

THE LEAST DEVELOPED COUNTRIES :  
ECONOMIC TRENDS AND PROSPECTS

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Commonwealth Secretariat

March 1980

## The Least Developed Countries : Economic Trends and Prospects

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## I. Introduction

1. The creation of a category of 'least developed countries' (LLDCs)<sup>1</sup> among the developing countries in November 1971 was the first formal recognition that terms such as 'developing countries' and 'the Third World' were general expressions for countries with widely different circumstances and needs. At present, thirty-one countries, with 257 million people or 12.5 per cent of the population of all the developing countries, are included in the United Nations list of LLDCs.
2. The main reason for identifying the hard-core poor countries was the conviction that their economies were so rudimentary that without special attention they did not have the capacity to take full advantage of the policy measures aimed at assisting the developing countries as a whole. Moreover, the growing preoccupation with 'basic needs' and 'poverty-oriented programmes' meant more donors wanted to concentrate their assistance where poverty was greatest.
3. The criteria used in identifying these countries were threefold : low per capita GDP (\$100 or less in 1968); a low share of manufacturing in GNP (10 per cent or less in 1968); and a low literacy rate (20 per cent or less for persons above 15 years).
4. The definition of LLDCs has been the subject of arguments, some of which can be briefly mentioned here. First, it has been argued that the LLDCs are only one form in which 'spatial inequalities' in development might occur, and that the wider problem of regional backwardness need not coincide with national borders. Hence, to the extent that the present UN definition of 'least development' eliminates depressed areas within countries, the need for poverty-focused aid programmes is far greater than has so far been considered.(2) Secondly, it has been suggested that the criteria used for selecting LLDCs are too narrow - they provide an incomplete indicator of economic welfare - and the cut-off points, particularly in the case of GDP, are too arbitrary. Some composite indices, reflecting a much wider range of economic and social indicators should have been used.(3) Thirdly, the specification of the list is regarded as a formal recognition of the widely

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1. The original twenty-five countries identified as 'least developed' by the United Nations General Assembly in November 1971 were Afghanistan, Benin, Bhutan, Botswana, Burundi, Chad, Ethiopia, Guinea, Haiti, the Lao Peoples Democratic Republic, Lesotho, Malawi, Maldives, Mali, Nepal, Niger, Rwanda, Sikkim (now part of India), Somalia, Sudan, Uganda, United Republic of Tanzania, Upper Volta, Western Samoa and the Yemen Arab Republic. In December 1975, four countries (Bangladesh, Central African Republic, Democratic Yemen and The Gambia) were added to the list and in December 1977 two more countries (Cape Verde and the Comoros) were added.
  2. See Percy Selwyn, "The Least Developed Countries as a Special Case", World Development, Vol. 2, 4-5, April-May 1974.
  3. See A.I. MacBean, "Identifying the Least Developed in the International 'Line Up'", The World Economy, Vol. 2 No. 1, January 1979.

differing circumstances of the Group of 77 - a situation which may not always work toward strengthening the unity of the Group.

5. The purpose of this note, however, is not to pursue this debate in detail, but primarily to review the recent economic trends of the LLDCs and to outline some of the major infrastructural bottlenecks to their present and future development. Before examining the economic trends, it is perhaps useful to consider briefly the basic characteristics of the LLDCs.

## II. Major Characteristics of the Least Developed Countries

6. Table 1 gives a statistical summary of the basic economic and social characteristics of the LLDCs. Depending on location, geography and population, there are substantial differences in the development potential of these countries.

7. Sixteen of them, mostly in interior Africa, are landlocked. Many are also at a considerable distance from the major developed country markets, and have little access to regular shipping lanes, except perhaps for Haiti and some of the countries in West Africa. This means that they are likely to be burdened with fairly heavy transport costs.

8. Most LLDCs are small in terms both of land area and size of population. Only seven out of the thirty-one have populations greater than 10 million. Bangladesh - a nation whose features link it more closely to the rest of South Asia than to any such broad groupings as LLDCs - is the most striking exception, with over 82 million people. Other relatively populous LLDCs such as Afghanistan, Ethiopia, Sudan and Tanzania, have rather low population densities. This means that, even discounting their low incomes per capita, their markets are too small for medium-size industrial manufacturing enterprises to be viable.

