BIISS JOURNAL, VOL. 13, NO. 4, OCTOBER 1992

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FOREIGN POLICY OF THE NETHERLANDS WITH PARTICULAR REFERENCE TO DEVELOPMENT CO-OPERATION

INTRODUCTION

Dutch foreign policy has historically been influenced by a variety of factors. The stratgegic location of The Netherlands in Western Europe in the delta of the rivers Rhine and Scheldt at the North Sea coast and its limited natural resources provided the Dutch with the opportunity and the need for a foreign policy which would meet its requirements emanating from its dependence on external trade. Thus, Dutch foreign policy traditions emphasized safeguarding of Dutch commercial interests through free trade, abstaining from power politics, and generally, internationalist approaches to world politics. Even after 1945 when a fundamental break with the century-old policy of neutrality occurred, these characteristics remained reflected in Dutch foreign policy which continued to focus on three main

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theaters; Europe, the Atlantic alliance and world-wide co-operation including development assistance.

DUTCH FOREIGN POLICY TRADITIONS

In his study of Dutch foreign policy, Voorhoeve[1], identifies three traditions: maritime commercialism, neutralist abstentionism, and international idealism.[2]

The maritime commercialist tradition goes back to the sixteenth and seventeenth centuries when the Dutch dominated the commercial shipping from the Baltic to the Mediterranean and large staple markets grew in the provinces of Holland and Zeeland. During the seventeenth century many a war with England was fought by the Dutch over colonial possessions and naval superiority; these conflicts found their origin also in the defense of important priciples of commercial freedom, in particular the right of neutral trade. Dutch seventeenth century statesman Johan de Witt has put it as follows: "The interest of the State demands that there be quiet and peace everywhere and that commerce be conducted in an unrestricted way." During the eighteenth century the Dutch were influenced by the protectionist French trade policies. From the early nineteenth century onwards trade liberalism became the dominant feature of Dutch economic policy. The promotion of free trade provided for one of the few active elements in

1. J. J. C. Voorhoeve, *Peace, Profits and Principles, A study of Dutch Foreign Policy*, Martinus Nijhoff, 1979, The Hague/Boston/London.
2. Others have identified similar characteristics including a maritime westward oriented anti-continentalism, preference for abstention, neturalism, legalism and respect for international law, and balancing interests between neighbouring states. It is recognized that the use of historical trends in analyzing foreign policy has its limitations, particularly since they tend to underrate the influences of internal factors. See Ph. P. Everts ed., *Nederland in een veranderende wereld* International Studien, Leiden 1991.

the otherwise abstentionist Dutch foreign policy. This was reflected in a strong emphasis in Dutch foreign policy on treaties and legal regulations, which together with its aversion to nationalism and its endeavour to foster international order and peace, would benefit the safeguarding of free trade and thereby Dutch commercial interests.[3]

Historically the neutralist-abstentionist tradition in Dutch foreign policy has also closely been related to safeguarding the economic and commercial interests of the Dutch. By keeping clear of quarrels between major European powers and abstaining from power politics or even staying out of world politics the Dutch were predominantly interested in serving their economic interests. A century of neutralist-abstentionist Dutch foreign policy ended in 1940 when the country was invaded by Nazi Germany. It should be noted, as Voorhoeve explains, that the Dutch neutrality was basically voluntary and self-proclaimed rather than internationally guaranteed.

The internationalist-idealist approach to foreign policy by the Dutch has been explained in terms of compensation for their inexperience in international politics; of mercantile interests in international peace and order; of Dutch legalism and strong belief in legal order among nations; of Dutch moralism based on Calvinist tradition with its religious emphasis on action according to rules; of - apart from the Dutch Navy - absence of a military tradition; and and finally, of weak patriotism and its corollary support for supranationalism or globalist activism.

DUTCH FOREIGN POLICY TODAY

The above-mentioned historical tendencies and traditions can be identified in present-day Dutch foreign policy as they relate to the developments in Europe, in particular the process of European

3. Voorhoeve, *op. cit.* p. 43

integration, to the Atlantic Alliance and to the world-wide co-operation through various international organisations and the extensive programmes of development co-operation.

The European Theatre[4]

On the European theatre the central focus of Dutch foreign policy is the European integration. In view of the need to reconstruct their economy following the Second World War and of the loss of their colonial possessions, the Dutch were among the most committed Europeans to foster economic co-operation in Western Europe. The first steps were taken with the formation of the Benelux customs union between Belgium, Luxembourg and the Netherlands. Economic interests played a predominant role in Dutch European policies. Economics indeed determined politics for the Dutch who have always displayed reluctance towards political integration. This reluctance can be explained in the (revival of) powerplay among the continental powers.

