



The Netherlands

The Netherlands foreign policy agenda

Holland's political agenda is dictated predominantly by internal issues. On 1 June 2005, 62% of voters in the Netherlands rejected the EU Constitution. This result shows not only distrust of domestic politics, but concern about continued expansion of the Union, especially the possible accession of Turkey and its Muslim majority. The Dutch fear that their country is becoming a mere province of the European superstate, and that the introduction of the euro has cost them too much politically and economically.

The economic position of the Netherlands

The Netherlands was the world's eighth largest exporter of goods and services in 2003¹, while the unemployment rate was 5.5%. In 2004 the country exported goods worth \$311.2 billion and spent \$280.5 billion on imports. That year the Netherlands recorded a trade surplus of \$30.7 billion and a current account surplus of \$13.5 billion. Its workforce, three-quarters of whom worked in the services sector, numbered 7.5 million.

According to data from the Economist Intelligence Unit,² GDP per head in the Netherlands in 2003 was \$29,580 and the growth rate for 2004 was 1.4%. More than half of the Netherlands's GDP comes from international trade, half of which derives from trade in food, chemical products and machinery. A large proportion of Dutch imports, including computers, are destined for sale in other countries. They are re-exported with little or no processing, typifying the country's role as a hub of distribution.

¹ Statistics Netherlands (2003)

² 'Country Studies: the Netherlands'. The Economist Intelligence Unit. 25 May 2004.

The Netherlands focuses mainly on internal European economic integration. Two-thirds of all Dutch exports go to only five countries: Germany, France, Belgium, the United Kingdom (UK) and the United States (US). Germany is the Netherlands's largest trading partner, making up 24% of total trade. The country is likely set to benefit greatly from the enlargement of the EU, as its trade with the 10 newly-acceded member states has grown 17% between 1993 – 2002.³

Despite not being the richest member of the Union, the Netherlands is the largest net contributor to the EU budget on a per head basis.⁴ As the Dutch foreign minister, Ben Bot, recently stated, 'the Netherlands is now paying €180 per person annually to the EU budget, Sweden €95 and Germany €71'.

The foreign policy of the Netherlands towards Africa

According to the Dutch ministry of foreign affairs,⁵ the Netherlands has always considered Africa as important in terms of its integrated foreign policy commitments. The Netherlands has pledged to allocate at least 50 % of its bilateral development budget to Africa (in contrast with previous years, this percentage fluctuated between 40 – 45 %).⁶

In recent years the Dutch have re-emphasised their commitment to Africa, calling for a more cohesive deployment of political instruments and development resources. New elements in their African agenda include the use of internal regional policy documents, which Dutch embassies will use to draft their annual plans for each African state.⁷ This strategy is considered the most effective in terms of translating general principles into specific measures at regional and national level. Although the regional approach will mainly affect Dutch policy in the Horn of Africa and in the Great Lakes region, the continuation of existing policy and the new shift of emphasis will form the basis of relations with east and southern Africa.

³ Ministry of Foreign Affairs. www.minbuza.nl. June 2005.

⁴ 'The Flaw of democracy and the crisis in Europe', Electronic Briefing paper. Centre for International Political Studies. No 27/ 2005.

⁵ www.minbuza.nl

⁶ Africa Memorandum: Netherlands ministry of Foreign Affairs. 2003, p.4.

⁷: Ibid, p.7

The Netherlands cannot and does not wish to be active everywhere in Africa. It is selective in allocating areas in which it can make a genuine value-added contribution, and where relevant, uphold its own interests. The Netherlands pays special attention to the Horn of Africa and the Great Lakes region, which are historically important to the country because..... In these areas political, humanitarian and security problems are rife. Holland has pledged to double its efforts in the countries concerned – not just through development co-operation, but through the combined application of political, financial and if necessary, military means. Holland's efforts in West Africa will be less broad and far-reaching. The Netherlands will, however, intervene in areas where it can build on existing contacts, and where it has been asked to assist as a mediator in a conflict situation.

The Netherlands has included five priority themes in its memorandum on Africa. These areas are: the promotion of peace, security and stability through conflict management and prevention; the promotion of good governance and good policy; investment in people, mainly by improving reproductive health and education and combating HIV/Aids; economic empowerment of the poor; and sustainable development that focuses on the management of natural resources, the environment and water.