9. Geographically more striking is the fact that all but a few of the smaller countries on the list are located contiguously in two areas, which can be characterised as the most depressed regions of the world. One such region extends across the middle of Africa, with the exception of Kenya and some West African coastal states. The other, beginning with Afghanistan, stretches eastwards across South Asia and some East Asia countries. The problems of LLDCs have not always been perceived in the context of poverty belts extending over entire regions of the world. Having poor neighbours is neither a necessary nor a sufficient explanation for any country's poverty. But a country which is part of such a large impoverished region tends to find it more difficult to surmount poverty, whereas one located in a prosperous and rapidly developing region is likely to derive many advantages from the economic level and rapid progress of its neighbours.(1)

10. Because many of these countries lie in semi-arid zones, they suffer from a shortage of arable land. In most cases, even arable farmland is not being used to its full potential. Production of the principal cash crops is erratic because of the low level of technology and the consequent importance of weather and disease in influencing yields. On average, agriculture contributes about 44 per cent of GDP but employs about 83 per cent of the population, largely in subsistence farming. Even so, two-thirds of the

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1. See J.F. Rweyemamu, Problems and Prospects of the Least Developed Countries, mimeograph, April 1978, page 4.

LLDCs are food-deficit countries.(1) Output fluctuations have very far reaching effects not only on rural nutrition and agricultural incomes, but also on export earnings, savings and investments, the demand for manufactured products, and the prices and supplies of urban food.

11. A corollary of the predominance of subsistence agriculture is the low level of industrialisation. The share of manufacturing in gross output is not more than 10 per cent in most LLDCs. This means that they cannot benefit significantly from trade measures relating to manufactured and semi-manufactured products, until such actions as are likely to stimulate industrial production and diversification are undertaken.

12. In terms of health, the LLDCs are also very poor countries. With few exceptions, average life expectations run from 39 years in Ethiopia to 46 in Malawi (see Table 1). Infant deaths per thousand live births are generally well over 145, compared to an average of 110 for the developing countries as a whole and 17 for developed countries. The ratio of population per physician is higher than the LDC average by a factor of nearly two or more in every case.

13. Low literacy rates are a particularly striking feature of the LLDC group. The average for the Third World is about 40 per cent for persons over 15 years, but the rates within the LLDCs run from a low of 8 per cent in Niger to 25 per cent in Botswana. Primary school enrolments are in most cases substantially below those of the other developing countries. Reflecting these patterns, modern mechanical skills are scarce and the overall administrative and governmental organisation of LLDCs is weak. In addition, economic infrastructure (communications, power, water and transport) is inadequate.

### III. International Action in Assisting the Least Developed Countries

14. Following the official adoption of the category by the UN General Assembly in 1971, a comprehensive package of measures for the LLDCs was elaborated and unanimously adopted at UNCTAD III (Santiago, 1972) in Resolution 62 (iii). Since 1972, the situation and prospects of LLDCs have been kept under review. After the disruptions of the international economy in the early 1970s, UNCTAD IV (Nairobi, 1976) adopted further measures to assist not only the LLDCs but also developing island and landlocked countries.

15. At UNCTAD V (Manila, 1979), however, it was noted that "despite some improvement in the implementation of special measures, the economic performance of the least developed countries has been very unsatisfactory and the prospects remain, with a few exceptions, desperate. Progress in the implementation of these measures has been slow or lacking in many cases, and in any event has been inadequate to overcome the economic stagnation facing most of these countries. Furthermore, most of the special measures have been formulated in very general terms, specifying types of action which

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1. See National Foreign Assessment Centre (CIA), Least Developed Countries : Economic Characteristics and Stake in North-South Issues, page 3, May 1978.

should be undertaken in favour of the least developed countries, but not the rate or extent of such action".(1)

16. Against this background, UNCTAD V considered further proposals for special measures in favour of LLDCs and decided on "a substantially expanded programme of action", with both immediate and longer-term phases. The first phase or "the crash programme" is aimed at an immediate expansion of resources to strengthen efforts to improve nutrition, health, education, transport and communications, housing and job creation; to supply on a massive scale inputs for agricultural production such as fertilisers and pumps, and to provide technical assistance to overcome management and other urgent bottlenecks, in order to pave the way for much longer-term development. The long-term phase, i.e. the programme of action for the 1980s, is concerned with the identification of, and the mobilisation of international support for, transformational projects that could lead these economies to self-sustained development.(2)

