cooperation should be focused on the possibilities and capacities contained within the Netherlands ‘economy and society’” (Hoebink & Schulpen, p.15). From the moment that this announcement was made, the economic and commercial interests were back again like a few years ago, and the humanitarian issues moved to the back. Minister Schoo (1998) also made it clear that “Direct poverty reduction was more an issue for private organizations which were specialized in the field of development cooperation and that it was not something which should be included in the bilateral aid” (Hoebink & Schulpen, 1998, p.15).

During the Lubbers Cabinet (1982) a new policy paper was made, to make clear which changes were made in the former cabinets and also to conclude what the final policy on development cooperation would be about. This report was presented in April 1984 and described that the goals of the Development Cooperation Policy should be a balance between poverty reduction and the promotion of self-reliance, also called structural poverty alleviation (Hoebink & Schulpen, 1998, p.15). The conclusion of the Lubbers Cabinet(1998) was that “ to alleviate poverty reduction the economy of a Third World country had to be improved first and introduce a free market” (Hoebink & Schulpen, p.15).

### **3.3 The Dutch Development Cooperation Policy in the (early) 1990’s**

During the third Lubbers Cabinet that started in 1989 Jan Pronk was again Minister for Development Cooperation. During this cabinet, several attempts were made to reduce the budget of the Dutch Development Cooperation. In general, Dutch aid started to increase but when looking at the GNP the level of aid fell down sharply. “Dutch aid reached its lowest level (0.76% of GNP) since 1976. From 1995 onwards, it slowly recovered with 0.83% of GNP in 1996” (Hoebink & Schulpen, 1998, p.16).

Minister Pronk and a team of civil servants worked on a new policy paper that is known as *A World of Difference*, published in 1990. This report described the role of development cooperation during the end of the Cold War. It also stated that “sustainable poverty alleviation’ should be the main goal of Dutch development cooperation” (Hoebink & Schulpen, 1998, p.16). This new policy paper included three important factors, which were: “the importance to invest in people, focus on their productive potentials, and the provision of basis needs and the broadening of poor people’s participation in politics” (Hoebink & Schulpen, 1998, p.16). This type of poverty reduction would

be different from the ones before, it would only focus on the social and political aspects of a country. In *A World of Difference*, there were a couple of important factors mentioned in relation to poverty reduction. In the report, it was mentioned that:

The main focus would be on the poorest countries; this meant that the selection of countries changed. Also, there would be more attention given to NGO's, because they were able to increase the success in poverty projects. Next to this, the government wanted to have a more specific aid focus, which would also lead to an increase of effectiveness". (Hoebink & Schulpen, 1998, p.16)

In the early 1990's the Dutch government tried to reach agreement about the budget for development cooperation. Unfortunately this was more difficult than the years before, because there had been many international changes, including the fall of the Berlin wall. It could be said that, development cooperation was more important than ever, and should be seen as a part of foreign relations. "More attention was given to emergency aid, stability and peace, ecological sustainability, democracy, human rights and good governance" (Hoebink & Schulpen, 1998, p.16). To improve the development cooperation; different ministries had to work together, which would lead to better results.

Finally in 1996, the cooperation and de-compartmentalization between ministries was visible. This new structure included three departments that had the task to work closely together within the field of development cooperation. One of the most important changes was that the main responsibility on bilateral aid was no longer in the hands of the governments, but in the hands of the embassies. The embassies were responsible for the selection, assessment and evaluation of development projects, and The Hague only assisted in this process (Hoebink & Schulpen, 1998, p.16). When the embassies did most of the decision making, it took less time and the countries that would receive the bilateral aid could have more direct interaction with The Netherlands as a donor country.

### **3.4 The sector-wide approach**

"In November 1998, the Minister for Development Cooperation announced that Dutch bilateral aid would be restructured, since it was insufficiently effective" (Foreign Affairs, 2006, p.9). Aid was divided over a large number of countries and activities. There was no good structure and there were too many uncoordinated projects in partner countries. "The Minister decided to concentrate on a limited number of countries and sectors. In the new bilateral aid system, countries would be selected on the criteria of poverty, good governance and good policy" (Foreign Affairs, 2006, p.9).

The term 'sector-wide approach' was introduced as well. This new approach was to "enable the recipient government to determine policy itself for a specific sector, after which donors would

mutually agree to support that policy for several years” (Foreign Affairs, 2006, p.9). This would lead to more program aid (budget support) instead of project aid. The ultimate goal of the new approach was to “contribute to more effective poverty reduction” (Foreign Affairs, 2006, p.9).

The sector- wide approach started a trend to replace project aid by budget support. In other words, “the aid from the Netherlands was aligned more with government policy” (Foreign Affairs, 2006, p.154). The sector-wide approach was seen as a great step towards better results and more international cooperation. However, there were also some negative reactions towards the changes in policy. For example, people argued that “more attention should been given towards the implementation of the sector policy at the local levels” (Foreign Affairs, 2006, p.154). This could be done when the administration at regional and local level would be improved. Furthermore, “priority was given to the social sectors instead of the economic sectors” (Foreign Affairs, 2006, p.154). There were doubts about the sustainability of the investments in the social sectors, since the social sectors were heavily dependent on external financing. This meant that “the recipient countries would not be able to stand on their own if the Dutch bilateral aid would stop” (Foreign Affairs, 2006, p.154).

Since the new approach had been introduced very fast, the ministries and embassies had difficulties with the implementation and the administration. Next to this, it was also difficult for the partner countries and the governments to work with this new approach. Finally, “in all the 22 partner countries at that time, the sector-wide approach was introduced and has led to aid being completely focused in the social sectors and not in the economic sectors” (Foreign Affairs, 2006, p.11).

### **3.5 Changes in the countries receiving aid**

In the first part of this chapter a general description is given of the different Development Cooperation Policies in the past years, beginning at the end of the Second World War. Because of these changes, the focus on countries that received Dutch aid has changed a few times over the past years as well.

When looking at the two tables from the report, *Netherlands Aid Policies For Poverty Reduction* (Appendix 1), it is clear to see that there have been made some great changes in the amount of aid spend to the top ten countries that received aid. In 1969, the ten countries mentioned took in more than 98% of all Dutch aid. In 1996, total aid to the ten ‘favorite’ countries only amounted 35.6% of total aid. This is, because the number of countries increased over the years, but the amount of aid did not. The table also shows that from the beginning of the 1970’s the amount of Third World countries that received bilateral aid increased in the following years.

### 3.6 Implementation of the Development Cooperation Policies

After reading the first part of this chapter, it should be clear that the Netherlands has had difficulties deciding what the most important factors of development cooperation should be. Poverty reduction has always been a great factor within the different policies, except in the first couple of years after the Second World War. It has always been an issue in which context it should be used and in what way it should be implemented. The different goals described in every new policy paper have never been easy to put into action. Furthermore, every new government implemented new goals to the existing goals that made it even more difficult to make the policy working. When a new government was chosen, a new policy paper was written as well and therefore made it difficult for both government and society to get an idea of what really were the most important goals to reach within the field of development cooperation.