The Netherlands seeks to work in accordance with the programmes endorsed by the national governments of African states, such as Nepad, and organisations that foster regional integration. It is, however, imperative that states combine political commitment with a viable policy and a willingness to engage in dialogue with national and international constituents. Also, although governments are the main point of bilateral contact, the Dutch do recognize the importance of the role that other actors, such as organizations in the private sector, can play in Africa's development. The Netherlands provides indirect support as well, through multilateral channels such as the UN, the EU, the World Bank (WB) and the International Monetary Fund (IMF).

Development aid to Africa

According to the OEDC, Holland was the fifth largest international contributor of gross ODA during 2003, accounting for \$38 million.⁸ It is one of the only four countries to have fulfilled its promise made in 1970 to donate 0.7% of its GNI to development aid.⁹ In fact, once in the last four years, the Netherlands has spent over 1% of its national income on ODA.¹⁰ The Netherlands spends more than 0.2% of this amount on aid to LDCs, particularly in sub-Saharan Africa, on which it aims to spend half of its bilateral budget.¹¹

As far as its debt policy towards Africa is concerned, the Netherlands will continue to focus on consolidating the approach agreed on in the context of the HIPC initiative. It has also placed special emphasis on promoting socially responsible business practice in line with MDG 8.¹² and on combating the illegal trade in small arms. The Netherlands, along with Denmark, has committed itself to maintaining ODA at 0.8% of GNI.

The Netherlands held the presidency of the EU during the second half of 2004. According to a statement made in a memorandum issued by the Netherlands ministry of foreign affairs, because Luxembourg (which took over Holland's position in January 2005 for six months) did not have a representative in Africa, Holland had to continue intensive dialogue with leaders on the African continent between January 2004 and July 2005 to ensure that the EU strategy towards Africa remained as consistent as possible. The Netherlands thus sought to prioritise Africa and move it further up the EU agenda¹³. The Netherlands used the opportunity to promote elements of its foreign policy agenda towards Africa, by supporting more integrated EU approaches to foreign policy, development co-operation and security policy with regard to Africa. It also urged the EU to uphold the agreements it had concluded in a wide range of international for a and pushed for certain more specific concessions in favour of Africa. These were the renegotiation of aspects of the Cotonou Agreement with the ACP states, including a more flexible application of the European

⁸ OECD. www.oecd.org

⁹ Bianchi, S. 13 April 2005. 'EU proposes more aid'. www.ipsnews.net/interna.asp?idnews=-28270.

¹⁰ Europe: A true Global Partner for Development'. CIDSE Shadow report on European Progress towards Millennium Development Goal 8. Final version. May 2005, p.19.

¹¹ Ibid, p.11.

¹² Ibid, p.8.

¹³ Africa Memorandum, op.cit, p.16.

Development Fund; the discussion of a regulation governing/ regarding the implementation of EU development policy on democracy and human rights; and plans to create an African peacekeeping facility. The Netherlands also placed emphasis on the need for better dialogue and co-operation with African countries in the ongoing development of an EU policy on asylum and migration.

Security co-operation with Africa

In the context of a common European foreign and security policy, as well as a Stability Fund that emphasises the cohesion between ODA and informally-funded support activities in the security sector, the Netherlands has made significant contributions to peacekeeping operations in the Horn of Africa and the Great Lakes.

According to the Netherlands' ministry of defence,¹⁴ as of 8 June 2005, the Netherlands has deployed 1282 troops to foreign missions. Of this number, 313 personnel are serving in Assistance Force Afghanistan (ISAF) and 454 personnel in the Balkan region, especially to the EU Force in Bosnia and Herzegovina (EUFOR). Of this number, UN statistics for April 2005 reflect that the Netherlands contributes a total of 20 soldiers to UN missions internationally. Of these, one military personnel member has been allocated to the UN Operation in Burundi (ONUB),¹⁵ Major-general Patrick Cammaert from the Netherlands has been appointed as the Deputy Force Commander and Chief Military Observer to the UN-mandated mission to the DRC (MONUC), and Jan Pronk is acting as Special Representative of the Secretary-General and Head of Mission to UN Mission in Sudan (UNMIS).

South Africa – Holland historical and political relations

South Africa and the Netherlands have a long history of economic, political and social relations. The history of the Cape Colony started in 1652, with the founding of Cape Town by the Dutch Commander Johan Van Riebeeck, working for the Dutch East India Company. Between 1947-65 there was an influx of Dutch immigrants, creating

¹⁴ The Dutch Ministry of Defence. www.mindef.nl

¹⁵ United Nations Missions. p.2

a substantial network of private contacts. The large number of Dutch NGOs and other institutions active in South Africa have expanded this network.