Dutch foreign policy towards European integration has been characterised by the emphasis on the need for openness in political terms (viz., strong support for British involvement in Europe, the relationship with the United States, and taking account of the interests of developing countries) and in economic terms (lowering external trade barriers, free trade, non-discriminatory policies towards developing countries). In addition, a strong commitment towards supranationalism in Europe in support of the establishment of a legal order with institutions that would safeguard the interests of the smaller nations against the major European powers. This included emphatic support for the expansion of the powers of the European Parliament to

4. See also, Henricus Gajentean "The European Community and The Netherlands Presidency: Prospects for European Integration" in *BIISS Journal*, Dhaka, volume 13, no. 1, 1992 P. 107-128.

preserve democratic rule inside the European Community. Dutch support for political integration has always been conditional on the establishment of community-based institutions rather than inter-governmental rule which would tend to be subjected to short-term political interests of the powerful.

Recent developments in Eastern Europe have reinforced Dutch preoccupations with support for democratic nation-building, for respect for human rights and for free market economy.[5] Support for strengthening democracy and respect for human rights is reflected in Dutch policies within the framework of the Conference on Security and Co-operation in Europe (CSCE). Building confidence and security between the states and fostering democracy and respect for human rights within the nations of Eastern Europe have been given new substance within the CSCE as a forum in developing consensus on norms of behaviour as well as the instruments and institutions to monitor their implementation. In this context a Dutch proposal aimed at establishing a CSCE High Commissioner for Minorities to serve as a focal point for providing and receiving information on potential ethnic conflict, and to make early recommendations before violence takes its course. In this view safeguarding human rights through CSCE action lends itself for applying the rule of consensus-minus-one (or may be-two): the country (or countries) concerned should not be allowed to block a decision. The growth of the CSCE membership to more than 50 states will raise the question of institutional efficiency. In strengthening the operational potential of CSCE the Dutch favoured flexibility in setting up institutional arrangements along the lines of the European political co-operation with its experience of the rotating troika consisting of the past, present and future Presidencies.

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5. In his remarks to the Conference on Security Policy in Munich, 8 February 1992, Foreign Minister Hans Van den Broek identified four priority tasks with regard to Eastern Europe: arms control, economic co-operation, human rights including minority rights and when necessary, crisis management.

Atlantic Security

Acceding to the Atlantic Treaty in 1949 meant that The Netherlands formally abandoned its neutrality policy which had guided its foreign policy over a period of more than hundred years.[6] Its alignment with the United States brought immediate and considerable economic and military aid to The Netherlands in the 1950s and fostered economic co-operation with other West-European states through the European Reconstruction Programme thus providing strong support for the emerging European component of Dutch foreign policy.

For forty years the membership of NATO provided the cornerstone for Dutch foreign policy guaranteeing US involvement in European security and German rearmament firmly embedded in an integrated politico-military command structure under the US nuclear umbrella. It influenced Dutch policy vis-a-vis European defense options such as the European Defense Community in the 1950s, the multilateral nuclear force in the 1960s and the independent European nuclear force. The early 1980s witnessed an intensive public debate on the stationing of cruise missiles in The Netherlands during which public support for NATO solidarity was critically weighed against moral resistance against the nuclear arms race and, to a lesser extent, against perceived military vulnerability.

Dutch security policy generally solidified the Western defense posture against the Soviet Union. Yet, it consistently expressed

6. Dutch neutrality had consecutive phases of active and passive neutrality, ranging from anti-French, anti-Prussian and pro-German to active and later cautious membership of the League of Nations. At the same time the interests of Britain and The Netherlands in each other's independence have been identified as an important element of that policy; as Voorhoeve observed, "the balance of power among the European powers enabled The Netherlands to abstain from power politics: a de facto (Anglo-Dutch) alliance, de jure non-existent, tactically undersirable, militarily redundant, but strategically of great importance" voorhoeve *op. cit.* p. 49.

reluctance towards British and French nuclear forces. In the Dutch view the US participation in the defense of Europe would not only guard against Soviet adventures in Western Europe, but also against any (re) emerging rivalries among the European powers. Dutch foreign policy has always regarded the retention of the US presence on the European defense theater as essential to European stability and, therefore, to its interests. Foreign Minister Hans van den Broek recently reminded his audience that "1919 stands as a warning: in that year America withdrew in isolation, leaving Europe to set in motion a new sequence of national rivalries and minority issues. Even if Western Europe has overcome such sources of division and the Cold War is over, the risk of civil war and its spill-over is still very much present in other parts of our continent".[7]