Another reason for why the implementation of the development cooperation policies has been difficult was, because the recipient countries were interested in other issues than poverty reduction. The economic self-reliance was a factor where the recipients and Dutch business wanted to focus on, because they believed that when the economy improved, the poverty reduction would follow. “Only when some adjustments were made and the Netherlands compared poverty reduction with program aid, so that macroeconomic and socioeconomic policies came forward, the recipients got more interested” (Hoebink & Schulpen, 1998, p.27).

In the past years, the Netherlands has been a front-runner in the field of development cooperation. However, the status as front-runner is discussable, because when looking at the historical background of the Dutch policies, it could be said that they are comparable with the ones of international organizations like the World Bank. However, this should not be seen as something bad, since the Netherlands has always been a country that tried to keep up with the international level.

#### 4. The present Dutch development cooperation policy

As explained earlier, the cabinet Rutte (VVD, CDA and partner of tolerance, the PVV) recently resigned and therefore it is not possible to know if they were planning an entire new policy or what the changes would have been in the present policy. However, the economic crisis already influenced the policy in 2011 which shows in the letter submitted to the House of Representatives, by the former cabinet. It will be interesting to know what kind of influence these changes will have on the recipient countries Mozambique and Rwanda.

It is not unknown that there are different opinions about the cutbacks in the field of development cooperation. For example, the PVV (party of Geert Wilders) says the following about development aid in their campaign (2010):

We want to stop giving development aid, only emergency aid will remain. The PVV prefers trade over help. Trade barriers should be terminated. If people feel the need to give money to charity, they should be able to make this decision by themselves. The government should stop using tax money for development aid. (PVV, p.41)

Naturally not everyone in, or outside, the Dutch government agrees with this opinion and that is why development aid still exists. Most of the parties in government do agree that there should be made some cuts in the budget for development aid, but this does not mean that the entire policy has to be changed again. Furthermore, the Netherlands wants to keep its status as 'front runner' and therefore it is important to keep up with the developments on the international level. However, people also argue that Dutch society should not only focus on the 0.7% which the government is willing to spend on development aid. According to Peter van Lieshout, who also helped writing the research on 'The Future of Development Aid for the Netherlands', there are more important features which people assume to forget. In his words:

Money transfer is no longer the main instrument; this is something where a lot of people agree on. Targeted aid, linked to transferring knowledge in an economic environment yields more. (van Lieshout, 2012, p.10)

As van Lieshout is saying, the transfer of knowledge is very important in the field of development cooperation. When there will be made cuts in the budget, it does not necessarily mean that there can be made less progress. However, as seen in the history of the Netherlands, the situation for the recipient countries can change when the Netherlands adjust their policy on development cooperation. To find out if there will be changes (and what these changes are), for the countries

Mozambique and Rwanda it is important to understand what the recent adjustments in the Development Cooperation Policy will look like. Therefore, a closer look at the letter written in 2011 by the former cabinet Rutte is necessary.

#### **4.1 Millennium Development Goals (MDGs)**

In the year 2000 the international community came forward with eight Millennium Development Goals (MDGs). These development goals have to be used to decrease world poverty by 50 percent in 2015. “The Netherlands is always trying to improve the effectiveness of the Dutch contribution to these MDGs; therefore they have spent 4.6 billion Euros in the year 2011 on these goals” (“Dutch development policy,” n.d.). Furthermore, the Netherlands has also increased the partnerships with Non Governmental Organizations (NGO’s) and the private sector that can have a great influence in the field of development cooperation.

These MDGs, but also other factors, have made it clear that spending money on Third World countries is not enough. Therefore, the fact that the Netherlands spends 0.7% of their GNP to development aid is not seen as the most important factor anymore. Cooperating and providing information is far more important to improve the sometimes disturbing situation in an underdeveloped country. To increase the effectiveness of the MDGs and the cooperation between different countries, the Dutch government decided to focus mainly on a few issues.

The choices that have been made by the Dutch government, to increase the effectiveness of the MDGs are described on the website of the Dutch Ministry of Foreign Affairs (Minbuza). “The first change is a shift from social to economic sectors” (“Dutch development policy,” n.d.). This means that the Dutch government wants to focus on improving the economic situation of a country. Again the term ‘self-reliance’ comes back in relation to the MDGs. It is important that developing countries will not get dependent on the Netherlands. When it is decided to help them, eventually the country should be able to stand on its own. Furthermore,” the Netherlands finds it important that the market will not be changed entirely, but only to introduce a public-private partnership” (“Dutch development policy,” n.d.). “The Dutch government also chooses to have less fragmentation” (“Dutch development policy,” n.d.). This means that, the Netherlands will focus only on a few themes when helping a country, and has also chosen to have fewer partner countries. Finally, “the Dutch government wants to give NGO’s more independence in the field of development cooperation, which also means less financing” (“Dutch development policy,” n.d.).

Economic growth through the eight MDG’s is now the most important issue on the international agenda. When every donor country will use its own expertise it will finally lead to poverty reduction.

## 4.2 Letter to the House of Representatives

On March 18<sup>th</sup> 2011 the cabinet submitted a letter to the House of Representatives in which they explained the new focus of its Development Cooperation Policy. This policy has brought many changes in the field of development aid in the Netherlands. With the economic crisis going on, the Dutch government has no other choice than to cut in the ODA budget. A good thing is that Dutch governments will use less fragmentation, which means that they will only focus on the factors of expertise. According to the government, this will lead to more progress in the recipient countries.

The letter from the cabinet describes the main aims of foreign policy. These aims are “improving the economic position of the Netherlands in the world, promote global stability and security and foster human rights and the rule of law” (the Netherlands Ministry of Foreign Affairs, 2011, p. 2). Furthermore, the letter also explains that it is important to work with others, also with the recipient countries. This is important, because these countries are part of the problems, but also part of the solution. Another important factor is the cooperation with the civil society. To attract peoples interest results have to be visible in both the Netherlands, and the recipient countries.

“The first step to visible results is to focus on the factors of expertise” (the Netherlands Ministry of Foreign Affairs, 2011, p. 2). For this reason the Development Cooperation Policy had to be revised as well, not only because of the economic crisis. To get more results, the Dutch government changed its attention from the social to the economic sectors, “which leads to self-reliance and free market in the developing countries” (the Netherlands Ministry of Foreign Affairs, 2011, p. 2).

Next, the Netherlands wants to invest in “tackling the global problems like security, migration, climate change, financial stability, and food and water shortages” (the Netherlands Ministry of Foreign Affairs, 2011, p. 2).

The changes in policy simply mean that choices have to be made to receive more and better results. “Therefore the Netherlands will be working on four spearheads; Security and the legal order, food security, water and Sexual and Reproductive Health and Rights” (the Netherlands Ministry of Foreign Affairs, 2011, p. 2). These spearheads will ensure that fragmentation decreases and that cooperation with other ministries will increase. Another major change in policy is the decision to reduce the number of partner countries. In the past, the Netherlands had 33 countries which they supported with the budget for development cooperation, but to receive more results (and probably due to the economic crisis); the decision was made to reduce this number to 15 (the Netherlands Ministry of Foreign Affairs, 2011, p. 2).