17. Notwithstanding the overall lack of progress in the implementation of the special measures, there has been remarkable improvement in the volume of concessional financial flows to LLDCs since the 1972 Santiago resolution. Official Development Assistance (ODA) flows from DAC members to LLDCs increased from \$786 million in 1972 to \$2,191 million in 1977. Multilateral assistance increased from \$289.2 million in 1972 to \$951.8 million in 1977. The proportion of ODA flows going to LLDCs increased from 12.8 per cent in 1972 to 17.6 per cent in 1977. Financial flows from OPEC countries have become increasingly important. However, it should be noted that a substantial proportion of ODA, specially in the drought years of 1974-1975, was part of the special action taken by DAC members in favour of the most-seriously-affected (MSA)(3) countries - twenty-four of which are also included in the LLDC category - in the form of food grants and current import financing.(4) The course of official aid flows to LLDCs is given in Table 2.

18. However, the distribution of this aid has not always been consistent with need. Special historical, political, or trading links, and general donor support for the development objectives of certain recipients have influenced the allocation of aid to LLDCs. For instance, in 1976, 90 per cent of the aid from Socialist countries (including China) went to Afghanistan, Uganda and Sudan, and 89 per cent of that from OPEC to LLDCs went to the Sudan, Yemen Arab Republic and Yemen Democratic Republic.

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1. See UNCTAD, Outline for a substantial new programme of action for the 1980s for the least developed countries, TD/240, May 1979, page 2.
  2. See UNCTAD Resolution 122 (V), E/1979/109, July 1979.
  3. The following countries are MSAs but not 'least developed': Burma, Cameroon, Democratic Kampuchea, Egypt, El Salvador, Guinea Bissau, Guatemala, Guyana, Honduras, India, Ivory Coast, Kenya, Madagascar, Mauritania, Mozambique, Pakistan, Senegal, Sierra Leone, Socialist Republic of Vietnam and Sri Lanka.
  4. See OECD, Development Cooperation, 1977 Review, Paris 1977, page 121.

19. The sectoral breakdown of DAC bilateral ODA commitments to LLDCs during 1973-1975 shows that 56 per cent of the aid was concentrated on short-term needs (current imports 15 per cent, food aid 35.3 per cent, budget support 2.7 per cent, emergency aid 2.8 per cent) and only 10 per cent on agricultural development programmes. This may have been inevitable in view of the economic difficulties these countries had to face during this period. Nevertheless, it means that only a small proportion of the resources flowing to them was directed to meeting the objectives of self-sustaining growth.

#### IV. Recent Economic Trends(1)

20. Table 3 gives a comparative summary of selected structural indicators for LLDCs and the developing countries as a whole. The following paragraphs contain a further comparative analysis of some of the key indicators in order to show the sharply lagging performance of the LLDCs.

##### (i) Growth of GDP

21. Despite the recession of 1974-1975, the developing countries as a whole made some progress during the period 1970-1977, with an average per capita GDP growth rate of 3.2 per cent, though this was lower than the target of 3.5 per cent set for the LDCs in the second UN International Development Decade. For the LLDCs, however, the growth performance was extremely disappointing, with an annual average rate of only 0.7 per cent. In fact, six of these countries (Cape Verde, Central African Republic, Comoros, Lao, Uganda and Upper Volta) experienced negative growth rates during this period. In order to underline the urgent need for special measures for the LLDCs, their historical growth rates (1960-1977) have been projected until 1990. This shows little change in the absolute levels of GDP per capita from their present low levels. Table 4 shows growth rates of LLDCs in comparison with those of all developing countries.

##### (ii) Agricultural and food production

22. In contrast to the 1960s when agricultural and food production roughly kept pace with population growth, the growth rate in agricultural production in LLDCs slowed to less than 2 per cent per annum during the first eight years of the 1970s, and was far below the 4 per cent target of the second UN International Development Decade, as shown in Table 5.