This policy is also reflected in the Dutch views on the future European defense and the role of the European Community in security and defense matters. During the negotiations at Masstricht last December, agreement was reached on the development of the security component of the common foreign and security policy of the EC which would eventually also lead to a common defense policy. For the time being, the EC will refer defense matters to the West European Union, which will entertain a close working relationship with the European political union and NATO. The kind of defense tasks which the WEU could most usefully take up relate to non-NATO contingencies, notably out of the NATO area. Operations under the flag of WEU will require close co-ordination with NATO, in particular if such an operation draws on NATO assigned forces. It should be recognized that there are considerable differences on defense policy among the EC members: most are taking part in NATO's integrated military structure, but some are not; one country has constitutional

7. Minister Hans van den Broek, "Reconstructing Europe: Issues, Ideas and Institutions", speech at Chatham House, February 27, 1992.

limitations on sending troops abroad; and one country has a tradition of military neutrality.

Regarding the countries of Eastern Europe and their interest in association and membership with NATO, the Dutch consider the newly established North Atlantic Co-operation Council as the forum for a direct and security-related dialogue with the countries of the former Warsaw Pact and an important instrument for influencing military alignment. "A properly functioning collective defense organisation (like NATO) should not be traded in overnight for one of collective security. This is certainly the case if, because of its composition and the potential conflicts between its members, its functioning would be doubtful when push came to shove."[8]

Internationalism and Development Co-operation

Safeguarding the interests of the weak - whether nations or peoples - through the establishment of appropriate legal institutions - whether global or regional - has been a consistent element in Dutch foreign policy. As a task for the national government the promotion of the rule of law in international relations has explicitly been recognised in article 90 of the Dutch Constitution. This fundamental and indeed typical aspect of Dutch foreign policy is not only based upon idealistic motives and solidarity with the weak, but also upon the conviction that the rule of law in international relations and the development of international law is of greater importance to the smaller states than to the major powers. It similarly explains the strong commitment of the Dutch in the field of development co-operation.

At the time of the founding of the United Nations The Netherlands objected to the proposed veto for the five permanent members of the

8. Foreign Minister Van Den Broek "Europe Between Integration and Fagmentation: Meeting the Challenges of the Post-communist Era", remarks to the Conference on Security Policy, Munich, Germany, 8 February 1992.

Security Council; it proposed instead that a yes vote of at least three of the [then] six non-permanent members should be needed for any substantive decision. While the proposal may have been influenced by the desire of the Dutch to be accorded a kind of semi-major power status based on its colonial possessions, there seems little doubt that it was also reflecting a suspicion towards the major powers in safeguarding the interests of the smaller nations. In this context the Dutch favoured a democratic international system in which all should be equal and not some more than others. During the parliamentary debates on the ratification of the UN Charter doubts were expressed by both government and parliamentarians on whether the new organisation would be strong enough to uphold international law against the great powers.

Joining the United Nations meant for The Netherlands the break with the policy of neutrality. From the beginning it participated actively in the activities of the new organization; it supported efforts to make it into a universal organisation and gave strong support to the activities of the specialized agencies and economic programmes of the United Nations. It played an active role in the organisation in the field of promotion of international law, development co-operation, disarmament, peace-keeping and human rights.[9]

Development Co-operation

In the early 1960's the foundations were laid for the Dutch policy on development co-operation. Initially it was the strong support for the activities of international organizations which provided the framework for its policies. Nobel Prize laureate Development Planner Jan Tinbergen played a particularly active role in shaping international

9. Peter R. Baehr and Monique C. Castermans-Holleman, eds. *The Netherlands and The United Nations; selected issues'*, T. M. C. Asser Institute, The Hague, 1991.

development thinking at the time when the UN launched its first Development Decade. In the debate at the international fora the Dutch gradually established themselves as enlightened Western interlocuteurs with developing countries. In the 1970s Dutch support for demands at the United Nations by the developing countries for a new international economic order and its active role in international policy discussions on North-South relationships exemplified this approach.