To increase the results of the four spearheads, the Dutch government will also promote a good business climate. This means that they will "invest in cooperation with the business community by expanding the public-private partnerships and continue to improve business-related development instruments" (the Netherlands Ministry of Foreign Affairs, 2011, p.3). Furthermore, the Netherlands has introduced some principles which also will increase the effectiveness of the new approach. These principles include:

Selectivity, relates to making clear choices in development cooperation. Coherence, relates to the connection between the four spearheads and the foreign policy of the Netherlands and the developing countries. Added value describes the position of the Netherlands towards other donors. The expertise from the Netherlands should be expanded and put into action. The last principle which relates to the four spearheads is effectiveness. The results should be measurable and the situation must be clear so that progress can be shown. (the Netherlands Ministry of Foreign Affairs, 2011, p. 3)

#### **4.3 The four spearheads of development cooperation**

It is useful to go deeper into the four spearheads, chosen by the Dutch government, to understand exactly why they chose these issues and what the position of the Netherlands can be in these fields of expertise. Therefore, a precise description will be given of every spearhead.

The first spearhead, Security and the Legal order, reflex the problems with social security. For example, extremist groups go to countries such as Afghanistan and Somalia, where the governance and the rule of law are not as strong as in Europe. Also it is easier for traffickers to reach the West with drugs from countries where there is less attention to these problems. Furthermore, the illegal trade in raw materials is also increasing, due to the lack of good governance. This all leads to great instability on international level. Conflicts between and within countries are increasing and can lead to more refugees and therefore more illegal immigration. All types of conflicts will hurt human beings and prevent a country to develop their economic situation. Conflict also can be seen as an obstacle to achieve the MDGs. "The government wants to reduce the differences between population groups and prevent the activities of terrorist groups and criminals by working on peace building, conflict prevention and state building" (the Netherlands Ministry of Foreign Affairs, 2011, p. 4).

The Netherlands has chosen Security and the Legal order as one of their spearheads, because it also comes with objectives that are seen as benefits for the Netherlands. "When human security is provided and the legal order is promoted, it will foster stability and will also give security in the Netherlands" (the Netherlands Ministry of Foreign Affairs, 2011, p. 4). Security and the Legal

order is a spearhead that contributes to the aims of the MDGs, and will have a good influence on the Dutch economic interests.

“The spearhead water was chosen, because many developing countries are facing problems with water” (the Netherlands Ministry of Foreign Affairs, 2011, p. 6). Most of the developing countries do not have enough water, which leads to diseases and child mortality. Also it increases the workload for women, which leads to bad resistance and finally sickness. Water issues can also be a reason for conflicts on local, national or even international level. Furthermore problems with water could lead to drought or the risk of flooding. Water is a spearhead that comes with objectives for the Netherlands. The Ministry of Foreign Affairs (2011) point out that:

The importance of sustainable use of water, especially in the agriculture sector, is an objective the Netherlands want to achieve with the contribution of their knowledge. Another aim for the water issue is that deltas should be made safer and the changing of the climate should be taken into account. Finally the Netherlands could help providing better access to safe drinking water and sanitation. (the Netherlands Ministry of Foreign Affairs, p. 6)

It is very obvious why the Dutch government chose water as one of the spearheads. The Netherlands has a lot of know-how and could share this with countries that have less knowledge. The Dutch approach of the planning and management on different water subjects is used all over the world. Next to this, the Netherlands is also seen as one of the countries which have made great progress in adapting to climate change and the financial sources, which are needed to finance these projects. The private sector has contributed a lot, which makes it easier to finance innovative water projects. “For the private sector in the Netherlands, the spearhead water also will provide new opportunities to invest” (the Netherlands Ministry of Foreign Affairs, p.7).

The third spearhead that is mentioned in the letter written by the former cabinet Rutte, is Food Security. “One billion people on this planet are chronically undernourished and two billion people do not get the nutrition that they need to survive” (the Netherlands Ministry of Foreign Affairs, 2011, p. 8). On the entire planet there is an enormous pressure to produce more food, but there is not enough land, water or energy to do so. Also the poor people in developing countries do not have the money to buy the amount of food they need for their families. The food market is not consuming enough to feed the entire planet.

The idea to increase the food production in Africa would give the food production a major boost, but it will not be easy to do so. For example, in Sub-Saharan Africa the farming methods are not developed enough, which makes it difficult to produce, and often the export of modern machines to the developing countries is not allowed. “When the Netherlands will stimulate the modernization

of food production and will increase the income security, the food security will increase and the first aim of the MDG, reducing hunger will be reached” (the Netherlands Ministry of Foreign Affairs, 2011, p. 8). The Netherlands has chosen food security as one of their spearheads, because “it is the world’s second largest exporter of agricultural products and with all the knowledge and expertise on food the Dutch are able to increase the food security in many countries” (the Netherlands Ministry of Foreign Affairs, 2011, p. 8).

The final spearhead mentioned in the letter, written by the former cabinet is, Sexual and Reproductive Health and Rights (SRHR). This spearhead is also connected to the MDGs and is seen as one of the toughest issues, because there is little progress. In developing countries girls get pregnant at a very young age and this often comes with illness and complications. “Reducing maternal mortality and improving reproductive health is very important to stimulate economic growth, and increase the disruption of families” (the Netherlands Ministry of Foreign Affairs, 2011, p. 10). There are so many health problems, because there is no good access to education and poor healthcare. Also, there is often a problem of gender inequality, which means that only boys are allowed to go to school.

“With SRHR as one of the spearheads, the Netherlands is contributing to the fifth MDG, which is reducing maternal mortality and ensure access to reproductive health” (the Netherlands Ministry of Foreign Affairs, 2011, p. 10). The Dutch government main goals for this spearhead are, “improving access to effective contraception, medicines and vaccines, which will lead to less unexpected pregnancies” (the Netherlands Ministry of Foreign Affairs, 2011, p. 10). Improving education about sexuality and HIV is important, to ensure that young people are able to make their own choices.

The reason for choosing SRHR as one of the spearheads is, because “the Netherlands is a great supporter of sexual reproductive health and rights and has a lot of experience on this subject as well” (the Netherlands Ministry of Foreign Affairs, 2011, p. 10). Furthermore, the Netherlands health insurance system could be useful for developing countries, when they decide to fund long-term healthcare together with the private sector (like in the Netherlands).

The four spearheads of the Dutch government are in good contrast with the MDGs. Surely it has been a good decision to change the policy into a more specified approach, which will finally give more results. Visible results are important for the society and will increase the involvement of citizens in the Netherlands, and in the developing countries. Development cooperation is a broad subject and if every country will contribute with their own knowledge and expertise, it will

increase the results and progress of the MDGs. The main objective of every donor country should be to make a more concentrated, effective and professional contribution.

#### **4.4 The cutbacks**

When the Dutch government decided to focus only on four main issues in the field of development cooperation, it also meant that some issues would not be mentioned in the policy anymore. For example, education and health care in general are not mentioned as a spearhead by itself. However, this does not mean that the Netherlands will not be providing any help in relation to these problems; they will be supported within the four spearheads mentioned earlier. “These issues are not mentioned in the report, because the Netherlands brings relatively less added value than other donor countries” (the Netherlands Ministry of Foreign Affairs, 2011, p.12).

