

Samenwerken voor ontwikkeling

Prof.dr. Geske Dijkstra



Erasmus University Rotterdam
Making Minds Matter



Cooperating for development

Valedictory lecture Geske Dijkstra

29 March 2023

Erasmus School of
Social and
Behavioural Sciences



On the campus of Erasmus University Rotterdam
“Redistribution leads to profit” Jan Tinbergen
(global inequality as a reason for development cooperation)



Overview

1. Development and cooperating for development
2. Towards effective development cooperation
3. Dutch development cooperation:
 - Policy and flows of money
 - Aid and trade
4. Conclusion



Erasmus

1. Development: definition and condition

Definition (UN)

“A multidimensional undertaking to achieve a higher quality of life for all people.

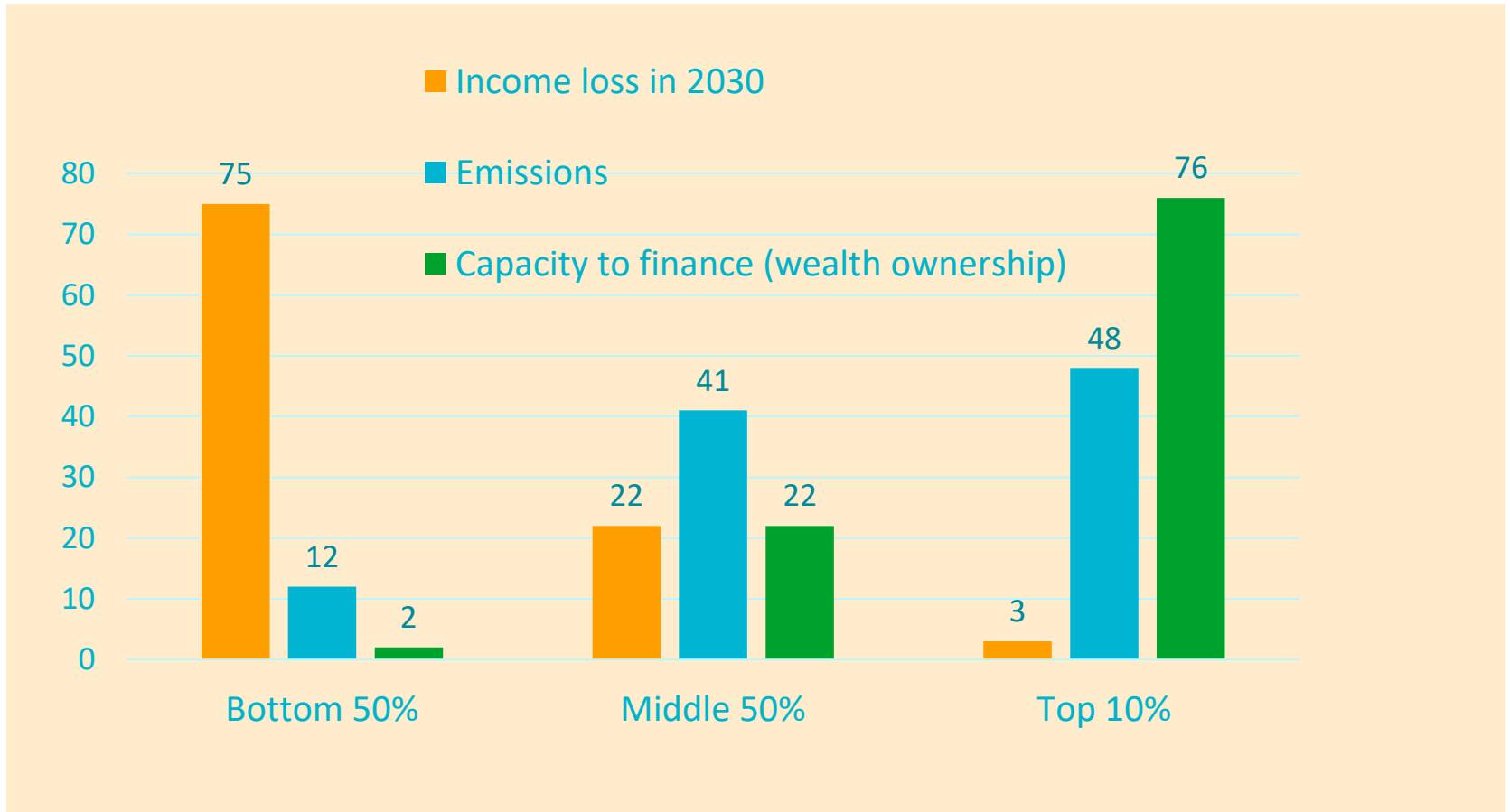
Economic development, social development and environmental protection are interdependent and mutually reinforcing components of sustainable development”

