

LDCs' output grows by 2 pc

GENEVA, Apr 20: The United Nations said on Wednesday that the combined output of the Least Developed Countries (LDCs) had grown by two per cent last year and might expand by 2.8 per cent in 1994, reports Reuters.

But it warned that armed conflicts threatened the economic development of many of the world's poorest states, making living standards even harsher and jeopardising external financial aid.

The "Least Developed Countries 1993-94 report" issued by the U.N. Conference on Trade and Development (UNCTAD), covers states accounting for 10 per cent of the world's population.

"The economic performance of the LDCs has improved somewhat, but overall, continue to be dismal," it said.

UNCTAD reported that LDC combined production had climbed by two per cent last year — the highest so far this decade — after rising just 0.4 per cent a year before.

"Weather conditions permitting, the economic growth of LDCs as a whole could reach 2.8 per cent in 1994, slightly outpacing population growth," added the annual report by staff economists.

"For Africa, it will continue to be well below the LDCs average and below the rate of population growth," UNCTAD said.

It singled out Sierra Leone, Rwanda, Central African Republic, Togo, Liberia and Somalia as states having little prospect of economic recovery without political stability.

On the other hand, combined growth of Asian LDCs should rise slightly to about

4.9 per cent from 4.7 per cent posted last year, as a result of economic reforms, according to the agency.

Signs of social and economic progress have been registered in about one-quarter of all LDCs — including Cambodia and several African states, according to the 166-page report.

But political and civil strife are taking their toll in other countries, disrupting output and economic restructuring.

"A disquieting large number of developing countries are subject to political and economic upheavals which are having a negative impact on the development process," Roger Lawrence, UNCTAD Deputy Secretary-General, told a news briefing.

Donor nations are often obliged to devote a large part of their aid to emergency re-

lief programmes for refugees, rather than investing in long-term development, the American added.

UNCTAD said education and health care remained precarious in the least developed countries, especially in remote areas.

The Geneva-based agency also said there was a serious mismatch between the painful reform efforts of LDCs and official development assistance flows, which remained static at about 16 billion dollars in each year from 1990 to 1992.

The external debt burden remains exceptionally heavy for the large majority of poor countries. Their total stock of debt at the end of 1992 stood at 114 billion dollars, corresponding to more than 60 per cent of the combined gross domestic product.

US, Asian exporters benefiting most from Japanese imports

TOKYO, Apr 20: Exporters from the United States and Asian countries, notably China, are benefiting most from the current boom in Japanese imports, leaving their European competitors largely behind, reports AFP.

Computer chips from the United States, textiles from China and timber products from Southeast Asia were among the major items which helped boost Japan's imports by 4.8 per cent to 244 billion dollars in the year to March.

While imports of office equipment and cars from Europe also benefited from a stronger yen, total imports from the European Union (EU) were stagnant.

A sharp contrast to the surge in imports from the United States and Asia.

Figures released by Japan's Finance Ministry this week

show that lumber, textiles and semiconductors together accounted for precisely half the overall increase in Japanese imports in the year to March. Imports of seafood, office equipment and timber products were also a driving force.

Asian countries accounted for almost three quarters of the import surge, with China alone accounting for more than a third and the six-member Association of South East Asian Nations (ASEAN) almost a quarter. ASEAN groups Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand.

