

Country: The Kingdom of the Netherlands
Committee: World Bank
Topic: Third World Debt
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"Debt is the worst poverty." - Thomas Fuller¹

According to the dictionary, debt is the state of owing a party a certain amount of money. According to developing countries, debt is the state of owing money one is unable to fully pay off. As a consequence of the latter, developing countries' debt has found its way into becoming a symptom of a Global Crisis²: ecological distortion, improper development, which poses a threat to local economies, and militarism. The global health and security is spoiled as a result. In order to avoid this undesirable dilemma, Netherlands has been endlessly working on this issue through national and international actions.

On a national basis, Amsterdam has hosted a social movement, known as TNI³, promoting the confrontation of the neoliberal EU austerity regime strategy. Netherlands has also implemented a policy through which it has cancelled 290 million Gld recompenses on ODA loans as well as redemption obligations. On another note, Jubilee Netherlands has organized Political Café which is mainly a meeting to discuss debt problematic in developing regions relating to European regions. This meeting unites politicians, policymakers, as well as civil society and concerned parties⁴. Netherlands has established FONDAD¹, a policy research center concerned with international discussions and policymaking of financial issues for developing countries⁵. The Netherlands recognized relatively early that the debts of the international financial institutions (IFIs) were a heavy burden on developing countries.

On an international scale, Jubilee Netherlands helped relieve developing countries' debt as well as unsustainable debt. Surveys by Jubilee Netherlands denote recent improvements in global debt. In addition, Netherlands achieved the UN target for MDG's of 0.7% GNI aid⁶ aside other countries who pledge to pay developing countries to decrease debt and promote development. In addition, Netherlands was part of the Paris Club Creditors' Delivery of Debt Relief under Bilateral Initiatives beyond the HIPC Initiatives and a cooperator. Netherlands has relieved Egypt, Cote d'Ivoire, Cameroon, and Mali debt burdens which count as 28.5 million Gld through the Dutch bilateral program. Netherlands has also relieved interest and redemption enforcements of 180 million Gld through the IMF and World Bank⁷.

Despite working on and on in aims to eradicate poverty and abolish third world debt, Netherlands believes it is necessary for all nations to combine their efforts for this cause. On a first note, the Kingdom of the Netherlands highly recommends that this problem be addressed by measures taken to eradicate its main trigger; poverty. That is why it is significant to raise awareness on population growth as a medium to combat poverty. Constant follow-up on indebted regions' economic activity is also proposed. Also, Netherlands advocates increasing rural development in the agricultural and industrial sectors. Implementing an employment strategy in the developing countries is of great benefit. Additionally, improving local education through UNESCO helps teach future generations. Furthermore, creating a council within the ECOSOC to check monthly corruption levels in developing countries is proposed by the Netherlands. Netherlands advises decreasing governmental expenditure as well as decreasing income inequality in aims to avoid corruption. Donating books to developing countries is a way to encourage education. Improving tourism activities would help boost economies. Netherlands also suggests holding a yearly conference to check up on indebted countries' progress.

¹ Forum on Debt and Development

References:

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- ⁶ "Reduce Global Poverty | Make Poverty History." Reduce Global Poverty | Make Poverty History. N.p., n.d. Web. <<http://www.makepovertyhistory.ca/learn/issues/reduce-global-poverty>>.
- ⁷ "Development Co-operation Reviews Development Co-operation Reviews: Netherlands 1997." Google Books. N.p., n.d. Web. <https://books.google.com.lb/books?id=T4TWAgAAQBAJ&pg=PA37&lpg=PA37&dq=burkina%2Bfaso%2Bdebt%2Bnetherlands&source=bl&ots=UvsvNaZcKH&sig=xKiKxUTESB22ke_qem1mubfCYOY&hl=en&sa=X&ei=9jsHVeXjIILXavmlgNAC&ved=0CCMQ6AEwAw>.