Furthermore, the economic crisis plays an important role in deciding which problems are still relevant to the Netherlands. The Ministry of Foreign Affairs (2011) point out that:

Less money will be spent on projects for primary education that do not contribute to the four spearheads. Also central research programs will not be included in the budget when it does not relate to the main idea of the new policy. To a certain extent, the same applies to health care. Healthcare in general is not on the agenda anymore, but when it contributes to the spearhead SRHR it will be included. However, there also have to be made some cuts in the healthcare budget. For example, the programs and projects related to HIV/AIDS. Next to the subjects education and health there also have been made some cuts in the subjects’ good governance and environmental policy. (the Netherlands Ministry of Foreign Affairs, p.12)

#### **4.5 More focus on fewer countries**

To receive more and faster visible results, the Dutch government also decided to reduce the amount of recipient countries. First, the Netherlands supported 33 developing countries, but in the letter submitted to the House of Representatives they reduced this to 15 countries. This does not mean that the help to the other countries will stop immediately. There will be done some research on every country in what way the Dutch help can be reduced in a certain period. To select 15 countries out of the 33, Dutch government started a selection process which included criteria to make the selection easier. The selection criteria are as followed:

The developing country should be interesting for the Netherlands to invest in. Furthermore, prospects for achieving the goals of the four spearheads, and the MDGs, should be large. Secondly, research should be done to know what the country really needs, and if this connects to the spearheads. The third criteria includes a quick scan of each of the 33 partner countries, to see where the opportunities present themselves and where the Netherlands has something to offer. (the Netherlands Ministry of Foreign Affairs, 2011,p.12)

Specific problems are examined that relate to the spearheads. The researchers also look at the importance of local players, such as the government and civil society to find out whether cooperation with the Netherlands can really mean something for the country. “During the last step, the researchers take a close look whether there are more opportunities for the Netherlands in the developing country, next to the four spearheads” (the Netherlands Ministry of Foreign Affairs, 2011, p. 12).

Since the Ministry of Foreign Affairs will work closely together with other ministries, one of the criteria is that other ministries have to show interest in the developing country as well. Furthermore, the researchers look at the current aid programs in a certain country to find out how much money these programs receive. When countries receive a lot of financial support from other donors, it is logical to exit these countries. One of the last steps was to identify which of the countries have good governance. The final step includes a research to know if ending or reshaping the development program in a country would help achieve the proposed cutbacks to the mission network (the Netherlands Ministry of Foreign Affairs, 2011, p. 12). Next to this research, the Netherlands also looked at other donor countries that could take over Dutch programs in certain developing countries.

#### **4.6 Official partner countries**

The above mentioned criteria resulted in a list of countries which became the official partner countries of the Netherlands. “Partner countries are countries with which the Netherlands has a multiyear bilateral development relationship and where funding delegated to the mission is deployed” (the Netherlands Ministry of Foreign Affairs, 2011, p. 13). In these partner countries projects will be set up in relation with the four spearheads from the Ministry of Foreign Affairs; Security and the Legal Order, Water, Food Security and SRHR.

The cabinet, Balkenende 4, which ruled before the cabinet Rutte, already categorized partner countries according to three profiles. These three profiles had their own objectives, and the cabinet Rutte chose to use these profiles again, since they provide a logical basis for choosing and creating programs in combination with the four spearheads. “The countries that have been selected as the 15 partner countries are the ones which scored the highest on the criteria mentioned in the earlier chapter” (the Netherlands Ministry of Foreign Affairs, 2011, p. 14).

In the report directed to the House of Representatives the following explanation is given for the three profiles listed in the table including the 15 partner countries (Appendix 2):

Profile 1 countries, are partner countries which have insufficient resources and therefore are not able to make investments, which are required to achieve the MDGs. The countries mentioned in profile 2 are seen as fragile states and therefore peace, security development and rule of law forms the core of programs in these countries. Profile 3 countries are partner countries with a healthy economic growth, but where all four spearheads still can be useful. The budget for these countries will reduce every year, because they are then capable of shaping their own development. (the Netherlands Ministry of Foreign Affairs, 2011, p. 14)

#### **4.7 The budget**

As mentioned earlier, not only the focus of the Development Cooperation Policy has changed, but also the budget was an issue which the government had to deal with. Since there was a Coalition Agreement, the expenditure had to be reduced again to 0.7% of GNP instead of the former 0.8%, which leads to some cutbacks in the development budget. This is reflected with a table in the letter of submitted to the House of Representatives (Appendix 3). This table shows that the budget cuts for the year 2012 until 2014 are quite big in comparison with the cuts in 2011. This is possible, because the amount of partner countries will decrease and less money will be spent on every country. However, the economic crisis also had a great influence on these budget cuts. Moreover, the cabinet Rutte has resigned and therefore it is not completely sure whether these budget changes in the year 2013 and 2014 will be the same. There is a chance that, if a new cabinet is formed, the budget will be cut even more, depending on the constellation of this new cabinet.

To illustrate how the thematic outline will look like in the years 2011 until 2014, the letter also gives a clear overview by using another table (Appendix 4). This table gives a good overview of the cutbacks which are also shown in the table of the Coalition Agreement measures (Appendix 3). However, this table also includes the four spearheads, marked as 'priorities'. Two important objectives can be made out of this table: first, the reducing of the total ODA budget. In 2011 it was 0.8% of GNP which was reduced to 0,75% of GNP, and finally will get down to 0.7% of GNP in 2014. Secondly, it shows the shift of the thematic focus for policy within the parameters of a shrinking budget. The ultimate goal will be to spend most of the ODA budget to the four spearheads and include the private sector, which shows a shift from the social sector to the economic sector.

This new policy that was introduced by the former cabinet Rutte has come with enormous changes on national and international level. As said before, the Netherlands is and always has been one of the countries which show great interest in supporting developing countries. With these big changes, the Dutch government still has the aim to support the developments in partner countries. By focusing on four spearheads they wish to achieve more, and get more visible results. These results will then stimulate civil society in the Netherlands, the partner countries, and maybe even

other societies to invest in the future of these developing countries. Not only the government will invest in different programs based on the four spearheads, but also the private sector will get interested when the focus is shifting from the social to the economic sector. The Netherlands, as a front-runner, will probably attract the attention of other governments when it shows that these major changes have worked out well. When other donor countries see the advantages of the new Dutch approach, cooperation between these donor countries could increase and this also will lead to more results in the future.

## 5. Rwanda

Rwanda is a country situated in the middle of Africa with neighboring countries Burundi, Tanzania, Uganda and the Democratic Republic of the Congo. “Rwanda has about 10 million inhabitants” (“Rwanda,”2012, para.1). Unfortunately, it is mostly known for the tremendous history that included genocide, and caused millions of human lives. “During one hundred days in 1994 an interim regime



orchestrated the systematic massacre **Image 2 Rwanda, Homeplanet**

of three-quarters of Rwanda’s Tutsi minority and the murder of Hutu who opposed the regime and the genocide” (Straus &Waldorf, 2011, p.3). The support of the Netherlands started with humanitarian aid right after the genocide in 1994. At the moment, Rwanda still is one of the Dutch partner countries.