Condition

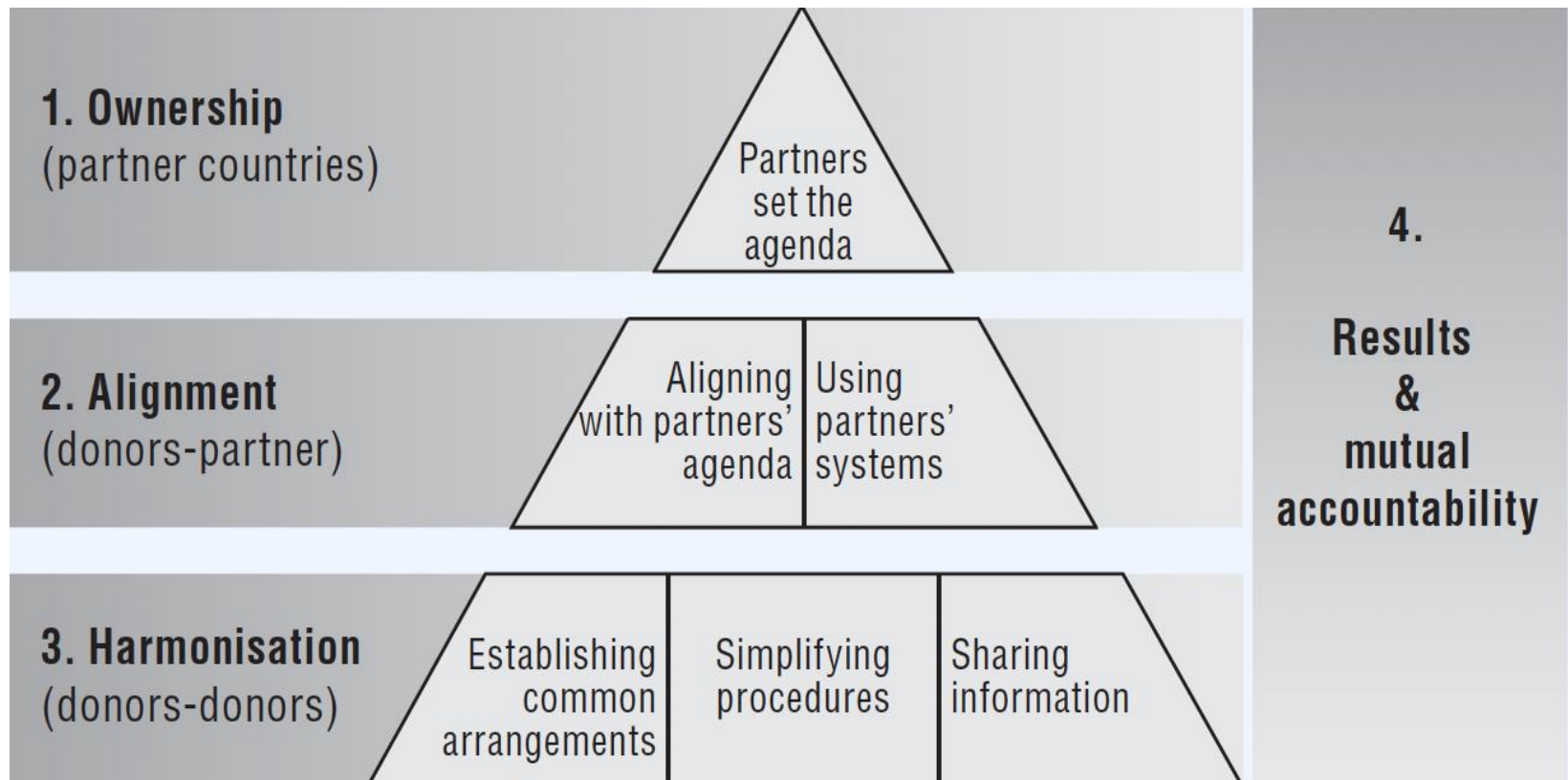
Sustained economic growth

... at least, in developing countries

An additional reason for development cooperation: Global carbon inequality: Income loss, emissions and capacity to finance in percent of world total (source: Climate Inequality Report 2023)