23. Within the above overall trends, however, particular country patterns differ considerably. For instance, two countries - Malawi and Sudan - showed improved agricultural and food production over the period 1970-1977, largely as a result of the application of new techniques. Food production per capita in Mali, Niger and Upper Volta - countries in the Sahel - fell considerably because of persistent drought during the early 1970s. Similarly, food production in Ethiopia and Uganda declined sharply because of political problems.

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1. The statistical data on LLDCs contained in this section were largely drawn from the UNCTAD Handbook on International Trade and Statistics, 1979.

(iii) Manufacturing production

24. The annual average growth rate of real GDP arising from manufacturing in LLDCs showed a significant slowdown in the 1970s, from 6.3 per cent in 1960-1970 to 5.2 per cent in 1970-1978, as compared to 7.2 per cent and 6.3 per cent in the developing countries as a whole during the same periods. In 1977, the share of manufacturing in GDP averaged only 9 per cent in the LLDCs and 19 per cent in all developing countries. However, there were large variations among individual countries : from 3 per cent in Lao, Lesotho and Western Samoa, to 13 per cent in Haiti and Mali respectively.

(iv) Gross domestic investment

25. The growth rate of domestic investment in LLDCs, which had been relatively favourable during the 1960s, was also significantly lower on average during the 1970-1977 period, as shown in Table 6. Investment actually declined in Bangladesh, Ethiopia, Comoros, Mali and Uganda.

(v) External trade

26. The overall performance of the LLDCs in external trade is very low and showed a marked stagnation in the 1970s. In 1977, their exports constituted 11.3 per cent of GNP, compared with 16.6 per cent for the developing countries as a whole (excluding the major petroleum exporters). Even allowing for the fact that a significant portion of foreign trade in most of these countries goes unrecorded, the summary of key trade results given in Table 7 is indicative of the position.

27. Despite the doubling in real terms of total external financial flows to LLDCs between 1970 and 1976, the import volume of these countries grew only slowly. In per capita terms, imports reached \$35.2 in 1978, only \$2.9 more than in 1970. The per capita export purchasing power in 1978 averaged only \$17.5 and had actually declined by \$6.2 compared with eight years earlier. LLDC imports in value terms increased at an average annual rate of 16.0 per cent between 1970 and 1978, compared with 19.5 per cent for all non-OPEC developing countries. Most of this increase was due to rising costs of grain and fuel. On average, nearly 20 per cent of the LLDC import payments during this period went on food. The second single most important LLDC import was petroleum which accounted for a steadily growing share of imports into each country.

28. The very low absolute level of per capita exports and downward trend in real terms is one of the major structural handicaps of the LLDCs. The failure of these countries to achieve significant growth in per capita output during the 1970s is, *inter alia*, directly related to foreign exchange constraints which sharply limited their ability to import the resources needed to stimulate and support growth. The increase in concessional assistance to LLDCs during the decade was offset by the decline in their export purchasing power.

29. Moreover, in contrast to all developing countries, the commodity structure of the exports of the LLDCs as a group is more heavily concentrated in food items and agricultural raw materials, as indicated by Table 8.

30. This dependence on exports of a few primary products makes LLDCs vulnerable to sudden price swings and to climatic influences; moreover, for none of the commodities does world demand grow as fast as for manufactured goods or fuels.

#### V. Some Critical Infrastructural Needs of the Least Developed Countries

31. To sum up, the main structural handicaps of the LLDCs include :

- very high proportion of the population in the subsistence sector ;
- extremely low agricultural productivity and weak agricultural support institutions, necessitating heavy dependence on food imports ;
- extremely low level of exploitation of natural resources - minerals, energy, water, etc. - because of lack of knowledge, skills and finance for resource development ;
- limited development of manufacturing industry ;
- extremely low level of exports per head of population and, even with aid flows, very limited absolute availabilities of imports ;
- acute scarcity of skilled personnel at all levels ;
- very weak institutional and physical infrastructure, including administration, education, health, housing, transport and communication ; and
- one or more major geographical and climatological handicaps, such as remoteness, drought and desertification.

32. The overall performance of the LLDCs is likely to worsen - they will be even poorer, have higher food deficits, and be even further disadvantaged relative to the rest of the world by 1990 than they are today.