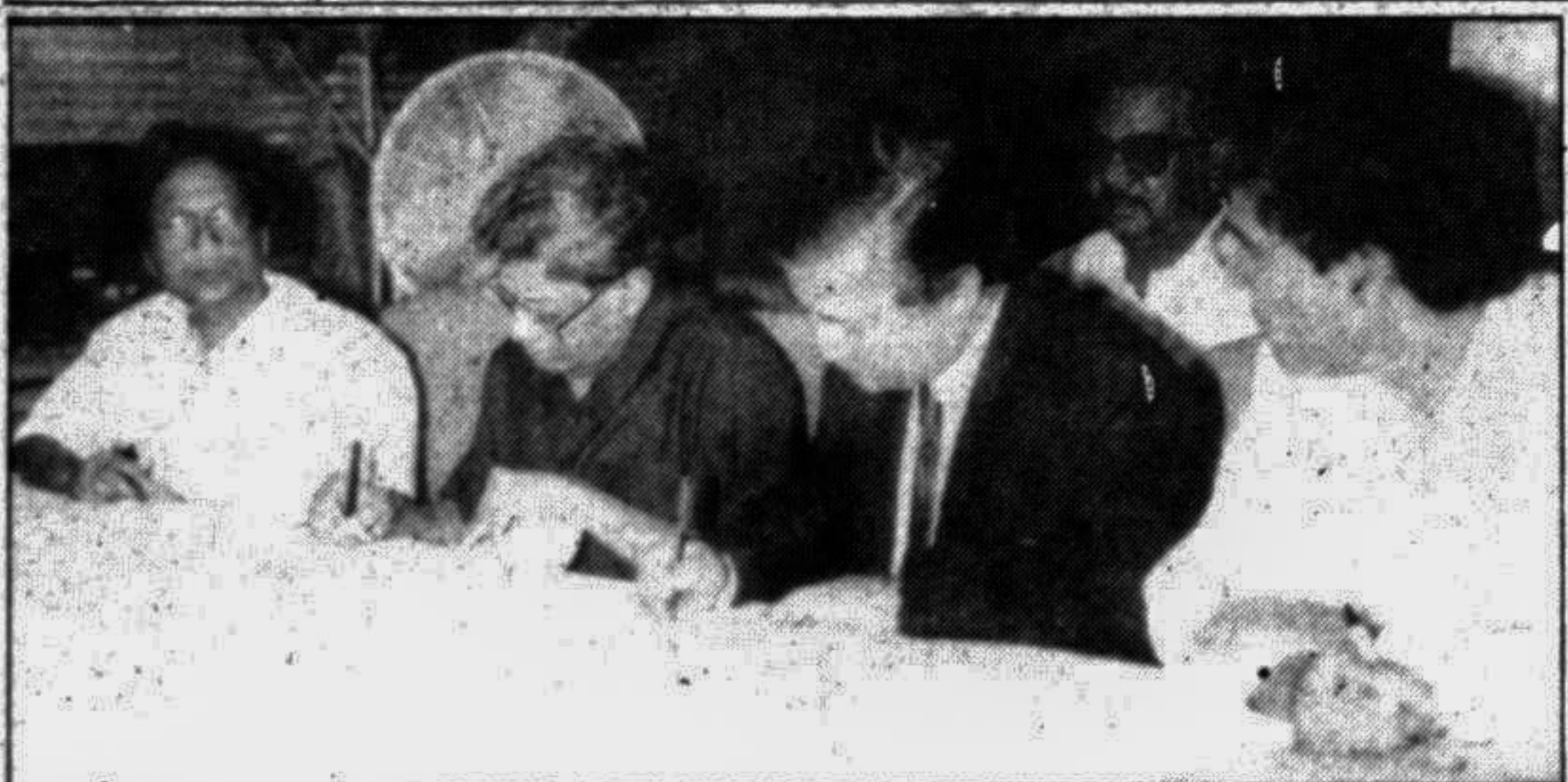
The United States meanwhile absorbed almost 40 per cent of the increase. But the EU contribution was zero with increased imports from Britain offset by lower imports from Germany and France, the ministry said.

Lower oil prices resulted in imports from the Middle East making a negative contribution.

Economists here say much of the dominant Asian share in the Japanese import surge is linked to the growing amount of products, notably in the electronics sector, produced by Japanese companies in Asia. But there are other factors at play.

"The yen didn't go up as much against European currencies as it did against the dollar," said Michael Hartnett, economist at Schroder Securities (Japan) Ltd, noting that this made US and Asian goods more competitive.

Hartnett said that the recent revival in Japanese consumer spending was not geared toward expensive products.



A Memorandum of Understanding was signed between BKB and BRDB in the city on Sunday to disburse Taka three crore as loan for poverty alleviation in seven thanas of greater Faridpur. Dr. ATM Shamsul Huda, Managing Director of Bangladesh Krishi Bank and Md. Ayub Quadri, Director General of BRDB, initialled the agreement on behalf of their organisations. Among others Dr. J. C. Shaha, General Manager, BKB and M. Rejaul Karim, Executive Director, BRDB are seen in the picture.

Is World Trade Organisation another Third World headache?

Penang, Malaysia — A new 'institutional trinity' that will dictate the destiny of many developing countries looms as the newly-formed World Trade Organisation (WTO) prepares to join the World Bank and the International Monetary Fund (IMF).

Formed by the Uruguay Round of the General Agreement on Tariffs and Trade (GATT) that ended last December, the WTO aims to streamline international trade, protect multilateralism and push back the pressures of national protectionism.

But will it? Many Third World experts fear the WTO will most certainly coordinate its programmes with the World Bank and the IMF, opening up the ominous possibility of new credits to developing nations now being conditional to good report cards from the WTO.

