

# The LDCs and Cancun

ABU NASER WAHID

A very important meeting of LDC commerce/trade ministers is going to be held in Dhaka from 31 May to 2 June, 2003 under the chairmanship of the hon'ble Minister for Commerce, Government of Bangladesh. The trade ministers are going to exchange views on all issues under negotiations in the on-going Doha Round and to formulate joint LDC strategy and positions in regard to the WTO Ministerial meeting to be held in Cancun in September next. This write-up seeks to give an overview of the background of the Cancun meeting, the main issues and the expectation of the LDCs (Least Developed Countries) from it.

We in Bangladesh are quite familiar with the term LDCs as our country is one of them. This is a classification which was formally adopted by the Economic and Social Commission of the UN to denote those countries whose per capita GDP is less than US\$900 and where child mortality rate, per capita daily calorie intake and school attendance at primary and secondary levels (i.e. physical quality of life) are lower than the prescribed levels. The other important characteristics of the LDCs are smallness of their manufacturing sector (less than 25% of GDP), narrow export base and persistent instability in agricultural production and export sector. Bangladesh and 48 other countries in Asia, Africa and South America have the unfortunate distinction of belonging to this category of countries. LDCs contain 10 per cent of the world population. Their per capita GDP is US\$ 280 and total export in 2000 was US\$ 31.33 billion which is only 0.5 per cent of total world export in that year. Of the LDC population, 81 per cent live on less than US\$ 2 a day and nearly 50 per cent of population live in extreme poverty for less than US\$1 a day. This is an intolerable situation and has to be addressed the soonest. The world community has, however, adopted a Millennium Developmental goal to reduce by half the number of poverty stricken people by 2015.

Cancun is a resort city in Mexico and is one of the world's choiced venues for important meetings. The trade ministers of the WTO (World Trade Organization) member countries, numbering 146 at present, will hold the WTO Ministerial meeting there from 10 to 14 September, 2003. This Ministerial meeting is the first one to be held after the Doha Ministerial meeting which launched the Doha Development Agenda Round of multilateral trade negotiations in November, 2001 to further liberalise, strengthen and streamline the world trade regime. The Doha round is scheduled to be concluded on 1st January, 2005. One of the important features of this Round is that the needs and interests of the developing countries and the LDCs in particular have been put at the heart of its work. But a successful outcome for the LDCs in this Round of negotiations is by no means a forgone conclusion. That calls for vigil and hard work on their part. It is in this context that the Ministerial Meeting of the WTO trade ministers at Cancun is so very important as it would enable them to take stock of the progress of the multilateral trade negotiations. Effective participation by the LDCs in the Cancun meeting would be an important stage in protecting the LDCs' interest better in the on-going Round.

**Why the rounds of negotiations?** World trade has been an

engine of growth of the world economy for the past five decades. The volume of international trade has expanded 16 times over the past 50 years raising living standards in most countries and deepening their economic integration. Countries whose trade volumes have grown faster have seen their GDPs growing faster. The growth has been achieved in large part due to efforts of GATT (predecessor of WTO) during 1947-94 period and WTO since 1995 by organising multilateral trade negotiations for reduction of tariff levels and other trade barriers. Even the absolute volume of trade of the LDCs as a group has increased in the period (like increase from US\$ 23.04 billion in 1997 to US\$31.33 billion in 2000). But it should have been able to do much better with proper efforts. This is why proper and effective participation in the on-going Doha trade negotiation by

**Removing all barriers to LDCs' export and movement of workers is the key to the success of the international community's strategy for achieving the Millennium Development Goal of halving the poverty by 2015. To assist this process of halving poverty the international community has to be persuaded to conduct and conclude the on-going Doha Round in a manner beneficial to the LDCs by offering really improved market access for goods and services and by ensuring that the new trade rules created are useful for the LDCs.**

LDCs really becomes crucial and imperative.

**Uruguay round:** The immediate past multilateral trade negotiations round was called Uruguay Round. It was concluded in 1994. It was the 8th in the series of such Rounds held since 1947. Uruguay Round was launched in 1986. It was the most ambitious thus far of the multilateral trade negotiations. Under this Round, tariff rates in all countries including Bangladesh were drastically reduced to spur merchandise trade. Quantitative restrictions were also greatly removed. More importantly for Bangladesh, the quotas on garments in the importing countries are being phased-out and would stand fully withdrawn in January, 2005 under this Agreement. The Uruguay Round also established the WTO (World Trade Organization) in 1995 as successor organization of GATT (General Agreement on Tariffs & Trade) to administer and steer the international trade regime as per the Uruguay Round Agreement. The Uruguay Round brought in international trade rules to areas like agriculture, services, trade related property rights (TRIPS) previously excluded or subject to weak rules. It also strengthened the mechanism for trade dispute settlements.