The basis for the profiled international position of The Netherlands was strengthened when in 1971 the Dutch government made a firm political commitment to reach the target of one percent of the national income to be allocated for development co-operation purposes. The importance of that decision was threefold. First, it meant that a clear political choice was made on the priority accorded to the provision of development assistance among the national priorities for public expenditures; secondly, as it was directly linked to the size and growth of the national income the budget allocation for development aid was no longer subject to the annual interministerial budget battles; and thirdly, it meant that multi-year planning of development programmes became a reality linked to the growth of the economy. Thus, for the programme of Dutch foreign assistance as a whole it meant priority and forward continuity.

Organisationally these policies were supported by the appointment of a cabinet minister (without portfolio) for development co-operation attached to the Ministry of Foreign Affairs and by reorganisation of the Ministry of Foreign Affairs, including the establishment of a directorate-general for international co-operation as well of a broadly based advisory council consisting of prominent personalities, politicians and academicians which developed into an important vehicle in support of government policies. Ideologically these policies reflected the broad support in the Dutch society for a firm commitment to the improvement of the standard of living in the developing countries. Consecutive Dutch governments - whether from centre left

or centre right persuasion - gave shape to these policies. It can be argued that the three main political forces - Christian-democrats, socialists and liberals - dominating the formation of coalition governments since 1945 reinforced the support for an active development co-operation policy. Each of these political streams had its own ideological base in support these political streams had its own ideological base in support of development co-opeartion, be it Christian, socialist, or liberal values.

During the 1970s the level of national political commitment to development co-operation was raised to an annual budget allocation of one and a half percent of the Dutch net national income; at the same time a broadening of the scope of activity falling under the definition of The Netherlands Development Co-operation Programmes took place. Thus, since 1976 the level of one and a half percent of the net national income became the yardstick of the political commitment in The Netherlands to development co-operation. In 1991 it meant that 6.4 billion guilders, the equivalent of 3.6 billion US dollars, was available for the Dutch development co-operation budget.

The most recent testimony of the Dutch policies on development co-operation has been formulated in a policy document litled, "A World of Difference" submitted in September 1990 by the Minister for Development Co-operathion, Jan P. Pronk.[10] In the document the factors responsible for persistent poverty in developing countries are analyzed in the light of the changing East-West relations and the increased concern for the environment in both the North and the South.

It is argued that the prospects for developing countries in the 1990s differ in three respects from those in preceding decades: the

10. "A World of Difference; A New Framework for Development Cooperation in the 1990s", Dutch Government Printing Office (Staatsdrukkerij en uitgeverij), English translation, The Hague, 1991.

risks have become greater in terms of increased vulnerability of the environment; the fomtiers have become less sharply defined in the wake of the disapperance of ideological confrontation between East and West; and the margins have become narrower in view of the shrinking scope for national policy in view of the increased interdependence of countries.

In describing the evolving world situation, the Dutch minister points to the danger that the new one world is becoming even more dualistic than before as a result of the strengthening of the inherent structural dualistic tendencies in the world economy : overemphasis on capital rather than on labour and nature; overemphasis on efficiency, cost reduction and profit maximisation rather than on equity and sustainability. All these risks, he argues, are due to the unprecedented alliance between technology and capital at the supranational level, transcending national borders and avoiding national supervision. All this leads to greater inequalities, to a world underclass, to a new divide between rich and poor, cutting through national borders to create a 'North' in the South and a 'South' in the North. At the same time, [our] different world with greater risks provides greater opportunities: the capacity has increased to face jointly a common crisis, to define common interests, to guarantee a common security, to shape a common future on the basis of common responsibility. Co-operation is a world of difference compared to confrontation and polarisation.

With the end of the Cold War the relations between the North and the South, the document explains, have undergone drastic change. The polarisation of ideologies has ceased; georgaphical and ideological frontiers have blurred. For the developing world this has both favourable and unfavourable implications which include drying of interest in development issues in the Western media and among Western policy makers and investors and stagnation of aid flows. While regional conflicts were inflamed by East-West confrontation, now fresh opportunities for peace present themselves. Domestic

policies within developing countries are debated more, now that governments can no longer rely on the unconditional support of one or the other of the superpowers.

Similarly, the nature of the debate on human rights has changed as a consequence of the end of the Cold War. The call for basic human rights to be respected is heard more loudly than ever before, also in the developing countries. Social and economic rights are closely interwoven with basic human rights, but they are of a different order. The importance of respect for basic human rights is stressed. That citizens should be free is an absolute prerequisite for development, as participation in the development process is only possible when policy makers are accountable for their actions. For this reason, there is now a heavier emphasis on the prevention of human rights violations, for instance by providing training for judges and public prosecutors and by supporting private initiatives that help protect human rights.

