



Netherlands 'does most for poor'

The Netherlands does more than any other rich nation to improve lives in developing countries, a report says.

The Center for Global Development's (CGD) Commitment to Development Index of the world's 21 richest nations puts the UK 12th - and ranks Japan last.

CGD President Nancy Birdsall welcomed a "steady" improvement in commitment to poverty reduction in recent years.

But, she added, help had fallen far short of promises made by world leaders in 2005 - the "Year of Development".

The CGD's measures a broad number of factors for the index, rather than merely the amount of aid countries provide.

It also examines several policy areas - such as trade investment migration and environment - while aid is measured not only in terms of quantity but as a share of its income and the quality of aid given.

'Room for improvement'

While the Netherlands led the pack on generous investment and aid as well as measures to curb greenhouse gases, the CGD added the country could still work harder.

By contrast, Japan ranked in last place as a result of a combination of factors including its low aid and high barriers to imports and migrants from poorer nations.

And although the US gave more money than anywhere else, its donation was the smallest of the 21 states in relation to the size of its economy.

Much of the US's aid, the CGD added, was contingent on the purchase of US goods, and so was in fact a "backdoor subsidy for American interests".

America was also criticised for its handling of aid in Iraq, with the CGD claiming that 90 cents in every dollar was lost to violence and corruption.

Trade barriers

However, the US fared well on the trade front. Its barriers to exports from developing countries were lower than any other country in the Commitment to Development Index except New Zealand.

Elsewhere, the UK ranked first in the investment component of the Index for its efforts to boost technology and increase jobs. It also achieved the highest score for its environmental record.

But the index penalised the UK for selling arms to "undemocratic governments".

"The lives of a billion people could be improved in the next decade if rich countries reform their trade, migration and investment policies," David Roodman, CGD researcher and chief architect of the CDI.

"Politically, these changes are difficult. However, if rich countries are truly committed to development, they could easily bear the short-term costs of the reforms and the spread of prosperity would serve the interests of all countries."

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