"We have all been witness to the conditionalities of the World Bank and the IMF. This also seems applicable to the new World Trade Organisation," says Luis Fernando Jaramillo, the Colombian diplomat who chaired the Group of 77 developing countries and has been a vociferous critic of the GATT agreement.

"The terms of (the WTO's) creation suggest that this organisation will be dominated by the industrialised countries and that its fate will be to align itself with the World Bank and the IMF," Jaramillo says.

Third World countries worry that the WTO-IMF-World Bank trio will further weaken the United Nations, the only multilateral institution where

The newly-formed World Trade Organisation (WTO) prepares to join the exclusive club of the World Bank and the International Monetary Fund. Martin Khor explains what it could mean for developing countries in this Inter Press Service analysis.

they still have a say.

They fear the outcome of the Uruguay Round will largely benefit the rich industrial nations while most developing countries — already burdened with foreign debt, low commodity prices and tough conditions on credit — will lose out.

Many of the world's poorest nations could suffer severe economic consequences, especially farmers whose livelihoods will be threatened as they become more dependent on foreign companies for their supply of seeds and other inputs.

Economists are trying to tally up who will benefit and who will lose.

A study by the World Bank and the Organisation for Economic Co-operation and Development (OECD) says agricultural liberalisation under GATT will raise prices of many foodstuffs including wheat, maize, barley, beef, sheep and dairy products by four to seven per cent.

This is expected to benefit food-exporting countries, but about 100 Third World nations are net food importers and will face a higher food bill.

The study also predicts price falls of four per cent in cocoa and six per cent for coffee, affecting Third World exporters. Worst affected will be countries that export cocoa and coffee and also import food — they will have the worst

of both worlds.

But as veteran GATT observer Chakravarti Raghavan notes: "It will take at least ten years before the balance of gains and losses will be known for each country, and for the South as a whole."

A major 'gain' for some countries of the South will be the agreement to phase out the Multi-Fibre Agreement (MFA) by 2006. The MFA was introduced as a 'temporary measure' in 1974 to enable rich countries to adjust to cheap textile imports from poor countries.

But due to strong protectionist lobby in the North, this abrogation of GATT rules lasted 20 years, and its removal will take another 12 years. What makes some GATT-watchers bristle is that this long overdue removal of an unfair trade rule has been portrayed by the rich countries as a 'concession' to the South.

Says Jaramillo: "It is clear that the tariff reductions which developing countries could take advantage of, apart from being inferior to the ones initially foreseen, are proportionally less deep than the tariff reductions that will benefit trade among developed countries."

Rich countries, which make up 20 per cent of the GATT membership, will take 70 per cent of the additional income that will be generated by freer

Boiled coffee causes heart disease?

AMSTERDAM, Apr 20: The high incidence of coronary heart disease in Scandinavia may be due to a natural substance called Cafestol, that increases human cholesterol levels and is found in boiled coffee, Dutch scientists said, reports Reuters.

High cholesterol levels in the body are believed to be a major cause of heart disease.

The scientists at Wageningen Agricultural University in the Netherlands identified Cafestol in unfiltered coffee made by boiling round beans in water, which is popular in Scandinavia.

Drip filter coffee contains no Cafestol because the substance is retained by the paper filter.

Professor Martijn Katan, head of his research team at Wageningen, is researching the effects of espresso and "Turkish" coffee on cholesterol, but so far the results have been contradictory, a spokeswoman for the university said.

Coffee beans also contain another substance, Kahweol, which possibly has the same effect as Cafestol, the scientists said in a statement. Neither Cafestol nor Kahweol have been detected in plants other than coffee.

Fish production falls in Patuakhali

PATUAKHALI, Apr 20: Production of fish in different waterbodies in the region has abruptly fallen, causing concern among the consumers and fish trader as well, reports UNB.

Sources said hundreds of tons of fish like Ruihi, Katla, Pangus, Boal, Shrimp, Hilsha and other species used to be produced here and meet the demand of other district a few years back. But now the production has fallen sharply due to various reasons affecting the local fish markets which were once famous for fish trading.

Rampant catching of fish fry, massive siltation in the rivers and ponds are attributed to the main causes of reduction in fish production.

A large number of private and public waterbodies, which badly needed reexcavation, remained uncultivated for years together.

Besides, output of fish has declined as the pisciculturists do not follow the feeding procedures of fish due to their ignorance. As a result, nutrition of fish decreased affecting its growth.