### 5.1 The start of Dutch development cooperation with Rwanda

Rwanda’s genocide was undoubtedly one of the worst happenings of the last century. “It was committed during the armed conflict that begun in October 1990 with the invasion of Tutsi exiles fighting under the banner of the Rwandan Patriotic Front (RPF). The genocide ended in July with the RPF’s victory. During the defeat of this genocide, the RPF killed many Hutu civilians” (Straus & Waldorf, 2011, p.4). This genocide was also the start of the cooperation between Rwanda and the Netherlands. “For the first years, the Netherlands only supported Rwanda with humanitarian aid, but in November 2001 Rwanda became a partner country of the Netherlands” (“Report on Rwanda, “n.d. p.3).

During the genocide there were some other African countries involved. These were the neighboring countries Uganda, Burundi, Tanzania and Zaire (now known as the Democratic Republic of Congo). However, there was also some interference from countries of other continents, such as France, the United States of America and Belgium. These countries mainly tried to solve the enormous conflicts in Rwanda, but are also judged for making the wrong choices (Douma, 2000, p. 41). Since this report is about the development cooperation of the Netherlands, the above

mentioned countries will not be further analyzed. However, it is important to mention, since the status of the Netherlands was different from these other countries.

Jan Pronk, a former Minister of Development Cooperation (mentioned earlier in this report), was deeply engaged in trying to get Dutch Development Cooperation Policy into Sub-Saharan Africa since the 1990s. Due to his interest in this continent, the Netherlands formed a foreign policy towards Africa. It is important to mention that the Netherlands was seen as a neutral country and therefore could easily intervene after the genocide. The Netherlands did not intervene during the genocide like the other countries did and only supported Rwanda with humanitarian aid. Other countries had lost their interest in giving bilateral or multilateral aid, when conflicts were rising in Rwanda and therefore the government of Rwanda did not want to associate with them. “During the years Minister Pronk had established a good relationship with the RPF leadership and the moderate Hutu politicians, and was able to maintain the status as a credible outsider throughout the post-genocide period” (Douma, 2000, p. 41).

“The amount of total Official Development Aid (ODA) from the Netherlands to Rwanda increased very fast after 1994” (Douma, 2000, page 42). Other bigger donor countries, such as France and Belgium, had stopped giving aid to the RPF government. “The Netherlands increased their ODA budget for Rwanda, because they wanted to become an important player on the donor list. Another reason for why the Netherlands increased their support towards Rwanda was, because there had been a change from bilateral aid towards multilateral aid” (Douma, 2000, page 42). This made it easier to help partner countries like Rwanda, because the society put more trust in multilateral aid than bilateral aid. When the Dutch government would give financial support directly to the somewhat unbalanced government of Rwanda, people could consider corruption. Next to this, the shift from bilateral to multilateral aid was a choice made, because specialized international organizations were more capable to intervene in the Rwandan crisis. The situation was just too overwhelming for individual countries.

Dutch development aid to Rwanda, after 1994, was largely given through multilateral aid. However, the Netherlands did have a number of themes where priority was given to. These priority themes were linked to the Dutch Development Cooperation Policy and included conflict prevention that was one of the main themes at that time. For the Dutch government it was very important to reestablish the justice sector in Rwanda. Furthermore, most attention and Dutch aid was spent on the rehabilitation and reintegration of the refugees, and victims of the genocide. The macroeconomic sector was also seen as a priority theme, because it would improve the conditions for the government of Rwanda. Later on some other sectors were adopted, such as demobilization

of the FAR (Rwandan armed Forces), and RPA (Rwandan Patriotic Army) soldiers, and education (Douma, 2000, p. 55).

As explained earlier, the genocide has been a terrible happening that influenced the future of Rwanda. It also was a happening in which different external powers have played a role. In the report, *The Netherlands and Rwanda*, from P.Dauma (2000) it is described that the external powers can be divided in two different groups:

The first group exists of countries that were interested in Rwanda on political and social matters, and therefore wanted to influence the outcome of the civil war in Rwanda. The other group can be described as neutral donors, like the Netherlands. This group had no interest in Rwanda except for establishing peace and justice. The Netherlands has played a great role in rebuilding Rwanda after the terrible genocide and has never been judged for choosing sides or support the former Hutu regimes. (Douma, p.63)

The Dutch involvement in Rwanda was the result of the personal interest of former Minister Pronk. The Netherlands started by giving humanitarian aid in time of the genocide and later on invested more aid in different sectors by multilateral aid. However, the Dutch government did have priority sectors that were connected to the Dutch development policy at that time. Countries like France and neighboring countries are blamed for trying to influence the battle to improve their political and social interest in Rwanda. However, the Netherlands could be blamed in some way as well, because they did cooperate with the RPF regime and therefore did contribute to the Tutsi-dominated political regime. “The Dutch government at that time made this decision, because the incumbent RPF regime was the only party around with sense and direction to coordinate the aftermath of the genocide. Other organizations such as the UN were unwilling (and unable) to intervene” (Douma, 2000, p. 68).

## **5.2 The present development cooperation with Rwanda**

Rwanda has been a partner country of the Netherlands since 2001, but as explained earlier the support from the Netherlands already started during 1994. More important is that in the letter submitted to the House of Representatives on March 18, 2011 it is stated that Rwanda will remain one of the 15 partner countries. Since Rwanda has made some changes over the past years, the bilateral aid from the Netherlands also focuses on other sectors than some years ago. Furthermore, the change in Dutch policy described in the letter to the House of Representatives also has changed the approach towards Rwanda.

As explained in the letter from the former Cabinet Rutte to the House of Representatives, and is shown in the table with the 15 new partner countries (Appendix 2), Rwanda is listed in the Profile 1 category. “Countries listed in this profile are the least-developed and are also low-income countries. However, these countries also have a reasonable stable government that is still improving. Furthermore, they are not close to the achievement of the MDGs and therefore need the support from the Netherlands” (“Report on Rwanda, “n.d. p.3).

Since there have been made some changes in the Dutch Development Cooperation policy, the aid towards Rwanda has been made more specific, that will lead to more visible results for the Rwandan society, but also for the Netherlands. “The Dutch government will focus mainly on helping Rwanda achieve the MDGs and gain economic self-reliance. To maintain these goals, the Netherlands has been active in three sectors: the private sector, good governance and renewable energy” (“Report on Rwanda, “n.d. p.3). The private sector includes, that Dutch government invests in rural development which will increase and improve food security. Next to this, the Netherlands focuses on improving vocational education. The second focus in Rwanda is on good governance, which mainly includes improving the justice sector. Good governance also deals with respecting human rights and the democratic process. The third sector that the Netherlands supports in Rwanda, are projects and programs in the areas of renewable energy. This includes hydropower, tree planting and increasing the access to the electricity network (“Report on Rwanda, “n.d. p.3).