Despite the impressive achievements of Uruguay Round, the global trading system continued to suffer from major shortcomings -- specially from the perspective of the LDCs. Firstly, protection still remains high in some of the developed countries on goods of particular interest to LDCs. For example, US tariffs on garments and shoes average 11 per cent and go as high as 48 per cent. Although, in 2001, garments and shoes accounted for only 6.5 per cent of total US imports, they brought in nearly half of the US\$ 20 billion of US revenue on account of customs duty. The US collects higher amount as import duty from Bangladesh products than on imports from France.

Thus poor countries like Bangladesh continue to face highest effective tariffs, on an average four or five times more than those faced by richest countries. These types of tariff barrier impedes the diversification of exports from countries like ours. As such duty free market access with flexible Rules of Origin in the US market of our garments is an imperative for Bangladesh and the LDCs. In fact, European Union and Canada have offered duty free access to most LDC products. But they are not yielding the desired benefits due to tough Rule of Origin requirement.

Secondly, many in the LDCs and in the developing countries feel that they are bearing the costs of implementing difficult and complex Uruguay Round Agreements (for example: customs valuation, intellectual property rights) without seeing any tangible benefits of market access or obtaining ade-

quately technical and financial assistance to ease their integration into the global economy.

Thirdly, there is the problem of attempts by the developed countries to change the domestic policies of the developing countries in the areas of industrial subsidies, intellectual property rights, investment and competition policies etc. and conform them to their own for the ostensible purpose of making these (developing countries) economy more efficient. But it is apprehended that these measures are really for enabling the MNCs of the developed countries to capture the economies of the developing countries and the LDCs. It is also felt by the LDCs and developing countries that the pressures to bring these domestic regulatory policies into the fold of WTO discipline would also cause other difficulties like diverting their attention from more pressing needs.

**Doha development round:** Against this backdrop, the Ministerial Meeting in Doha in November, 2001 launched the Doha Development Agenda which included calls for a more coherent approach to trade and development. The ministers mandated that the need and interest of the developing countries and the LDCs would be put at the centre of the WTO's work programme. It has also been committed that substantial improvement in the market access for the labour intensive industrial and agricultural products would be made in this Round. It has also included an action programme to resolve LDCs' and developing countries' complaints about the implementation related issue and

concerns in regard to Uruguay Round Agreements. An accord has also been promised to ensure that patent protection afforded under the TRIPS does not block developing countries' access to affordable medicines. The Doha Round of negotiations cover 21 broad subjects/issues and agreements on all items (except the one on Understanding on Dispute Settlement) are necessary for its successful completion. The negotiations work on the principle: nothing is agreed until everything is agreed. The negotiations are required to take fully into account the principle of special and differential treatment for the developing countries and the LDCs. The LDCs generally work as a group and take pre-agreed position on each item of their interest.

**Expectation from Doha round:** In view of the overwhelming evidence that freer trade has been instrumental in enhancing the prosperity of nations, it is imperative that all countries including the LDCs make every effort to see that Doha Round is concluded successfully. It has been established that trade barriers which still remain impose costs on all countries. Estimates by the World Bank and others suggest that the static welfare gains from removing barriers to merchandise trade would amount to US\$250-US\$260 billion a year with developing (including LDCs) countries capturing the third to one-half of these gains. Removing barriers to trade in services (including freer movement of our workers) would increase global welfare by even more. These potential gains may be compared with the LDCs' export of US\$ 31.33 billion in 2000 which is only 0.5 per cent of world export in that year.

Removing all barriers to LDCs' export and movement of workers is the key to the success of the international community's strategy for achieving the Millennium Development Goal of halving the poverty by 2015. To assist this process of halving poverty the international community has to be persuaded to conduct and conclude the on-going Doha Round in a manner beneficial to the LDCs by offering really improved market access for goods and services and by ensuring that the new trade rules created are useful for the LDCs. It should also consider to set a goal that by 2015 the LDCs should attain 6 per cent of the world's share of export of goods and services. That would still be half of the normal share (when there is less inequality of income among people of different countries) of 12 per cent of world population living in the LDCs in 2015. That may sound rather ambitious but not unattainable if we the LDCs work to secure a favourable external environment with the help of international community supplemented by our carrying out required reforms at home for creating a coherent internal policy framework and implementing them with due diligence. That means a new global trade architecture has to be evolved and our trade ministers in the Cancun meeting may make a start for that.

