Summary
This article explores the role of international development cooperation — or aid — in foreign policy and diplomacy. Based on his experience as a practitioner, Arjan de Haan makes the observation that the development debate, and in particular the search for effective aid, has neglected the political role of aid. Moreover, the high political symbolism that aid has obtained, particularly in the last decade, has received relatively little attention. A political perspective on aid is now rapidly becoming more important, especially because of the enhanced importance of global security in setting an aid agenda, and because the old ways of working are — or seem to be — challenged by the rise of China and other countries that were recently (and still are) recipients of aid. An understanding of the diverse political motives behind aid should inform the way that aid effectiveness is measured. The changing politics in which aid is embedded are illustrated with reference to the Netherlands, which used to have one of the most respected aid programmes because of its multilateral emphasis and ‘untying’ of aid, and because Dutch strategic interests have now been made one of the cornerstones of the Netherlands’ new policy. The article hypothesizes that reinforcing progressive principles around international development can be a supportive element of a strengthened diplomacy in the globalized world beyond 2010.

Keywords
economic diplomacy, foreign aid, untied aid, China

Introduction
Aid — or international development assistance or cooperation — is big business. Total global aid flows from North to South are probably worth over US$ 150 billion annually, one-third of which goes to Africa. The need to maintain levels of aid after the financial crisis of 2008-2009 was an important part of the discussions among G8 and G20 leaders, and the debates at the G20 meeting in South Korea in November 2010 brought to the table a new Asian development model, thus reflecting the shift of power from West to East but with a continued interest in aid. China and India are rapidly entering the field as aid providers, following...
the emergence of Japan, South Korea and others, and simultaneous to a re-emergence of US interest in aid under the administration of (former) US President George Bush. While an ever-increasing number of celebrities and former presidents provide support to international development issues, private philanthropists have also become significant, with the resources of the Bill and Melinda Gates Foundation, for example, outstripping the annual budget of major official donors such as the World Health Organization (WHO), and donations by private medical companies adding significantly to the overall aid flows.

This popularity on the international stage — once again demonstrated in commitments not to reduce aid after the global financial crisis — is, however, far from always obvious. At national levels, support for development is not a constant. Although a large proportion of the population in the Netherlands and other European countries have for decades favoured development aid, there are also large groups that do not accept its importance, and many believe that a lot of investment is wasted — an argument that is often used in political battles.1 The aid industry has usually responded proactively to the critique, by enhancing visibility and strengthening information or evidence on what aid has achieved. In my own experience, this happened particularly under political pressure, but without much explicit reflection about how increased political pressure changes the nature of aid and how it should be assessed.

It is also far from clear that aid has been a big success, and important publications have proclaimed for decades that development aid does not work or can even do more harm than good. This view was recently forcefully expressed by Damisa Moyo, and she has found much support among African leaders such as Rwanda’s President Paul Kagame. The fact that Moyo is a Zambian-born woman has brought even more fire to an already heated debate.2

The problem of aid dependency continues to feature strongly, and after a period when debt relief and planning for poverty reduction formed the focus of the debate, economic growth, economic independence and the role of the private sector now feature more prominently. These various objectives are not mutually exclusive, of course, but as the aid industry thrives on ‘buzzwords’ and ever-changing trends and approaches, changes in directions — while usually implying relatively small differences in emphasis — can easily be construed as ‘crises’.

Recent political changes in Europe are contributing to the decline in popularity of aid, with the United Kingdom, for example, trying to ‘ring-fence’ the aid

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