These three sectors can be placed under one of the four spearheads mentioned earlier in this report. However, they also can be placed under the three pillars of the Dutch Ministry of foreign affairs which are: “security, global prosperity and freedom” (“Report on Rwanda, “n.d. p.3). “The Netherlands wants to focus on these three sectors in Rwanda, because these are sectors of which the Netherlands has great expertise and knowledge” (“Report on Rwanda, “n.d. p.3). If these sectors will improve in Rwanda, it will also have a good impact on the Netherlands. This is important for receiving support from the Dutch citizens. When looking at the Dutch policy approach towards Rwanda, it can be said that every aspect is part of a circle that finally leads to economic self-reliance for Rwanda.

### 5.3 The development of Rwanda

The impact of the genocide has been so big that until now the tensions are still visible in Rwanda. This is also the reason for why there have been (and still are) so many problems with the neighboring countries, especially the Democratic Republic of the Congo. “The government of Rwanda is focusing mainly on economic growth which will decrease the change of ethnic violence, and will create a more stable society” (“Report on Rwanda,”n.d. p.1).

Paul Kagame has been President of Rwanda since 2000. His party, the Rwandan Patriotic Front, is established with people who invaded Rwanda from Uganda in 1990 and eventually stopped the genocide in 1994. Under the leading hand of President Kagame, Rwanda is also called Africa’s “biggest success story”, because the country has made some enormous developments especially on the field of self-reliance (“Paul Kagame,”para.1). However, the donor countries also played an enormous role in these developments. “President Kagame promotes new models for foreign aid designed to help recipients become self-reliant” (“Paul Kagame,”para.1), which is a good thing for the Netherlands since they recently modernized their foreign aid programs. Although Rwanda has made some big developments after the genocide there are still some problems to be solved. “For example, economic activity outside the agricultural sector is still underdeveloped, and half of the population of Rwanda lives below the poverty line” (“Report on Rwanda,”n.d. p.2). With the Netherlands as a donor country and also the support of other countries, Rwanda will be able to implement all the MDGs, and finally will be self-reliant with a well developed economic position.

## 6. Mozambique

Mozambique is located in Southern Africa and is one of the world's least developed countries. "The country is 19 times bigger than the Netherlands and has a population of 23 million people" ("Population", 2012, para.5). Just like Rwanda, this country also has an enormous history full of civil wars. Firstly, the war against colonial power Portugal and then the civil war which cost a million human lives, and stopped the country from modernizing. Since the independence of Mozambique, the



Image 3 Mozambique, Atuttravel

Netherlands has been involved in re-establishing the political situation and providing different types of aid. Also in the new Development Cooperation Policy, Mozambique is mentioned as one of the 15 partner countries that will receive bilateral aid within different sectors.

### 6.1 The start of Dutch development cooperation with Mozambique

"This poor country will soon be turned into nothing but a corridor".  
(Alden, 2001, p.1)

These words are related to the enormous history of Mozambique, which started with the interest of the European power Portugal, the Frelimo regime and the Renamo. "Portuguese ships came to Mozambique already in the fifteenth century, but it took until 1914 that they really started to try and change something in the country" (Alden, 2001, p.2). After World War II, many European countries gave their colonies independence, but Portugal did not want to give independence to Mozambique for the simple reason, that it was their possession. Mozambican citizens wanted their independence and therefore started the Front for the Liberation of Mozambique (Frelimo) in 1962. This was the start of an armed campaign which took 10 years of sporadic warfare. Finally Mozambique got their independence in 1975. The new leaders of the country were the Frelimo, since they liberated the country. This one-party state allied to the Soviet bloc and eliminated educational institutions and other traditional authorities ("Background note: Mozambique; History," n.d. para.6).

The Frelimo government supported other countries trying to be independent, such as South Africa and Zimbabwe, but the governments of these countries stationed their own army in Mozambique called the Mozambican National Resistance (Renamo). The first period after the independence

consisted of civil war and sabotage from the neighboring countries (“Background note: Mozambique; History,” n.d. para.6). When the two parties, Frelimo and Renamo, realized that Mozambique would be destroyed completely if they would keep on fighting, they agreed on signing the “General Peace Agreement of Rome in 1992” (Alden, 2001, p.2).

“The Netherlands and Mozambique have had diplomatic relations since the latter’s independence in 1975” (“Report on Mozambique,” n.d. p.1). The years after the independence the Netherlands provided mostly humanitarian aid to Mozambique, since the Dutch government had to many countries on their list as partner countries. Also, the situation was not stable enough to start with rebuilding the country. Only after the General Peace Agreement of Rome was signed by the Frelimo and Renamo, the rebuilding of the country could start. In the 1990’s the bilateral aid was changed into multilateral aid which made it easier for the Netherlands to increase the aid to Mozambique. Different international organizations such as the UN were trying to reestablish Mozambique.

“ONUMOZ (Opération des Nations Unies au Mozambique) was sent by the UN to monitor the peace agreement and to protect humanitarian aid. Furthermore, the UN prepared the country for new elections in 1994, which was a victory for Frelimo” (Voorhoeve, 2007, p.86). There is no clear information on whether the Netherlands had priority sectors, like the case with Rwanda. However, it could be said that the Dutch government would give priority to invest in sectors that related to the Development Cooperation Policy at that time. This could mean that, like in Rwanda, the Netherlands would specifically focus on conflict prevention which meant, reestablishing the justice sector and rehabilitation of the refugees and victims of the civil war. Also education has always been a sector that stood on the development cooperation agenda.

In comparison with the situation in Rwanda, it could be said that more countries were willing to improve the situation in Mozambique. Also the international organizations such as the UN did intervene faster in comparison to the happenings in Rwanda. Therefore, Mozambique is a good example of, in which way donor countries and international organizations should work together to protect the people, and to increase the stability in a developing country. However, in the case of Rwanda there was former Minister Pronk who personally wanted the Dutch government to intervene in the Rwandan reestablishment, but for Mozambique this was not the case.

## 6.2 The present development cooperation with Mozambique

Just like Rwanda, Mozambique will also remain one of the 15 partner countries within the new Dutch Development Cooperation Policy. The changes in Dutch policy, described in the letter to the House of Representatives, will give Mozambique the opportunity to develop in some sectors where the Dutch knowledge and expertise lay. The Netherlands is active in various sectors that relate to the four spearheads of the new policy. Some of these sectors are similar to the ones in Rwanda. “Also for Mozambique the main objective is to achieve the MDGs in the upcoming years” (“Report on Mozambique,” n.d. p.2).

“In 2010, the Netherlands spent 59 million Euros on development aid in Mozambique through its embassy in Maputo” (“Donor Profiles,” n.d.). However, in the upcoming years, including this year, this amount will decrease due to the cutbacks made by the Dutch government. In the official Development Assistance to Mozambique database it shows that in the year 2012 only 360.000 Euros is made available for bilateral aid (Appendix 5). The budget has decreased with a substantial high amount in comparison with the year 2011 (almost 61 million Euros). This does not mean that there will be fewer results, since the four spearheads will probably increase the visible results. “Dutch bilateral aid is spent on poverty reduction, good governance and structural development, in cooperation with the Mozambican governments and other donor countries. The Netherlands has prioritized the following sectors: health care, water and sanitation, improving governance and sustainable energy” (“Report on Mozambique,” n.d. p.2).