2. Effective development cooperation: the principles of the Paris declaration (source: OECD, Development Cooperation Report 2005)



Erasmus

Effective aid modalities

Budget support

Resources freely spendable by recipient government
Donors can participate in policy dialogue

Results from evaluations:
Improved education and health care
Improved public financial management
Improved democratic oversight of government expenditure

(Support for) social protection

Resources transferred to poor people
Sometimes with conditions, e.g. children must attend school

Results from evaluations:
Improved food security
Improved access to education and health
Improved status of women
More productive investment

3. Dutch development cooperation: policy and flows of money



Beleidsnotitie 2022

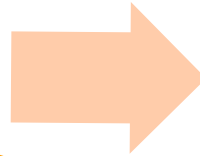
Doen waar Nederland goed in is

Strategie voor Buitenlandse Handel
& Ontwikkelingssamenwerking

Objectives for development cooperation for the Netherlands and many other donors

Before 2010

- Sustainable economic development and poverty reduction

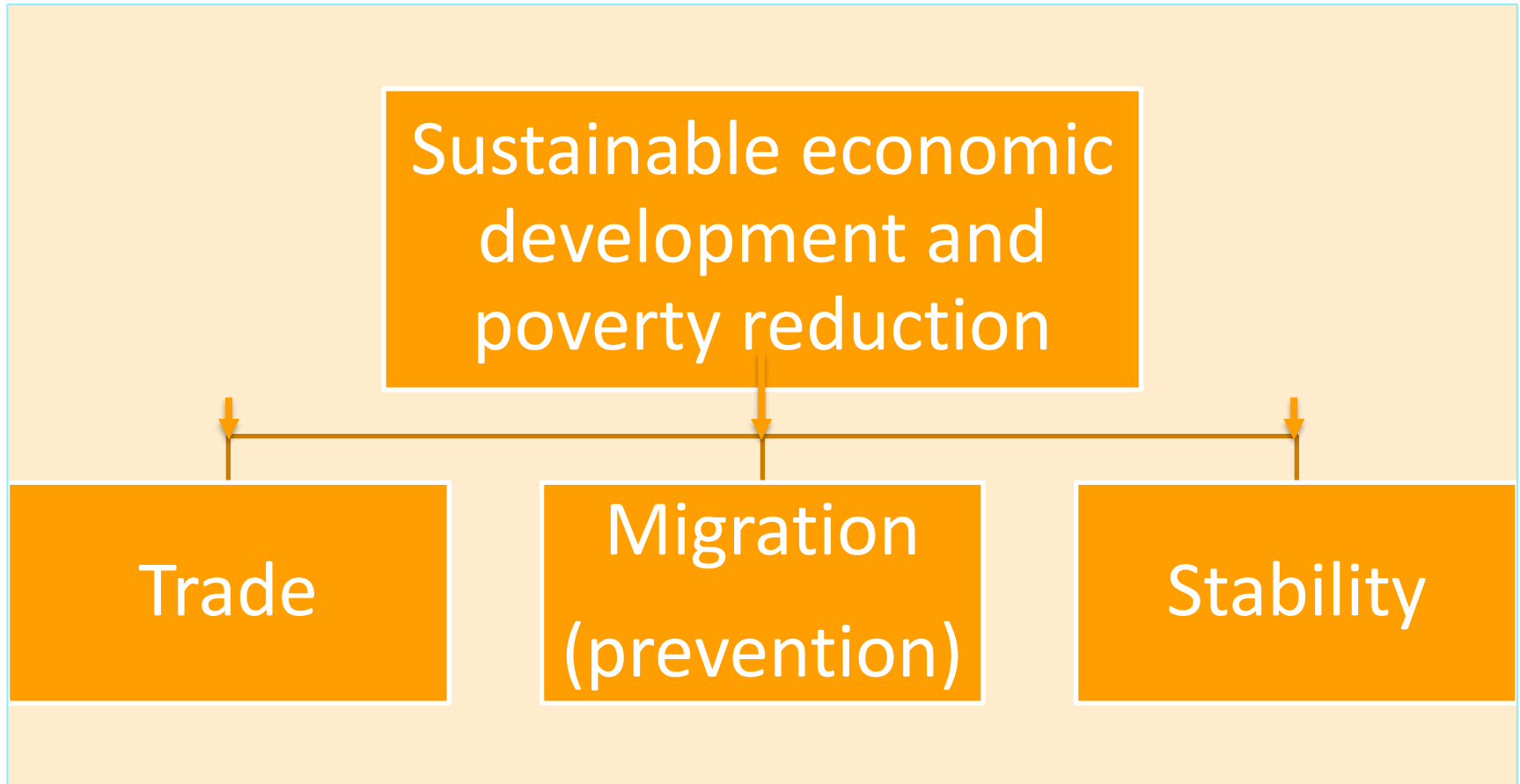


After 2010 also

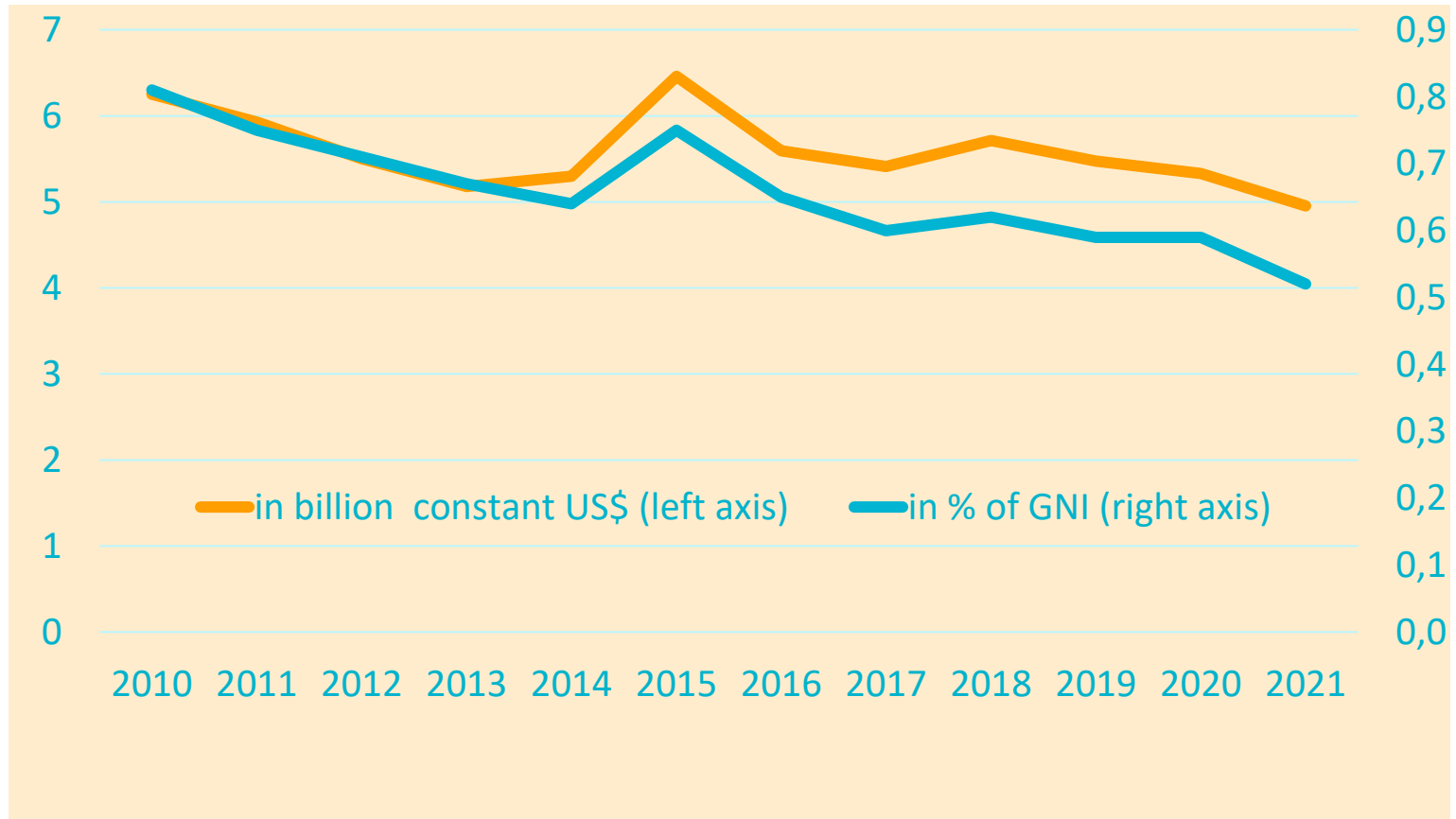
- Trade
- (preventing) Migration
- Stability