According to Fisheries Department, there are about 50,661 derelict ponds at Patuakhali, Barguna, Bhola, Jhalakathi and Barisal from which after proper cultivation fish worth over Taka 18 crore could be produced every year.



George Dorgan, Special Correspondent of the London Times called on the State Minister for Civil Aviation and Tourism Abdul Mannan at his secretariat office yesterday. They discussed matters relating to aviation and tourism development in Bangladesh.

10 Bangladeshi cos to take part in Tokyo trade fair

Ten Bangladeshi companies will participate in the three-day International Houseware Show '94 beginning on June 21 in Tokyo.

Japan External Trade Organisation (JETRO) has arranged pavilions free of charge for the participating companies from the developing countries, including Bangladesh, at the show to be held at the international trade fair ground at Harumi in Tokyo to display their products, said Katsumi Hara, JETRO representative in Bangladesh, while talking to BSS in the city yesterday.

Besides Bangladesh, he said, China, India, Pakistan, Sri Lanka, Indonesia, the Philippines and Malaysia, among others, will take part in the trade fair.

The Bangladeshi products to be displayed at the show include handicrafts, toys, various ceramic products, leather goods, brass products, jute goods and carpets.

Hara said JETRO had been organising participation in the show every year since 1986 with a view to facilitating the buyer-seller meet on a regular basis as the government encourages more imports of both traditional and non-traditional items to Japan from the developing countries.

He said JETRO had been receiving applications of the companies willing to participate in the show and would soon select at least ten from among the applicants.

Hara said Bangladeshi could easily add more quality to their products by using better raw materials and designs.

Last year seven Bangladeshi companies along with 570 others participated in the trade fair, he said and added that the Bangladesh pavilions had drawn a large number of visitors.

He said Bangladeshi companies received on the spot orders as well as enquiries during and after the fair about their products. The sale of exhibits is also allowed on the last day of the fair.

The figures were stronger than anticipated, but economists said they confirmed the optimism shown in recent surveys.

The British purchasing managers' index published on Tuesday showed strong growth in manufacturing activity in March, while firms in the monthly confederation of British industry surveys have been optimistic about output and orders this year.

2.3m US children live in poverty

WASHINGTON, Apr 20: Poverty among small US children is increasing dramatically, according to a congressional study that finds many of them are locked out of federal health, education and nutrition programmes, reports AP.

The General Accounting Office, the congressional investigative agency, found that the number of poor children under the age of 3 rose by 26 per cent during the 1980s, from 1.8 million to 2.3 million.

By 1990, 20 per cent of all small children were living in poverty, and in some cities, and rural areas, half of them were poor. By comparison, 13 per cent of the elderly and 9 per cent of adults aged 25 to 64, were poor.

The poorest children were more likely than others to be immigrants, to live in homes where English is not spoken well, and to come from single-parent, poorly educated for unemployed families, the GAO said.

Although research has shown that children who receive high-quality pre-school services do better in elementary school, fewer from disadvantaged homes are served by federal early childhood programmes, the GAO said.

Head Start, the largest pre-school programme, serves only about 1 per cent of poor children, the GAO said. The special supplemental feeding programme for women, infants and children, does not serve all eligible children.

The GAO said federal and state governments may want to re-examine their efforts.

Congress is now considering a plan to expand Head Start's programme for very young children, known as the "zero to three" initiative. But the GAO notes that some policymakers and researchers have expressed concerns over an expansion because Head Start serves only about one-third of eligible three to five-year-olds.

The government defines poor children as those in families whose annual household income in 1989 was below 12,674 dollar for a family of four.

could penetrate new markets.

The North's motives for introducing 'trade-related intellectual property rights' (TRIPS) were clear to all most Third World delegates: to enable their firms to capture more profits from the sale of technology products and to place stiff barriers preventing potential new rivals in the South.

In the early stages of the Uruguay Round, countries like Brazil and India put up a stiff fight. During the final two years, however, Southern resistance melted down. In the end, the new areas were integrated with trade in manufactured and agricultural goods and will now fall under the jurisdiction of the WTO.

The TRIPS agreement is going to make medicines more expensive in Third World countries with national pharmaceutical industries and open the door for patenting of life forms and modified genetic material.

Farmers in India have been rallying against GATT and green groups are concerned that Third World farmers will not be allowed the traditional practice of saving seeds for the next season's planting. Instead, they may be forced to buy them from transnational companies.

Third World governments also fear the WTO could use the Uruguay Round provisions on investments to seek to further liberalise services and investments. Domestic enterprises in the South will find it increasingly difficult to survive, should the big transnationals decide to target their markets.