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# Who is next in the firing line?

LT. COL. A.K.M. SALIMULLAH, PSC, (RETD)

WHEN a cat makes a kill, the scavengers closely follow. In Iraq the kill is complete and the military defeat had been comprehensive. They now have gathered to have their portion of bite. The killer is now propagating virtues of the blood letting claiming legitimacy assuring 'democracy' 'liberty' having precisely delivered to the victim. However unwilling the Iraqis would be the only superpower has its own obligations, generosity and global commitments. Some are having their doubts dispelled by being aware that Saddam Hussein and some of his coteries are still hale and hearty. Some are even making assumptions that Saddam is enjoying the security of US from the public rage and even enjoying American hospitality (the price on his head has been fixed at mere \$200,000 against the price of Bin Laden's head -- \$27 million plus \$2 million bonus). Some of Saddam's top lieutenants were even reported to be CIA agents. But no one would ever know how many adults, children and women have perished by the devastating rage of the invading forces.

In the legality and morality shrunken frontiers, the ultimate verdict is -- nothing succeeds like success. As eye-wash US alleged that Saddam Hussein possessed Weapon of Mass Destruction (WMD). No wonder US would know much more than anyone else about Iraq's WMD because Saddam was CIA's darling for long. During the Iran-Iraq war US had supplied chemical and biological agents to Saddam and CIA helped him weaponise that. Saddam enthusiastically used this token of generous love from US. Now the invading forces left no stone unturned in Iraq to find if there was any remaining WMD stock which Saddam was not smart enough to empty against his neighbour and

against its own people. So far, as they say, what the US and UK forces have discovered are 'COKE' and 'PEPSI' canisters! But may be CIA would stage-manage WMD discoveries in Iraq and launch a propaganda campaign to legitimise their wanton military actions especially for the consumption of American audience as the rest of humanity reality does not matter. Once the Americans remain

Lebanon, give up its territorial claims of Golan Heights occupied by Israel, guarantee safe transmission from Iraq's northern gas field under US terms, deny support to the Iraqis in any kind of resistance. Syria seems to have already given in to US pressure. Syria cannot meet the standard of attaining the status of US' legitimate target unless it does something 'stupid'. Moreover its arms can be twisted

**As soon as the US troops can stabilise and consolidate their gains in Iraq, they would most probably turn their full attention to Iran. Historically also the great invasions in this region were never remained confined to Mesopotamia. Either it moved towards Persia or it moved from Persia towards Mesopotamia.**

impressed the US Government can proceed on its scheme and agenda which are not limited to mere plundering and which has greater ramifications.

**Is North Korea the next?** One must understand American concept of WMD. As it seems, according to US, WMD of some countries are cleaner. Israel although at times gets naughty not to listen to America, but because of friendship in perpetuity and mutual interest its WMD is considered clean and Israel has been given the licence by America and the West to possess any kind of WMD and to act freely at will to take any military overt and covert operations as justified pre-emptive actions. North Korea does not fit in targeting criterion of US because it has no oil, it is not in the close proximity of Israel to pose threat of any kind and moreover it is not a Muslim majority country.

**How naughty is Syria?** American wishes from Syria are clear. It desires Syria should disassociate from Hizbollah, Hamas and Islamic Jihad, disengage from

by Israel whenever desired by US. But tremendous pressure would be built up by US on Syria to ensure Syria concedes to all US terms.

**Is it Iran?** Iran is the only country in the world which is run by Islamic justice and jurisprudence. As most of the Arab countries are run by dictators and medieval monarchies supported by US, the appeal for expanding Iranian type theological state in the region is great. Iran has great oil reserve. As hostile nation it could interrupt the flow of Arab oil at the Straits of Hormuz. In the hidden agenda to destroy the potential Islamic force, Iran perfectly fits in as the next US target. With US military presence in Afghanistan, Pakistan and Iraq, Iran is literally surrounded by US. The time is also ideal and such favourable time, condition and opportunity may not arise again. America has hardly forgotten the humiliation of its citizens taken hostage by Iran's revolutionary forces.

