

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

THE LEAST DEVELOPED COUNTRIES 2000 REPORT

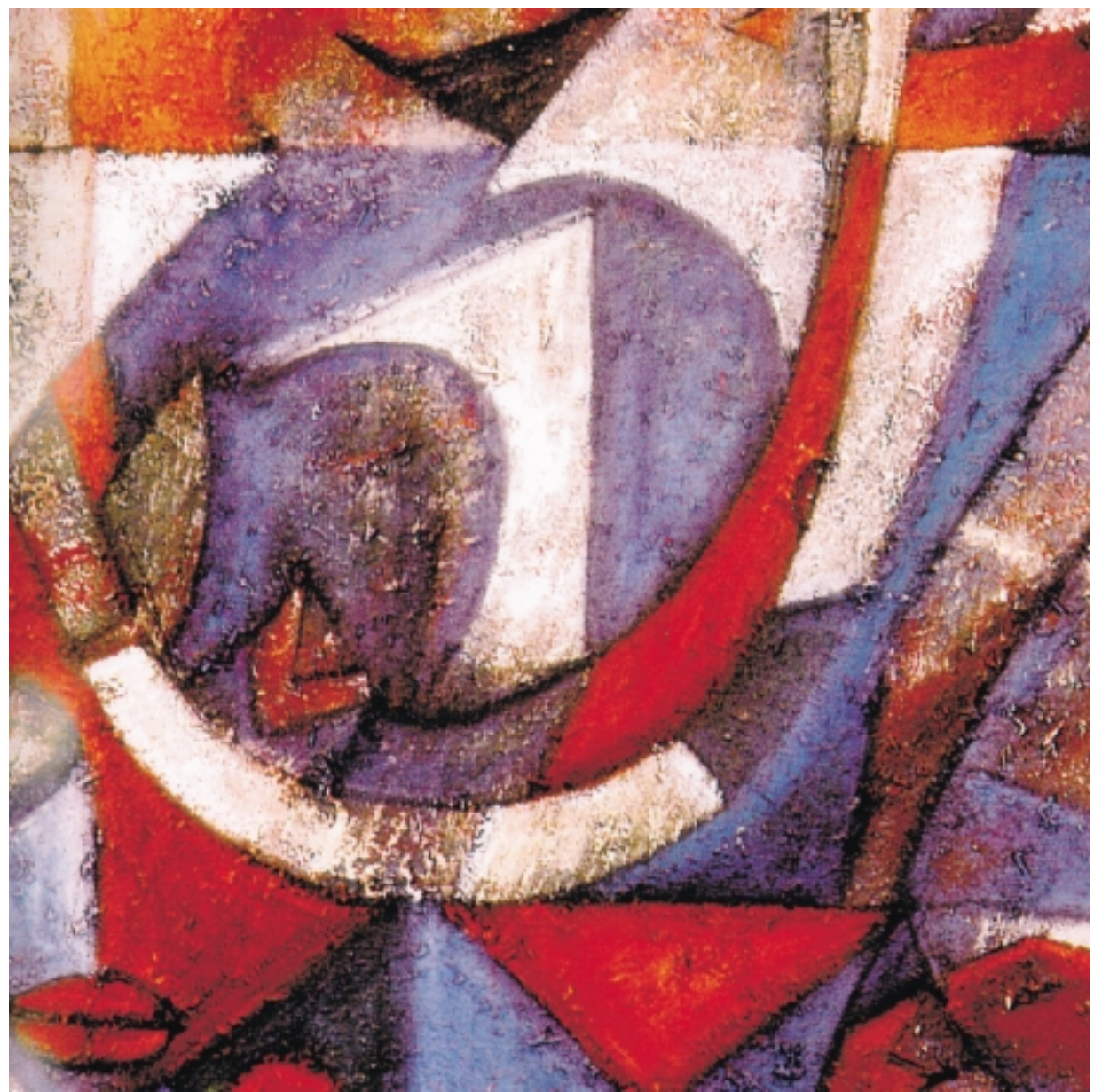
Aid, Private Capital Flows
and External Debt:
The Challenge of Financing
Development in the LDCs



UNITED NATIONS

EMBARGO

The contents of this report must
not be quoted or summarized
in the press, on radio, or on
television, before **12 October 2000**
22:00 hours GMT



The front cover shows detail from “Primavera Radiosa” (Radiant Spring) painted by the Mozambican artist Malangatana Valente Ngwenya in 1995. The painting has been chosen in order to illustrate the creativity of the least developed countries, and to symbolize the opportunity for change. It is reproduced with the permission of the artist.