They add that the Uruguay Round has given the North a big advantage by bringing services and investments under the jurisdiction of the WTO.

When the Round began 1986, many South countries were strongly resisting the North's push to expand GATT's powers into new areas like services, investments and intellectual property rights.

The South was worried rich nations were interested in liberalising economic areas in which they had an advantage and where their corporations

Tk 90 lakh British grant for Rohingya refugees

Britain has provided a grant of 150,000 pound sterling (approx Tk 90 lakh) to the International Federation of Red Cross and Red Crescent Societies (IFRCRS) through British Red Cross for the relief operation of the Rohingya refugees, reports UNB.

The operation is jointly run by the IFRCRS and Bangladesh Red Crescent Society, says a press release.

In 1992, Britain's Overseas Development Administration (ODA) provided the IFRCRS with another 2 lakh pounds sterling (Tk 1.2 crore) for the Rohingya relief operation.

In the same year, the ODA gave funds to the tune of 149,045 pounds sterling (Tk 1.5 crore) to some other international NGOs and UNHCR for similar Rohingya-related operations.

British industrial output rising

LONDON, Apr 20: Rising British industrial output in February showed that the economy was in good shape ahead of personal tax increases in April, economists said, reports Reuters.

The Central Statistical Office Reported industrial production rose by a seasonally adjusted 0.8 per cent in February after a revised 0.6 per cent rise in January.

Production in the manufacturing sector alone, which excludes volatile energy output, rose by 0.6 per cent in February after increasing by one per cent in January.

Year-on-year growth rates fell slightly — to 3.5 per cent in February from 3.9 per cent in January across industry, and to 1.7 per cent from two per cent in manufacturing — but the CSO said it had revised its estimate of the annual growth rate in manufacturing up to three per cent from two per cent.

The figures were stronger than anticipated, but economists said they confirmed the optimism shown in recent surveys.

The British purchasing managers' index published on Tuesday showed strong growth in manufacturing activity in March, while firms in the monthly confederation of British industry surveys have been optimistic about output and orders this year.

2.3m US children live in poverty

WASHINGTON, Apr 20: Poverty among small US children is increasing dramatically, according to a congressional study that finds many of them are locked out of federal health, education and nutrition programmes, reports AP.

The General Accounting Office, the congressional investigative agency, found that the number of poor children under the age of 3 rose by 26 per cent during the 1980s, from 1.8 million to 2.3 million.

By 1990, 20 per cent of all small children were living in poverty, and in some cities, and rural areas, half of them were poor. By comparison, 13 per cent of the elderly and 9 per cent of adults aged 25 to 64, were poor.

The poorest children were more likely than others to be immigrants, to live in homes where English is not spoken well, and to come from single-parent, poorly educated for unemployed families, the GAO said.

Although research has shown that children who receive high-quality pre-school services do better in elementary school, fewer from disadvantaged homes are served by federal early childhood programmes, the GAO said.

Head Start, the largest pre-school programme, serves only about 1 per cent of poor children, the GAO said. The special supplemental feeding programme for women, infants and children, does not serve all eligible children.

The GAO said federal and state governments may want to re-examine their efforts.

Congress is now considering a plan to expand Head Start's programme for very young children, known as the "zero to three" initiative. But the GAO notes that some policymakers and researchers have expressed concerns over an expansion because Head Start serves only about one-third of eligible three to five-year-olds.

The government defines poor children as those in families whose annual household income in 1989 was below 12,674 dollar for a family of four.

GCC to unify customs rates gradually

KUWAIT CITY, Apr 20: The Gulf Cooperation Council (GCC) states agreed today to unify their customs rates gradually, reports Xinhua.

The GCC finance ministers agreed during their 35th meeting in Riyadh of Saudi Arabia to a plan to gradually unify customs rates which are from one per cent to 20 per cent among the GCC.

Kuna news agency quoted a Gulf official as saying that the agreement was a positive step toward finalising a GCC market.

The organization was established in 1981 and groups Saudi Arabia, Kuwait, the United Arab Emirates, Oman, Qatar and Bahrain. The official added that the "results of the gradual approach could take three years to appear."

Saudi Finance and National Economy Minister Mohammad Ali Abalkhail told reporters that the discussion among the finance ministers focused on finalizing a unified customs system.

He said the ministers agreed with gradual unifying of customs rates on groups of imported products rather than unifying customs tariffs on all products at once.

He said the agreement on unifying customs tariffs would facilitate a free-trade movement with its main trade partner, the European Union (EU).