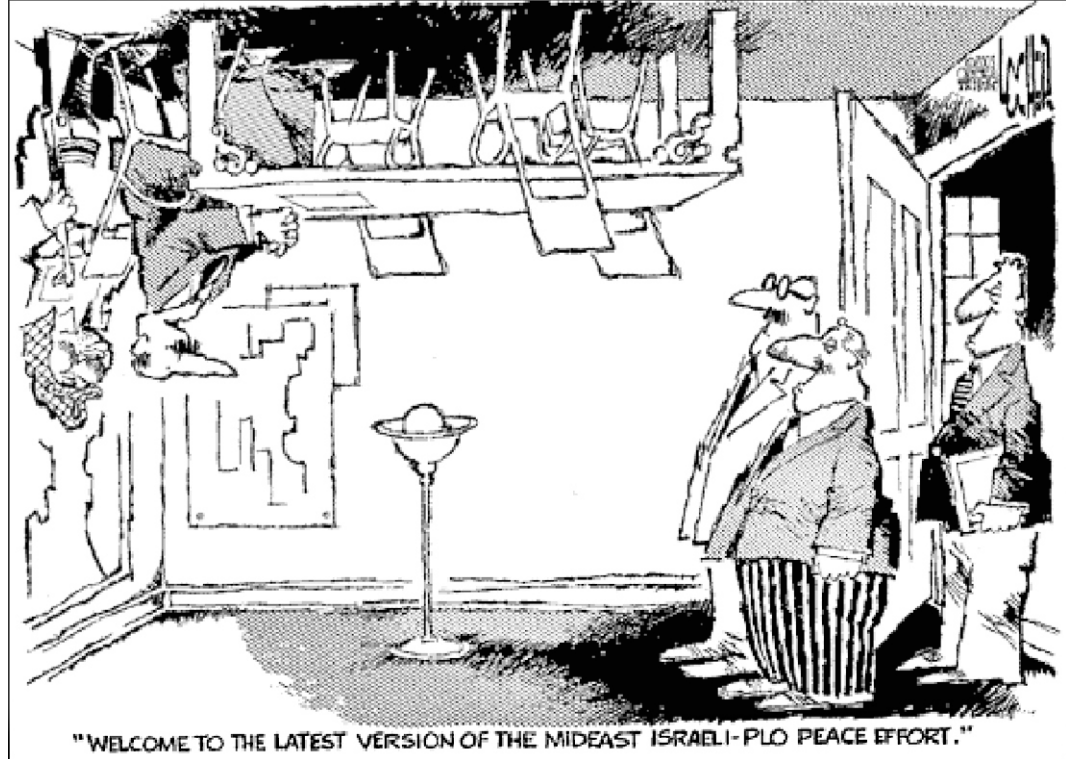
**Consequences and excuses:** Iran has nuclear programme. It is con-

vinced that unless Iran succeeds in having credible deterrence and capabilities of inflicting huge physical damages on any invading forces, it will have the rudimentary weakness and any conventional military approach would collapse against massive military invasion under total air supremacy. The defeat in detail for Saddam Hussein would teach Iranian war planners about the vulnerability and susceptibility of conventional war assets which would be redundant. This instinct of survival may create high sense of urgency to hasten Iran's urge to obtain WMD at the earliest, simultaneously also to obtain nuclear warhead delivery system. This would give US an excuse to take military action against Iran.

About 58 per cent Iraqis are Shiites who have natural allegiance to Iran. Iran may try this sect to influence shaping of the future government in Iraq. At the same time US may try to use the Iraqi Shiites as agent provocateurs to incite political unrest in Iran. If Iran succeeds in influencing the Iraqi Shiites to formulate a government in Iraq, US would run out of patience.

The near proximity of the US troops in Iraq, Pakistan and Afghanistan and a mighty task force in the Gulf region make Iran virtually encircled by the US forces. The offensive posture of the US troops in the region may pose high intensity pressure for Iran to indulge in the procurement of hi-tech military weapons. This would shift its priority from public utility projects to unproductive military re-arming and modernisation programme. Such shift in financial policies would create unhappiness and subsequent unrest in Iran. Simultaneously a propaganda war may be launched by US to formulate the world opinion in its favour particularly of US public which matter most to US administration. Harping the tune of Iran's WMD programme may again be acceptable to US public.