Erasmus

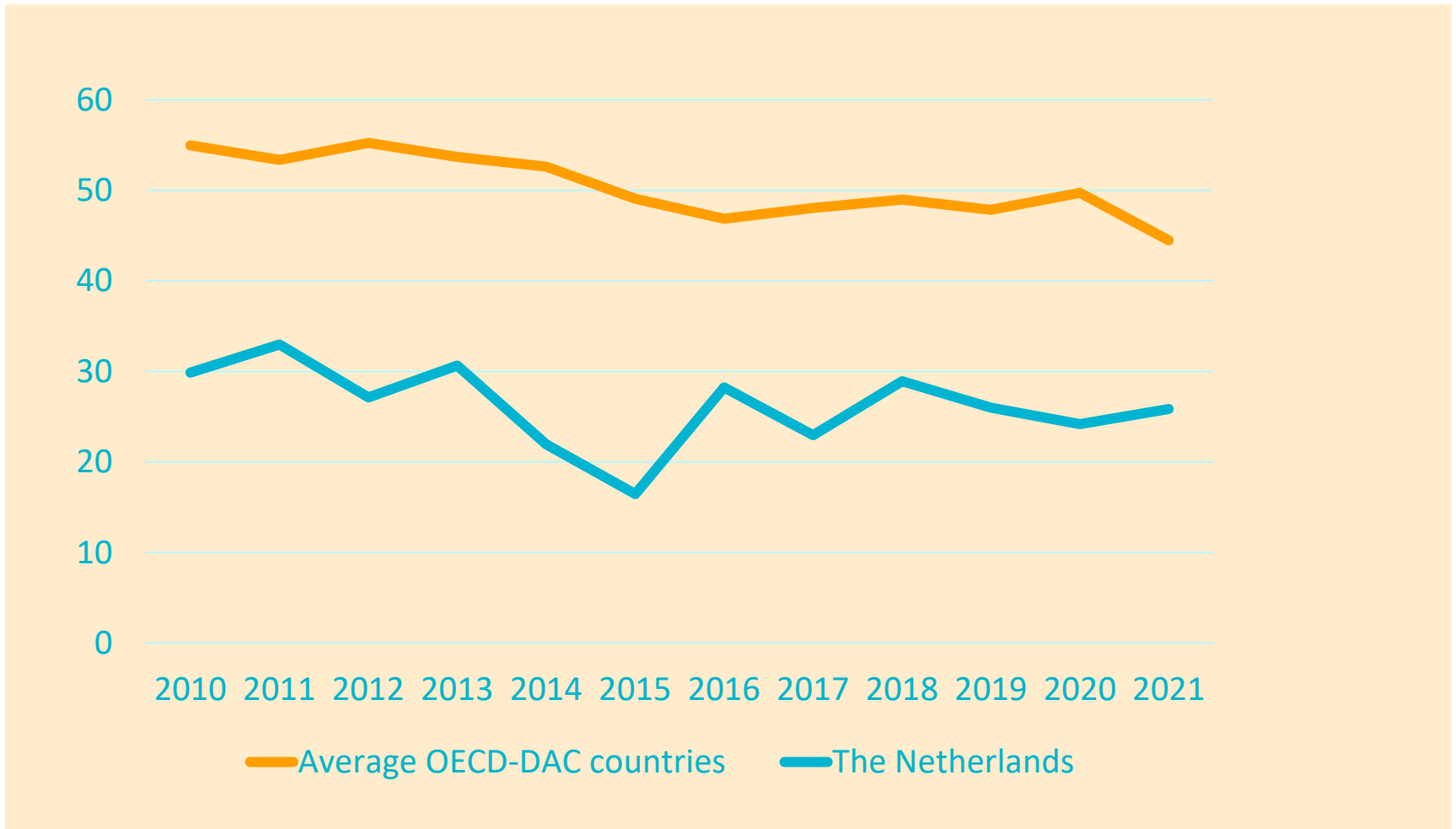
Development cooperation has become a means for achieving other goals; since 2012 the Netherlands has a minister for “trade and development cooperation”