Within the sector healthcare, there is a focus on expanding and improving care in Mozambique, especially when it comes to HIV/AIDS and maternal care. The second sector, water/sanitation, focuses on increasing the access of clean drinking water, and improving the sanitary facilities. A program is set up to privatize the urban water supply with technical assistance of the Dutch water company through public-private partnership. The third sector, improving the rule of law, includes governance, democracy and human rights. All factors have to be stable to strengthen the civil society. Next to this, the Netherlands also supports and invests in sustainable energy. In Mozambique not everyone has access to energy supplies, but investing in sustainable energy like biomass, solar and wind energy will solve this problem in the future (“Report on Mozambique,” n.d. p.3).

These priority sectors can be placed under one of the four spearheads mentioned in the letter to the House of Representatives. However, they also can be placed under the three pillars of the Dutch Ministry of foreign affairs which are: “security, global prosperity and freedom” (“Report on Mozambique,” n.d. p.3). “The Netherlands wants to focus on these sectors in Mozambique,

because these are sectors of which the Netherlands has great expertise and knowledge” (“Report on Mozambique,” n.d. p.3). If these sectors will improve in Mozambique, it will also have a good influence on the Netherlands, which is important for receiving support from the Dutch citizens. Furthermore, when results are visible it will also stimulate the Mozambique society to cooperate with the Dutch government and (inter)national organizations. When looking at the Dutch policy approach towards Mozambique, it can be said that every aspect is part of a circle which finally leads to economic self-reliance for this developing country. However, the budget has decreased a lot and this could have a big influence, because fewer programs will receive funds.

### **6.3 The development of Mozambique**

As Joris Voorhoeve (2007) (former Minister of Defence in the Netherlands) describes in his book, *From War to the Rule of Law*:

Mozambique is an African example of a very poor country that has experienced peaceful growth, some freedom, and has held several elections, after a long war of decolonization followed by civil war. Its success story is partly explained by relatively large assistance over a long period of time, in particular from some member states of the European Union, which adopted Mozambique as a donor country for development assistance. (Voorhoeve, p.22)

Without doubt, Mozambique has made some great improvements over the years with the help of the Netherlands and other donor countries. This does not mean that the support should be stopped, since the country is still highly dependent on foreign development aid. “Nearly half of the government budget is funded by donors. Also many MDGs are still hard to be reached, especially the ones about water, maternal health and HIV/AIDS. Furthermore, the civil society does not participate enough yet” (“Development Cooperation in Mozambique,” n.d. para. 2/3).

The improvements that are made over the last years are motivating Dutch government and other donors to keep on supporting Mozambique in the future. “The economy keeps on developing with an average of 8% per year, and the private sector is growing as well” (“Development Cooperation in Mozambique,” n.d. para. 3). It is expected that in the future Mozambique will become less dependent, but this will take some time and a lot of international support.

## 7. Conclusion

Development aid is and always has been a subject that provokes discussions within politics. There are many books written about whether development aid is efficient or not, and if it should be approached in another way. The bilateral aid, funds and loans from governments directly given to other governments, is the type of aid that gets the most attention, since this type of aid can also stimulate corruption. Corruption is an issue that will slow down the development of a partner country and therefore should be avoided at any time. However, through the years, the Dutch government has realized that it is important to firstly install good governance and cooperate closely with the government of a partner country to avoid corruption and other problems.

Since the end of the Second World War, the Netherlands has been devoted with helping developing countries in every way possible. In the first years, the support was unorganized, but later on the Dutch government saw that poverty reduction and economic stability were the most important factors in the process of development cooperation. The Dutch Development Cooperation Policy has been changed many times, since the knowledge on development aid increased and new cabinets have been formed. The shift from the social sector to the economic sector also has had a great influence on the way Dutch bilateral aid has been spent.

The recent changes in the Development Cooperation Policy, submitted by the former cabinet Rutte, have come with cutbacks in the budget for bilateral aid. These cutbacks, in combination with the four spearheads (security and the legal order, water, food security and SRHR), will make development aid more specific. The shift from the social sectors to the productive sectors will include cooperation with the private sector. This will lead to more economic growth for the partner countries of the Netherlands, but also for the Netherlands itself. Next to this, the achievement of the MDGs is more important than ever. By focusing on the four spearheads they wish to achieve more, and get more visible results. These results will then stimulate civil society in the Netherlands, the partner countries, and maybe even other societies to invest in the future of these developing countries.

The countries Rwanda and Mozambique have been partner countries of the Netherlands for a long period. Luckily they will stay one of the 15 partner countries within the new policy. To give an answer to the main question of this report: “What are the consequences and benefits for the African countries, Rwanda and Mozambique, after the Dutch government recently changed the Development Cooperation Policy?” it is important to understand the history of the development

cooperation between these two countries and the Netherlands, and compare this with the recent changes in policy.

In the beginning of the cooperation, Dutch aid to both countries only consisted of humanitarian aid, since both countries were disrupted by civil wars and genocide. During the years the Netherlands changed this aid to multilateral aid, because it was easier to support these partner countries through the international organizations. However, the Netherlands did have a couple of priority sectors in which they invested the largest part of the development budget. These sectors were related to the Development Cooperation Policy at that time, such as conflict prevention or more specifically, reestablishing the justice sector and rehabilitation of the refugees, and victims of the civil war.

When comparing these approaches with the new changes in the policy, it is clear that with the four spearheads, there will be some consequences and benefits for the partner countries Rwanda and Mozambique. First, the ODA budget decreased a lot, since the economic crisis has made it difficult to invest the same amount in every partner country. This can be seen as a consequence for Rwanda and Mozambique. However, the choice to focus on four main spearheads will increase the visible results in partner countries Rwanda and Mozambique, what can be seen as a benefit. These four spearheads will increase the progress and economic development in both countries, because cooperation between the Netherlands and the partner countries will be better. The expertise and knowledge of the Netherlands lies in these four spearheads and therefore make it possible, together with the private sector, to increase the stability and economic position of the country. Finally, the recent changes in the policy will probably result in more interest from civil society, in the partner countries and in the Netherlands. More visible results, leads to more interests, which than leads to more support from other parties.

To conclude this report, it is important to keep in mind that poverty will stay a worldwide issue and that it will be extremely difficult to exterminate it completely. The population on this planet keeps on growing, but the resources are becoming depleted. However, it is important to focus on the future and to invest in, and support the developing countries. Collaboration with the partner countries, other donor countries, NGOs and the private sectors will be important to receive the results everyone wants. Cooperation is the key to success.