An Iraqi proxy government may be used as surrogate to export 'liberty' and reassert their claim on the Shat-el-Arab access to widen the rift between Iraq and Iran. The reminiscences of Iraq-Iran war may again be revived to widen the differences between the two countries. The relative cost of US in case of any war with Iran would be also cheaper as the mobilised troops and their forward logistics are already in place. More importantly the invasion in Iraq has given the US troops a fresh and comprehensive experience to use their equipment and arsenal under local battle condition. This is extremely important for the US Army because their combat machine include huge number of reservists and civilians. As soon as the US troops can stabilise and consolidate their gains in Iraq, they would most probably turn their full attention to Iran. Historically also the great invasions in this region were never remained confined to Mesopotamia. Either it moved towards Persia or it moved from Persia towards Mesopotamia. And as one has been put to torch by invaders, the fire is likely to spread and engulf the other in the region.



# Reaching the top of the "Mother of the Universe"

Nepal celebrates the 50th year of conquering Mount Everest

BILLY I AHMED

AT 11:30 in the morning of May 29, 1953, Edmund Hillary a bee-keeper from New Zealand and Darjeeling's Sherpa Tenzing Norgay became the first known human beings to stand on the highest point of Earth. Prior to Hillary/Norgay three unsuccessful attempts were made. About 1200 people have climbed Everest since Hillary and Tenzing's feat. But about 175 have also died in the mountains.

Straddling the rim of Tibet and Nepal, the world's highest mountain had remained unknown to Western humankind until 1852 when surveyors discovered it during the ongoing British government's charting of India, which was part of the British Empire at the time.

To the Nepalese this mountain was known as Sagarmatha, and to the Tibetans, Chomolungma. The mountain people often referred it to as 'Mother of Universe'.

But, ignoring the local importance of the massif, the British named the world's apex in honour of Surveyor General of India Sir George Everest, granting to that man an immortality he could hardly have envisioned.

The daunting task of mapping the whole of the Indian subcontinent (South Asia) began in 1808. One of the goals was to ascertain if the Himalayas was, indeed, the highest mountain range in the world.

At the time the project commenced, Nepal and Tibet, wary of foreign intervention, were closed to outsiders, presenting an added complexity to an already difficult undertaking.

By 1830, the survey reached the frontier between Nepal and India.

According to one historian, "Conditions were terrible: malaria was rife and monsoon rains eroded the observation towers each year."

Unable to enter Nepal, the surveyors resolved to continue the project from the lowlands. A baseline, the length of the range, was denoted, and in 1847 measuring the peaks of the Great Himalayan chain began by using trigonometrical calculations based on the heights and distances of known places.

Until this time, the 28,156-foot Kanchenjunga in Sikkim was believed to be the highest peak of the range.

Then calculations tabulated in 1856 revealed that a mountain initially designated only as 'Peak XV' (Everest) was listed as 29,002 feet high. A 1950s assessment showed the height of Everest to be 26 feet more than originally thought -- 29,028 feet to be exact.

Considering the mountains were measured from points up to 150 miles away, the accuracy of the 1856 survey is amazing. In their computations, surveyors had to consider the Earth's curvature and the fact that light bends with the varying air density of changing altitudes.

It's a sad situation, that a survey made from the same positions today would not be possible. Dust and air pollution are now so formidable that it's rare to be

**"As we carried on cutting steps along the left hand side of the ridge it seemed to go on and on forever and we were really getting quite tired.**

**"But then I noticed that the ridge ahead suddenly dropped quite steeply away and way out in the distance I could see the high plateau of Tibet. I looked up to the right and there I guess about 40 feet above me was a rounded snow slope. Then it was only a matter of a few more whacks with the ice axe going straight up this snow slope and Tenzing and I stood on top of Everest."**

-- (Sir) Edmund Hillary

able to make out even the second foothills of the Himalayas from the plains of India and Nepal.

After the discovery of Everest, it would be almost 70 years before the first exploration was made.

In 1921, a British reconnaissance expedition set out. Trekking into the unknown, George Leigh Mallory, whose name would become intrinsically linked to that of Everest, stated, "We are walking off the edge of map... first we have to find this mountain."

Since Nepal was yet sealed, this exploration and all further expedition attempts until 1950, were forced to make a long approach across the Tibetan Plateau and climb the mountain from the north side.

The following year, 1922, a serious and formal attempt to climb Everest was made, and, for the first time, the mountain's terrifying defences became known.

The highest point reached by the men was 27,297 feet before an avalanche killed seven Sherpas.

In 1924, another team of British gentlemen set off in their tweed suits to conquer the massif. These hearty adventurers, equipped with no crampons, had "a furious argument about whether the use of oxygen was sporting."