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'Sustainable poverty alleviation' is identified as the chief objective of Dutch development co-operation programme in the 1990s. At the same time, economic emancipation of developing countries continues

to be a major thust of Dutch development policy. A policy of structural poverty alleviation, it is argued, entails central importance to be given to human development or 'development of, for, and by people'. According priority to the fulfilment of basic needs such as food, clothing and housing amounts to development for people. In addition, it is important to invest in people, i.e., in employment, education and health care, which will increase their productivity; this is what is meant by development of people. Lastly, development can only succeed if those targeted are themselves involved in decision-making through participation and democratisation, in other words, development by people.

The policy implications of the analysis and conclusions presented in the document include emphasis on assistance to least developed countries and preference for support to countries which within the framework of a balanced socio-economic policy give support to economic and political change at the grassroots level and support pluralism in development. Similarly, support for the involvement of non-governmental organisations, for gender-specific policies to address the feminization of poverty and for private initiatives to strengthen the basis for agricultural and industrial production. Sectoral policies support rural development to benefit small-scale agriculture, income generation and employment in food production in rural areas, while Dutch development policy on urban problems in developing countries will address itself to small business and informal activities. In the educational field, aid to both the formal and informal basic and vocational education will be intensified. Assistance in the field of health care will continue to be geared to the poorest sections of the population, reinforcing self-help and participation in projects and programmes.

To summarize the conclusions of the policy document:

- annually 1.5 % of the net national income will be made available for development purpose;

- sustainable poverty alleviation will be the central objective of Dutch development co-operation;
- special focus on the poorest countries, including the 41 with 'least developed country' status;
- preferential support for countries that provide grassroots incentives within the framework of a balanced macro-economic policy;
- implementation geared towards support to local non-governmental organisations;
- emphasis on the improvement of the position of women in development;
- strengthening the productive basis of the economy of developing countries;
- implementation of policy based on sound understanding of the recipient country's own culture;
- greater emphasis in co-operation on preventing human rights violations and support for non-governmental initiatives contributing to the protection of human rights.

In terms of disbursements of official development assistance (as defined by the Development Assistance Committee of the Organisation for Economic Co-operation and Development) the Netherlands development co-operation assistance in 1990 amounted to the equivalent of US $ 2.6 billion. The average annual growth in real terms over the period 1984/5-1989/90 was 2.2%; the grant element of its ODA commitments was 97.5% the share of multilateral aid was 26.6% of ODA (including contributions to EC); ODA to the least developed countries was 27.6% of total ODA or 0.26% of GNP.

Finally, Dutch government expenditures for development cooperation account for approximately 20% (in 1980: 17%) of all government expenditures concerning external relations covering its defense expenditures (47%; in 1980: 64%), its contribuitions to the budget of the European Community (30%; in 1980: 20%) and its

development co-operation programmes, as well as expenditures for Eastern Europe (1%) and costs related to export credits insurance (1%) and to the reception of asylum seekers (>1%). Taken together these expenditures together amounted to some 16.5 billion US dollars or 18% of the overall government budget of The Nethrlands. It is expected that in the next four years this distribution will be kept within present ranges with a relative growth of development co-operation funds at the expense of defense.

Table 1: Net flows of The Netherlands to Developing Countries 1986-1990

	1986	1987	1988	1989	1990
Total in mln US $	2812	3266	2415	1459	3587
of which ODA	1740	2049	2231	2093	2591
Private flows	926	946	1	168	704
NGOs	139	171	179	197	240
Total as % of GNP	1.63	1.50	1.07	1.10	1.30
of which ODA	1.01	0.98	0.98	0.94	0.94

Source: Memorandum of The Netherlands submitted to the Development Assistance Committe (OECD); Ministry of Foreign Affairs, The Hague, November 1991.

Table 2 : The Netherlands: Comparative Aid Performance

Country	ODA (in US $ mln.)	as % of GNP
Canada	2470	0.44
Denmark	1171	0.93
France[11]	9380	0.79
Germany	6320	0.42
Italy	3395	0.32
Japan	9069	0.31
The Netherlands	2592	0.94
Norway	1205	1.17
Sweden	2012	0.90
United Kingdom	2638	0.27
United States	11394	0.21

Source: Organisation of Economic Co-operation and Develop-ment, Paris 1991.

11. Including overseas territories.