The relationship between the two countries received new impetus with the introduction of democratic processes and the opening up of markets in South Africa. The anti-apartheid movement in Holland was one of the strongest and most effective in the world, successfully lobbying for sanctions on bilateral contacts with the Apartheid government in many spheres.¹⁶ Anti-apartheid movements such as *Anti-Apartheid Beweging Nederland* and *Kommittee Zuidelijk Afrika* supported the humanitarian activities of the liberation movements, promoting human rights and democratisation. ODA was often channelled through the Dutch NGOs that were active in South Africa at the time. Even after the first free and fair elections in South Africa a substantial amount of funding was provided by the Netherlands to continue its support of these goals. The government of the Netherlands has on several occasions reiterated its endorsement of the government of national unity

From 1999–2001, however, with the arrival of the sectoral approach espoused in the new Dutch development co-operation policy, this changed. Support was to be given to NGOs only where their activities would fit in with one of the four sectoral programmes outlined in the new policy.¹⁷ However, after 2001 the Dutch government realized that the pursuit of democratisation, good governance and human rights was a long-term commitment and therefore required continued funding.

The Netherlands admits that the further consolidation and development of bilateral relations with South Africa has been hindered by the latter's equivocal status. Although South Africa has a high unemployment rate and gross inequality, it does not represent a typical Third World African state seeking development assistance from Western powers. The relationship has therefore been fairly informal to date, although ODA will remain available after 2004. However, as described in a memorandum from the Netherlands embassy in Pretoria, the bilateral relationship between the countries is

¹⁶ South African Department of Foreign Affairs. www.dfa.gov.za/foreign/bilateral/netherlands.html.

¹⁷ The Netherlands and South Africa: a survey of co-operative relationships', Memorandum from the Netherlands Embassy in Pretoria. 28 March 2003.

often conducted on an ad hoc basis.¹⁸ The Netherlands is, however, very appreciative of the role South Africa plays as a regional power in Africa.

South Africa-Holland economic partnership

The Netherlands is the sixth largest destination of South African exports (R12,077,595 in 2004)¹⁹ and ranks fifth in the list of foreign investors in South Africa (R17,4 billion in 2000). South Africa is the main trading partner of the Netherlands in Africa, with exports, mainly coal, chemicals and agricultural products, totalling €740 million in 2002.

According to recent statistics, the Netherlands has risen from South Africa's twelfth most important trading partner in 1994 to eighth place in 2002 and 2003. Overall, there has been a substantial increase in total trade since the change of government, rising from R4,002.90 million in 1994 to R17,633.93 million in 2002. There has, however, been a decrease in trade over the last few years dropping to R15,816.40 million²⁰ in 2003..

South Africa – Holland defence partnerships

Following the expressed intention in Dutch foreign policy to contribute to peace and safety in the African region, co-operation in the field of defence has increased over the past few years, especially during 2001 and 2002. There has been an exchange of official visits by both the Dutch and South African defence ministries and armed forces, and €4.5 million from the Peace Fund has been provided for the South African Mission in Burundi, and for the financing of military equipment for the South African military contribution to MONUC II in the DRC.

South Africa – Holland culture exchange

With the aim of creating a supportive environment for the arts, the Dutch government created a culture and development programme for South Africa in 1996. The local

¹⁸ Ibid.

¹⁹ The Royal Netherlands Embassy in South Africa. www.dutchembassy.co.za.

²⁰ 'South African's foreign policy, 1994-2004: Apartheid past, renaissance future', SAIIA. 2004.

culture fund contributes €500, 000 a year to the programme which has two focal points: cultural education and support for the cultural infrastructure.²¹

The common heritage between the two states also lends weight to the bilateral link. As already mentioned, South Africa and the Netherlands have long-standing historical links that are still present today in certain landmarks throughout South Africa: the Castle of Good Hope in Cape Town and the shipwreck in Table Bay both provide testimony to the presence of Dutch settlers in South Africa. The Netherlands has also considerably influenced South African language, names, songs, cuisine and customs. Many Dutch students study at South African institutions, or are serving internships in cultural organisations.

²¹ Dutch Embassy in South Africa. <http://kvc.minbuza.nl/uk/specials/southafrica/dutchembassy.html>