

# Structure follows strategy

## *Structure follows strategy: The organisation of Dutch development and international cooperation*

### The need for more effective Dutch development cooperation

The Dutch government invests a lot of time, money and energy in development cooperation. However, the effectiveness of these efforts is hindered by a lack of coordination, weak policies, a suboptimal government apparatus, and limited continuity in political, policy and managerial terms. In 2008, the DPRN Task Force initiated a three year process to discuss alternatives to the fragmented structure of Dutch development cooperation. The idea behind this debate is that development cooperation would be more effective when based on a clear and comprehensive strategy, hence the title 'structure follows strategy'.

The Netherlands is an international frontrunner in the field of development cooperation and widely praised for its role as a donor, both in quantitative and qualitative terms. However, there is still a widespread sentiment – both within and outside the sector – that the organisation of development cooperation should be improved in order to raise its effectiveness. The activities of the numerous Dutch civil society organisations take place all around the globe and are hardly coordinated. Moreover, in diplomatic terms, the Netherlands is less visible than other countries, including small ones like Norway.

### Process organisation

The 'Structure follows strategy' process was organised by DPRN.



In Dutch politics, each new Minister of Development Cooperation introduces his or her own approach and priorities and this results in a lack of continuity. Moreover, during the last few decades these political leaders have paid relatively scant attention to the organisation of development aid. Until now, the Netherlands has not had a professional organisation to govern and coordinate development cooperation, as exist in many neighbouring countries (e.g. DFID in the United Kingdom, GTZ in Germany and Danida in Denmark).

### Contours of a new direction

The DPRN Task Force followed a specific approach to answer the above questions. The first year focused on raising the sense of urgency with an issue paper which set out the major themes for

### Structure follows strategy

Effective development cooperation requires an effective infrastructure. However, in order to create such an infrastructure, the Netherlands would first need to define its objectives and strategy. The following questions therefore guided the process:

1. Why is the Netherlands involved in development cooperation, what is understood by 'development', and what is the intended result? (policy vision);
2. How can we achieve this? (strategy);
3. What infrastructure (multilateral, bilateral and civilateral) is needed to achieve the goals and what conditions have to be in place? (structure);
4. What is needed to effectuate the change from the existing to the desired infrastructure?

the debate. The second year was aimed at public consultation through working group discussions and a public meeting. This resulted in a 'Programme of requirements of the organisation of Dutch international and development cooperation' (PROVO) to inform the Dutch development sector about possible strategies and ways of organising the infrastructure deemed necessary for a more effective international development cooperation.

#### *International cooperation*

The PROVO first of all underlines the need to shift from development cooperation to international cooperation. This shift means that classic poverty alleviation is no longer the only driver for development cooperation. Action is also required to deal with the many new problems that the globalised world is facing and which affect both the North and the South, such as environmental problems, climate change, migration and security.

#### *Dutch support*

The PROVO document emphasises the need for a more strategic positioning of the Netherlands by focussing on specific Dutch areas of expertise and by grounding policy more in Dutch society. Related to this, there is a tension between the international dimension of the architecture for international cooperation (i.e. multilateral organisations) and the organisation and use of instruments and capacities available for that purpose in the Netherlands. If the Netherlands chooses to engage primarily in aid structures at international level, this implies that development cooperation is brought 'further from home', with less support for Dutch organisations and policies that are not specifically linked to the expertise that is available in the Netherlands.

#### *New values*

Another main point is that the business and knowledge sectors – and their respective values of focussing on returns on investments and investing in learning capacity – would need to be integrated more into the field of international cooperation. Participation of the knowledge and business sectors should, however, not lead to new proliferation and an excess of organisations.

The PROVO document argues therefore in favour of operational management with a hybrid public-private character.

#### *Clearing house*

There are serious doubts about whether effective international cooperation can be achieved through the bilateral and multilateral channels as they are now organised. In this respect the PROVO document proposes setting up an independent, non-political and market-oriented project office or clearing house. This institute would match the supply and demand of development cooperation on an international scale – itself being independent of the Ministry of Foreign Affairs.



*There is a lot of public debate about the effectiveness of development cooperation in the Netherlands (Source: <http://www.kit.nl/>).*

### The future knowledge agenda

The Dutch Scientific Council for Government Policy (WRR) report 'Less pretension, more ambition' at the start of 2010 inspired the public debate on development cooperation. Because the WRR makes specific recommendations about the knowledge infrastructure for development (e.g. greater investments, coordination and Southern participation), DPRN decided to choose this particular niche in the discussion for the process in 2010. DPRN published an issue paper based on interviews with 17 professors in international development studies.



*To what extent should the scientific knowledge agenda be policy-oriented?*

Most interviewees are in favour of a more strategic and clearly focussed knowledge agenda for development, but they attach value to scientific autonomy in setting research priorities. They warned against an excessive focus on policy-oriented research. Scientists tend to consider a policy agenda which focuses largely on a few Millennium Development Goals, too small a basis for a research agenda.