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## 9. The Appendices

### 9.1 Appendix 1: top 10 recipient countries from 1969 till 1996

Source (Hoebink and Schulpen, 1998, p. 35/36)

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**Table 2**  
Top 10 recipients, 1969–96 – total ODA (in cumulative percentages)

	1969	%	1972	%	1975	%	1978	%	1981	%
1	Indonesia	32.4	Indonesia	36.1	India	18.1	India	11.9	India	16.1
2	Surinam	62.8	Surinam	56.4	Surinam	33.6	Bangladesh	21.5	Surinam	26.0
3	India	80.5	India	65.0	Indonesia	48.0	Surinam	30.8	Tanzania	33.4
4	Nigeria	86.2	Nigeria	72.3	Bangladesh	56.7	Tanzania	38.5	Indonesia	40.6
5	Pakistan	89.9	Kenya	76.1	Tanzania	62.9	Indonesia	45.0	Bangladesh	46.4
6	Uruguay	93.4	Bangladesh	79.9	Pakistan	66.5	Pakistan	50.6	Sri Lanka	51.6
7	Greece	95.2	Tanzania	82.4	Kenya	70.0	Sri Lanka	55.4	Kenya	55.6
8	Chile	96.6	Peru	84.0	Peru	73.3	Kenya	59.1	Sudan	59.3
9	Tunisia	98.0	Tunisia	85.5	Vietnam	76.4	Jamaica	62.4	Egypt	61.6
10	Kenya	98.4	Cameroon	86.7	Colombia	78.9	Burkina Faso	65.2	Pakistan	63.8

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...\ Table 2

	1984	%	1987	%	1990	%	1993	%	1996	%
1	Indonesia	11.4	Indonesia	12.6	Indonesia	12.6	Yugoslavia	14.7	Tanzania	5.0
2	Bangladesh	20.3	India	21.9	India	22.5	Surinam	20.3	Bangladesh	9.6
3	India	29.2	Tanzania	28.6	Tanzania	28.8	Tanzania	24.9	Ethiopia	13.6
4	Tanzania	35.1	Bangladesh	34.6	Bangladesh	33.5	Bangladesh	29.4	India	17.6
5	Peru	39.4	Sudan	39.9	Kenya	37.9	Kenya	33.4	Bolivia	21.4
6	Mozambique	43.7	Kenya	45.0	Sudan	42.0	Mozambique	37.0	Mozambique	24.5
7	Sudan	47.8	Mozambique	49.5	Egypt	44.9	India	40.6	Mali	27.2
8	Kenya	51.5	Zimbabwe	52.7	Mozambique	47.6	Sudan	43.6	Yemen	30.1
9	Zimbabwe	54.8	Peru	55.5	Mali	50.0	Bolivia	46.5	Rwanda	32.9
10	Nicaragua	57.9	Yemen	58.1	Burkina Faso	52.3	Ethiopia	49.4	Kenya	35.6

Source: own calculations on the basis of OECD, 1977, 1978, 1982, 1986, 1987, 1990, 1992, 1995, 1997

## 9.2 Appendix 2: The 15 new partner countries

Source (Ministry of Foreign Affairs, 2011, p.14)

### Profile 1

1. Benin
2. Ethiopia
3. Mali
4. Mozambique
5. Uganda
6. Rwanda

### Profile 2

7. Afghanistan
8. Burundi
9. Yemen
10. Palestinian Territories
11. Sudan

### Profile 3

12. Bangladesh
13. Ghana
14. Indonesia
15. Kenya

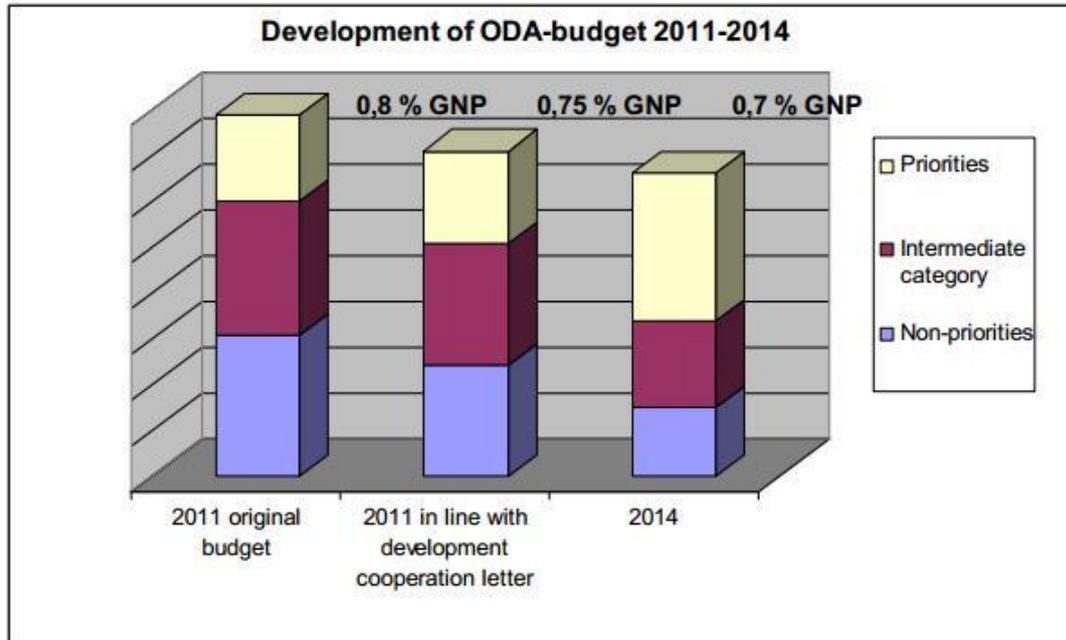
## 9.3 Appendix 3: Future cutbacks

Source (Ministry of Foreign Affairs, 2011, p. 17)

<b>Coalition Agreement Measures</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
(EUR million)				
Adjustment to ODA budget	290	640	660	690
Climate finance above 0.8% GNP	50	200		
Higher attributions	60	60	60	60
<b>Total</b>	<b>400</b>	<b>900</b>	<b>720</b>	<b>750</b>

**9.4 Appendix 4: Change in thematic focus in the upcoming years**

Source (Ministry of Foreign Affairs, 2011, p.17)



**9.5 Appendix 5: Table (bottom right) total amount bilateral aid from the Netherlands to Rwanda**

Source ("Donor Profiles," n.d.)

**odamoz** Official Development Assistance to Mozambique Database

**NETHERLANDS**  
Donor Report

**Institutional Framework**

- Management System for ODA
- Total Staff in Country
- Total Expatriate Staff
- Total Local Staff

**Contact Information**

Address: Av. Kwame Nkrumah 324  
 Phone: +258 21 484200  
 Email: [map@minbuza.nl](mailto:map@minbuza.nl)  
 Website: [www.hollandinmozambique.org](http://www.hollandinmozambique.org)

**Aid at a glance**

- Grant ODA / Total ODA: 100 %
- Loan ODA / Total ODA: 0 %

**ODA Breakdown**

- Multilateral ODA / Total ODA: 0 %
- Bilateral ODA / Total ODA: 100 %
- Support to NGOs / Total ODA: 0 %

**Top 3 Regions**

- Manica
- Nampula
- Sofala

Select Currency: EUR

**Disbursements (EUR, in Millions)**

	2007	2008	2009	2010	2011	2012
Grant	56.98	69.57	77.19	72.57	60.96	0.36
Loan	0.0	0.0	0.0	0.0	0.0	0.0
Total	56.98	69.57	77.19	72.57	60.96	0.36