WHAT ARE THE LEAST DEVELOPED COUNTRIES?

Forty-eight countries are currently designated by the United Nations as “least developed countries” (LDCs). The list is reviewed every three years by the Economic and Social Council (ECOSOC).

The criteria underlying the current list of LDCs are:

- (a) **a low income**, as measured by the gross domestic product (GDP) per capita;
- (b) **weak human resources**, as measured by a composite index (Augmented Physical Quality of Life Index) based on indicators of life expectancy at birth, per capita calorie intake, combined primary and secondary school enrolment, and adult literacy;
- (c) **a low level of economic diversification**, as measured by a composite index (Economic Diversification Index) based on the share of manufacturing in GDP, the share of the labour force in industry, annual per capita commercial energy consumption, and UNCTAD’s merchandise export concentration index.

Different thresholds are used for inclusion in, and graduation from, the list. A country qualifies to be added to the list of LDCs if it meets inclusion thresholds on all three criteria. A country qualifies for graduation from the list if it meets graduation thresholds on two of the three criteria. For the low-income criterion, the threshold on which inclusion in the current list is based has been a GDP per capita of \$800, and the threshold for graduation has been a GDP per capita of \$900. In its July 2000 review, in the light of recommendations by the Committee for Development Policy, ECOSOC declared the eligibility of Senegal for designation as an LDC (subject to the Government so desiring) and decided to postpone until 2001 its consideration of Maldives’ graduation.

The criteria for determining the list of LDCs are under review. The Committee for Development Policy has recommended that the Economic Diversification Index be replaced by an Economic Vulnerability Index reflecting the main external shocks to which many low-income countries are subject, and incorporating the main structural elements of the countries’ exposure to the shocks, including their smallness and lack of diversification.

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT
Geneva

THE LEAST DEVELOPED COUNTRIES 2000 REPORT

Prepared by the UNCTAD secretariat



UNITED NATIONS
New York and Geneva, 2000

Note

Symbols of United Nations documents are composed of capital letters with figures. Mention of such a symbol indicates a reference to a United Nations document.

The designations employed and the presentation of the material in this publication do not imply the expression of any opinion whatsoever on the part of the Secretariat of the United Nations concerning the legal status of any country, territory, city or area, or of its authorities, or concerning the delimitation of its frontiers or boundaries.

Material in this publication may be freely quoted or reprinted, but full acknowledgement is requested. A copy of the publication containing the quotation or reprint should be sent to the UNCTAD secretariat at: Palais des Nations, CH-1211 Geneva 10, Switzerland.

The Overview from this Report can also be found on the Internet, in both English and French,
at the following address:
<http://www.unctad.org>

UNCTAD/LDC/2000

UNITED NATIONS PUBLICATION

Sales No. E.00.II.D.21

ISBN 92-1-112491-3

ISSN 0257-7550

*This Report is dedicated to the
memory of Anthony Ngororano*

Acknowledgements

The Least Developed Countries 2000 Report was prepared by a team comprising Charles Gore (team leader), Massoud Karshenas (principal consultant), Marquise David, Utumporn Reungsuwan and Rajesh Venugopal. Specific inputs were received from Amelia Santos-Paulino, Birgitta Starck and Yuefen Li. Internet searches were undertaken by Alke Gijrath, and Dexter Roberts assisted with some of the data preparation. The work was carried out under the overall supervision of Anna Kajumulo Tibaijuka, former Special Coordinator for Least Developed, Land-locked and Island Developing Countries.