Expenditure Dutch development cooperation (source: OECD)



Share of country programmable aid (CPA) in total bilateral aid, in % (source: OECD)



Dutch development cooperation: aid and trade

Premises for the combination aid and trade, and criticisms

Premises

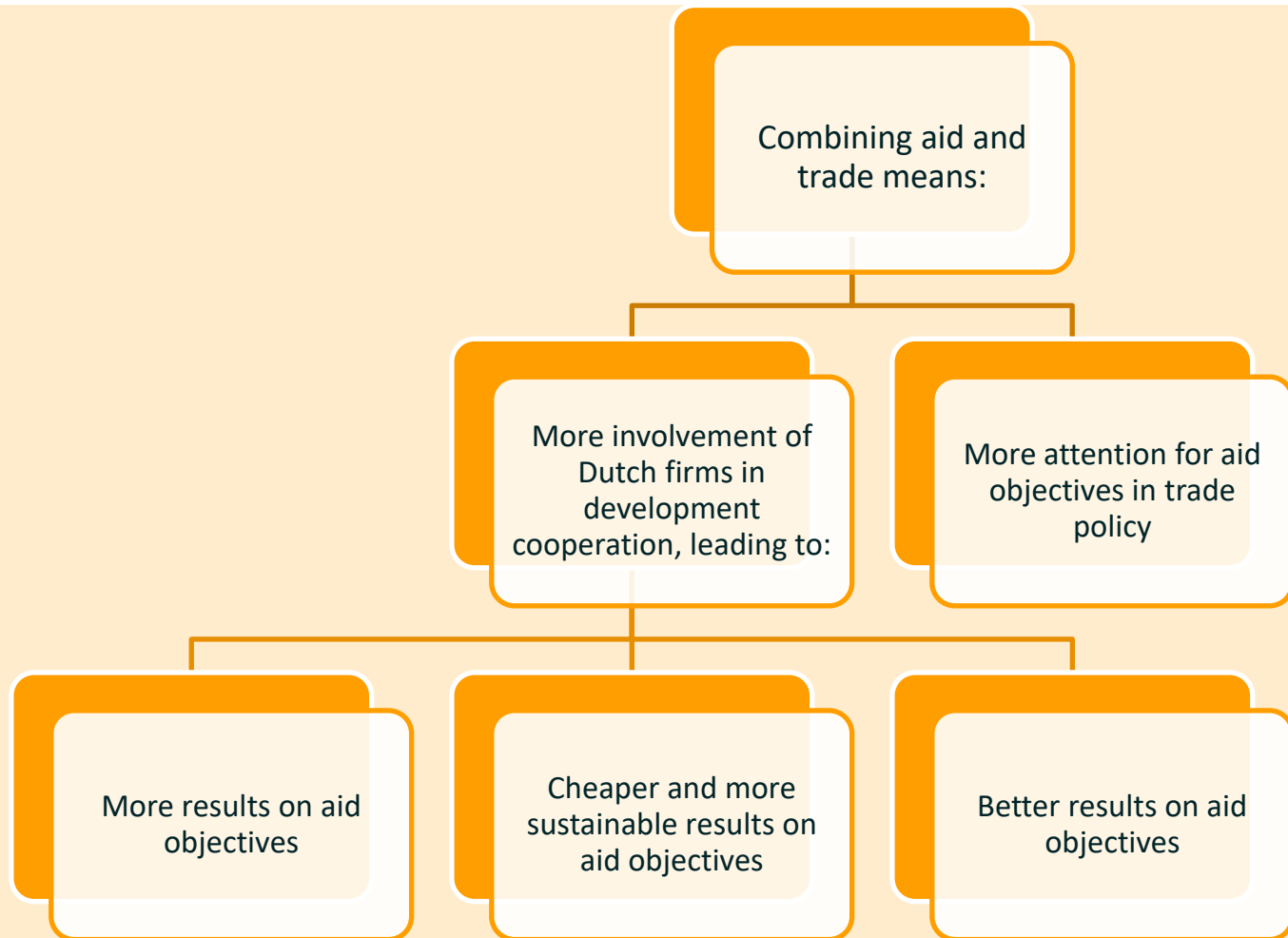


Criticisms

Trade (export) not so important for sustainable development of developing countries