On this expedition, George Mallory and Andrew Irvine, possibly reached the mountaintop; but, they never returned. Mallory's body was found but the camera that might have been able to prove they were the first to scale Everest hasn't yet been located.

Next to the Hillary/Norgay successful climb, this is, perhaps, the most famous of all the endeavours, especially because of the controversy.

The massive 1953 British expedition that placed Norgay and Hillary on the top, was led by Sir John Hunt and had 320 porters supporting 10 climbers.

On May 26, 1953, two climbers from the party pushed to the South Summit before low oxygen and fatigue forced them to turn back. At 28,700 feet, they were only 328 feet from the top. Now the window of good climbing weather was preparing to close. The onset of the monsoons with their heavy snows was only about a week away, effectively ending any

chance of achieving the peak.

Just on time, on May 29, 1953, Tenzing Norgay and Edmund Hillary gazed out over Tibet from the apex of the world.

From 1921 to 1953, "the Mother of the Universe" had defeated 10 major expeditions. The Swiss nearly beat the British the year before, and Tenzing Norgay was part of the attempt. He and a Swiss climber made it to 28,210 feet before retreating.

A 1963 American team lead by Norman Dyhrenfurth was successful and placed six people -- of which Seattle resident Jim Whittaker was first -- on the summit. Two of the six arrived via the previously unclimbed West Ridge.

Everest's biggest challenge was overcome in 1978 when Austrians Reinhold Messner and Peter Habler made the first ascent of the mountain without using oxygen. In 1980, Messner did it solo and again without bottled air.

May 1996 witnessed the debacle that killed eight climbers above the South Col route.

By the close of the spring 2002 climbing season, and since 1953, 1,200 climbers had stood on the world's loftiest landmark. Some have been dragged (short roped) up (the infamous Sandy Pitman), and others have succeeded on difficult routes.

Sherpas hold two impressive records. It takes most climbers weeks to climb from the Everest Base Camp to the summit. Babu Chiri ascended in less than 17 hours. And Apu Sherpa has stood on top 12 times.

The Norgay-Hillary feat of 50 years ago will forever stand as an incredible achievement. They were the first, and they did it in era of less-sophisticated equipment.

Sir Edmund (he was knighted by Queen Elizabeth after the climb), is now 83 and still active in the Solu-Khumbu (the Everest region). The man has done much for the Sherpa people including building 27 schools and spearheading many other projects that help the indigenous folks who live just under the roof of the world.

He is giving back to a land that gifted him with so



Tenzing Norgay and Sir Edmund Hillary: Celebrating the conquest.

much. On May 25, 2002, his son Peter stood where his father did 49 years before.

Tenzing died at his home in Darjeeling, India, in 1986 of a severe coughing spell.

His son Jamling Norgay on May 23, 1996 followed his father's footsteps to the top of the Earth.

Billy I Ahmed is a researcher.



All health information to keep you up to date

## Around the world

Call for pulmonary disease awareness

Australian researchers have joined with 100 other countries in calling for greater awareness of a respiratory illness, the world's fourth leading cause of death.

Chronic Obstructive Pulmonary Disease (COPD) is a long-term lung disease, including emphysema and chronic bronchitis, which kills more than two million people around the globe each year.

The Australian Institute of Health and Welfare estimated there were almost 300,000 Australians with COPD, although subsequent studies, including one from Monash Medical School, suggest the actual prevalence is greatly underestimated.

"If you extrapolate their findings to the current Australian population we could have a COPD prevalence in the range of 620,000 to 2.6 million, Flinders Medical Centre Associate Professor Alan Crockett said at the Australian launch of World COPD Day in Sydney, recently.

The disease, which often develops with either mild or no symptoms, is mainly caused by smoking but can also be brought on by indoor or outdoor pollution and genetic factors.

Experts say the problem, along with its economic impact, is growing, with estimates it will be the third leading cause of death worldwide by the year 2020.

"COPD is an escalating problem worldwide," Dr Christine Jenkins, an executive committee member of the Global Initiative for Chronic Obstructive Lung Disease, said at the launch.

"The WHO estimates that 2.74 million deaths occurred in 2000 as a result of COPD and that is increasing... it will be the third leading cause of death by the year 2020.

It (COPD) develops insidiously in people who have the disease and they often don't recognise that they have it until they have lost at least 50 per cent of their lung function, by which stage the disease has had an irreversible impact on their lung capacity.

## Did you know?

In the Western world, the incidence of Asthma rose by 42 per cent of late.

Next: Alternative medicine