*Research to support economic growth?*

Whereas most interviewees sympathised with the view expressed in the WRR report that research should support development as a process of accelerated growth guided by a stable and responsive state, they also made some critical remarks. Several respondents stressed the need for interdisciplinary research into the relationships between economic growth and environmental sustainability, redistribution and institutional processes, state responsiveness and stability, and

bottom-up social development. The general view is that there is a need for a less normative outlook, i.e. a perspective that does not necessarily take the Western development model as a starting point. Furthermore, some respondents argued that research is specifically needed on the inter-linkages of scales. They consider such a look into the relations between developments at global, regional and local levels as being crucial to an understanding of the development processes.

*The need to define strategic questions*

In the eyes of the professors interviewed, Dutch knowledge in various areas of expertise (e.g. agriculture and food production, water, law & justice,

**Process organisation**

The major component of the 'Structure follows strategy' process was an intensive round of public consultation in four parallel working groups, which each included participants from policy, practice, academia and the business communities. The respective chairpersons of these groups were Maarten Brouwer, René Grotenhuis, Peter Nijkamp and Herman Mulder as representatives of the four DPRN constituencies. The four working groups prepared propositions on the organisation of Dutch IC/DC, which were discussed in a public meeting in June 2009. Another public meeting was held at the 2010 CERES Summer School, where the future knowledge agenda was discussed.

The process resulted in the following publications:

- Issue paper: 'Towards a future knowledge agenda and infrastructure for development'.
- Synthesis public consultation: 'Programme for the Organisation of Development Cooperation (PROVO)'.
- Meeting report: 'De Nederlandse OS-IS na 2010 – Verslag van het debat 15 juni 2009'.
- Meeting report: 'De Nederlandse OS-IS na 2010 – 47 stellingen'.
- Issue paper: 'De toekomst van de Nederlandse ontwikkelingssamenwerking'.

All publications are available on the website: <http://structurefollowsstrategy.dprn.nl>

## Dilemmas

The PROVO document sketches the contours of a new direction, and it uncovers the dilemmas associated with reorganising Dutch development cooperation.

1. Is 'poverty alleviation' or is 'sustainable development' the primary goal of Dutch international cooperation? Choosing for poverty alleviation implies the risk of compartmentalisation and a lack of coherence, because development co-operation would be less related to other international policy domains. On the other hand, focussing on sustainable development implies the risk of too little attention being paid to poverty alleviation.
2. Can we take 'enlightened self-interest' as a starting point for international cooperation policy? When Dutch international cooperation policy becomes more business-like, and primarily based on the Dutch 'areas of expertise', parameters such as turnover, profit and loss will become more important. Such a new collective approach means, however, that the Netherlands has to make more rigid choices concerning the areas of support. As a result, the Netherlands will be unable to help solve issues that fall outside of these focus areas.
3. Does a focus on demand not hamper innovation at times? Should demand-driven cooperation be the point of departure for Dutch policy, or should supply and demand jointly determine the agenda? Although each society has to take responsibility itself for development processes, international cooperation also means dialogue and debate.
4. There is a tension between the Dutch and international dimension of international cooperation. Will the Netherlands choose for support from the Dutch population or for a visible position in the international (political) architecture? While the former implies that policy is based on Dutch areas of expertise and predominant support of Dutch organisations, the latter implies that priority will be given to support of multilateral organisations, with which the Dutch public may have less affinity.

health & infectious diseases, civil society, and the 3D approach) could certainly contribute to more specialised development policies, but they stressed that defining major strategic questions should precede this choice of thematic areas. This might result in different thematic and geographic focus areas than those advocated by the WRR.

### *The research infrastructure*

According to most of the respondents, the Dutch infrastructure for knowledge related to global development should be characterised by coordination in the form of strategic funding of networks by NWO-WOTRO and an aligned knowledge agenda at the various ministries involved in international cooperation. Investing in regional networks in the South and long-term partnerships with Southern research institutes are also important, although there may be a tension between capacity development and academic excellence. Lastly, transdisciplinary initiatives should be strengthened to increase knowledge of context-specific innovations, with more attention for the ways scientific research can best be communicated to other actors.

## Follow up

The discussion about the future knowledge agenda and infrastructure for international cooperation will be continued in cooperation with NWO-WOTRO and the MDG-Profes platform. These organisations are going to organise a conference in the second half of 2011, on how to draw up a strategic knowledge and research agenda for global sustainable development.

Development Policy  Review Network

This infosheet was made by DPRN. With a view to stimulating informed debate and discussion of issues related to the formulation and implementation of development policies, DPRN created opportunities to promote an open exchange and dialogue between scientists, policymakers, development practitioners and the business sector in the Netherlands and Flanders from 2003-2011.