For the Netherlands: production for own market or neighbouring countries less damaging for the environment

Policy theory for the synergy between aid and trade (source: IOB 2022)

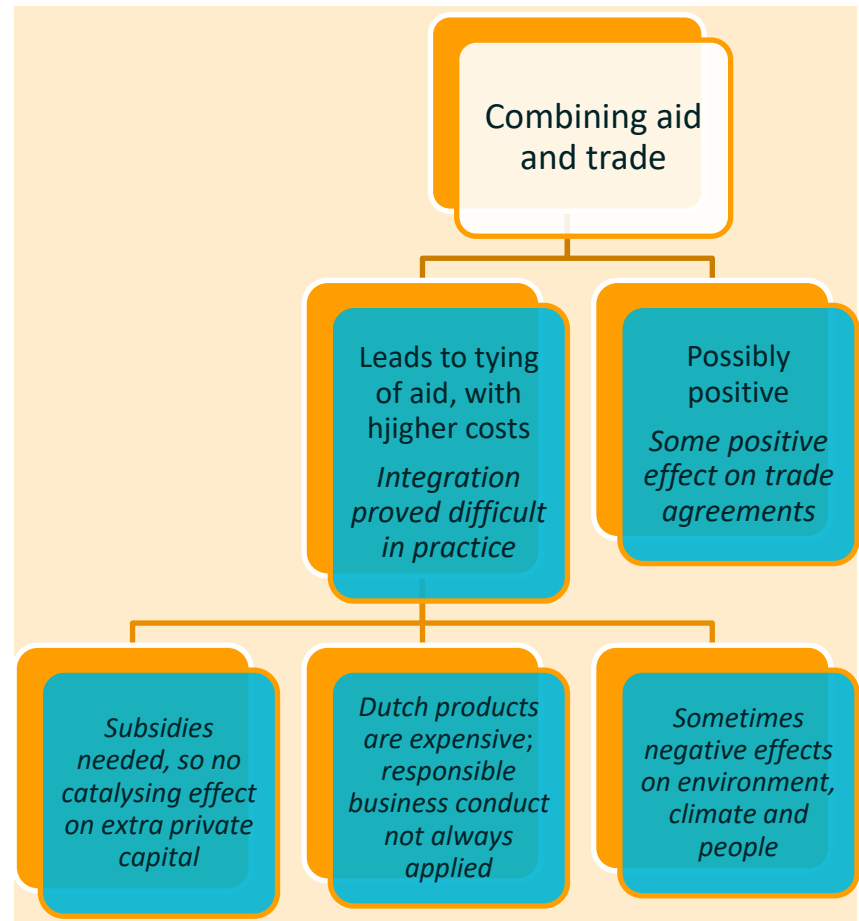


Policy theory on the synergy between aid and trade, criticisms and *practice* (from evaluations)

Policy theory



Criticisms and practice

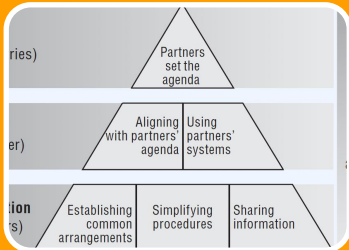


4. Conclusion



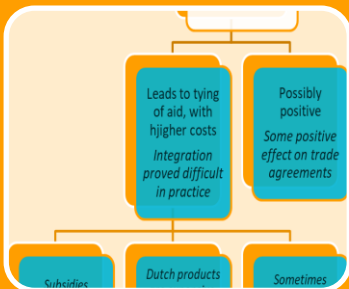
Cooperating for development implies ownership of the recipient

- Ideal: a global fund that redistributes and that (just) monitors the lawfulness of expenditure in recipient countries



“Second-best” solution:

- More local spending of resources, preferably through budget support
- More support for social protection programmes



And in any case:

- Do not combine aid and trade

Erasmus School of
Social and
Behavioural Sciences

Words of thanks