Background papers for the Report were prepared by Debapriya Bhattacharya, Khaled Hussein, Valpy Fitzgerald, Paul Mosley, Armando Olortegui, John Tourtellotte and Marc Wuyts. The Report also benefitted from regional surveys on financing development in French-speaking African LDCs, English-speaking African LDCs, and Asian and Pacific LDCs, which were prepared by Saïdou Sidibe, Charles Soludo and Debapriya Bhattacharya, respectively, and were presented at regional expert meetings as part of the preparatory process for the Third United Nations Conference on the Least Developed Countries, which will be held at Brussels in May 2001.

Lev Komlev, Mehdi Shafaeddin and Taffere Tesfachew provided detailed reviews of the manuscript. Detailed comments were also received on specific chapters from Alain Bodin, Pal Borresen, Pierre Encontre, Masataka Fujita, Gerry Helleiner, Shigehisa Kasahara, Gabriele Köhler, Kamran Kousari, Matthew Martin, Anne Miroux, Karl Sauvart, and Anh Nga Tran-Nguyen.

The final production of the Report was facilitated by Anna Faelth and Michael Herrmann, and also by Widad Bachayani, Rosalina Goyena and Elizabeth von Gunten, who provided secretarial support. Diego Oyarzun-Reyes designed the cover, and the text was edited by Graham Grayston. The overall layout, design and desktop publishing was done by Madasamyraja Rajalingam.

Contents

Explanatory notes	x
Abbreviations	xi
Overview	I–XV

Part One

ECONOMIC GROWTH AND SOCIAL TRENDS IN THE 1990s

1. ECONOMIC GROWTH AND SOCIAL TRENDS IN THE 1990s	3
A. Overall growth trends	3
B. Commodity prices and the external terms of trade	5
C. Social trends	8
D. Where will the LDCs be in 2015?	11
Notes	16
Reference	16
Annex: Trends in real per capita GDP in individual LDCs, 1980–1998	17

Part Two

THE CHALLENGE OF FINANCING DEVELOPMENT IN THE LEAST DEVELOPED COUNTRIES

1. DOMESTIC RESOURCE MOBILIZATION, EXTERNAL FINANCE AND VULNERABILITY	25
A. Introduction	25
B. Distinguishing features of the LDCs	25
1. Low income and underdeveloped economic structure	26
2. Poor socio-economic infrastructure	28
3. Economic vulnerability	30
C. Domestic sources of finance	31
1. The scope of development finance in an LDC context	31
2. Private consumption and savings effort	33
D. External shocks and vulnerability	38
E. External resource flows and requirements for finance	41
F. Conclusions	47
Annex: Determinants of savings in the LDCs: some econometric estimates	49
Notes	50
References	51
2. AID, PRIVATE CAPITAL FLOWS AND EXTERNAL DEBT: A REVIEW OF TRENDS	53
A. Introduction	53
B. Trends in long-term net capital inflows	53

1. Scale of long-term net capital inflows	53
2. Composition of long-term net capital inflows	56
3. LDC share of long-term net capital inflows into developing countries	56
C. Trends in aid flows	60
1. The scale and uses of official development assistance (ODA)	60
2. The changing composition of long-term net concessional flows	64
3. The economic importance of aid	64
D. Trends in private capital inflows	67
E. Trends in external debt	68
F. Aggregate net transfers and exceptional financing	74
G. Conclusions	76
Notes	79
References	79
3. THE PRIVATE CAPITAL-FLOW PROBLEM	81
A. Introduction	81
B. Limits to private capital inflows: (1) national factors	83
1. The national policy environment	83
2. Risks and returns	84
3. Domestic market failures	88
C. Limits to private capital inflows: (2) international factors	89
1. International market failures	89
2. The impact of the external debt	91
D. The IFC's "Extending IFC's Reach" programme	91
1. The EIR Programme	92
2. Lessons from the EIR Programme	94
E. Conclusions and policy implications	97
Notes	99
References	100
4. STRUCTURAL ADJUSTMENT, ECONOMIC GROWTH AND THE AID-DEBT SERVICE SYSTEM	101
A. Introduction	101
B. The objectives and strategy of SAF/ESAF-supported programmes	102
C. The scope of SAF and ESAF policy reforms	103
D. Outcomes: economic growth and progress to external viability	108

预览已结束，完整报告链接和二维码如下：

https://www.yunbaogao.cn/report/index/report?reportId=5_10984