33. To reverse the record of decline and stagnation of the 1970s and to provide for accelerated development in LLDCs will require extraordinary efforts by the countries themselves, along with a substantial expansion of support from the international community. If the LLDCs accept this challenge, they will need to make maximum effort to mobilise domestic resources in the form of increased savings and use of trained manpower.

34. However, until the LLDCs can make more progress with social overhead investments in agriculture, transport, communications, health and education, they are not themselves in a position substantially to finance a reversal of past low growth rates. Therefore, substantially increased aid, largely on grant terms, in support of well designed development programmes

is essential. In UNCTAD's "Comprehensive new programme of action for the LLDCs", it is proposed that efforts should be made to develop and implement programmes which could double the national income of each of the LLDCs by 1990, as compared to the levels reached in the late 1970s. To bring this about, it is estimated that net disbursements of concessional assistance to these countries should be raised at least fourfold in real terms, i.e. from about \$3.5 billion in 1977 to about \$14 billion by 1990. If the objectives of the decade are to be realised, it is important to increase rapidly the flow of concessional resources early in the 1980s so that the bulk of the proposed increase is achieved by mid-decade.

35. It is not feasible to formulate detailed goals and objectives which would apply equally to all the LLDCs. Each country will have to elaborate its own development programme. However, there are a number of key broad areas which ought to be given greater attention by all LLDCs. These are : (a) agriculture; (b) mineral, energy and water resources; (c) physical infrastructure; (d) manufacturing; and (e) eradication of disease.

(i) Agriculture

36. With more than 80 per cent of the population of the LLDCs dependent on agriculture, this sector has to be the core of their development programmes. Progress in agriculture has been the most sluggish and the requirements for its transformation are enormous. The major changes needed to accelerate agricultural production and to attain food self-sufficiency in LLDCs include:

- modernising the production process by encouraging increased use of inputs, particularly water and fertilisers, and improved technology ;
- improving human resources and institutional structures in rural areas to ensure equitable access to land and water for the poorest people ;
- improving the physical infrastructure by means of considerable investment in land development, irrigation, transport, processing and marketing ;
- increased financial flows to support larger use of inputs ; and
- appropriate changes in the production mix for domestic consumption and export.

(ii) Mineral, energy and water resources

37. Major emphasis should be placed on the exploration of mineral, energy and water resources. Many LLDCs have not been able to undertake a systematic survey of their resources, particularly minerals. There is thus a need to improve mineral prospecting and exploitation in these countries, especially those minerals with a high growth potential. This will require heavy capital outlays on infrastructure, especially on transport. The present timing of these investments appears propitious for investors in view of the expected demand and the current underutilisation of capacity, especially

of transport and mining equipment in the industrial countries.(1) International assistance to LLDC governments in planning, evaluating, negotiating and executing mining development should receive greatly increased support. Also, LLDCs have a significant potential for exploiting solar or wind energy and energy from other non-conventional sources, utilisation of which could reduce imports. The international community should help finance projects in this area.

(iii) Physical infrastructure

38. A major emphasis must be placed on the development of the basic physical infrastructure needed to support the improvement of the productive sectors as well as to support essential social services. These include transport and communications, both major trunk lines and feeder routes, ports and airports, water and irrigation development, storage and distribution facilities, hospital and school buildings, and housing. Investment in such facilities will often be very costly and may require long gestation periods but the facilities are crucial to the structural transformation of the LLDCs.

(iv) Manufacturing

39. As indicated earlier, per capita growth of manufacturing in the LLDCs declined significantly in the 1970s, compared with the 1960s, and without substantial international assistance it may deteriorate further during the 1980s and 1990s. To avoid this, the LLDCs, with strong external support, should undertake ambitious programmes of industrial development, particularly in small-scale agro-based and agro-support industries, as one of the keys to achieve more rapid growth. A minimum target (as recently proposed by UNIDO) for any such effort should be to increase the average annual growth of value-added in manufacturing from the 2.25 per cent achieved during 1970-1976 to 8 per cent in 1990.

(v) Eradication of disease

40. The economic development of the LLDCs, especially those in Africa, is still hampered considerably by tropical diseases. Most of these are water-based, e.g. schistosomiasis and malaria; others are arthropod-borne infections, e.g. river-blindness and sleeping sickness. The prevention and control of the water-related diseases is not possible unless there are improvements in water supply and sanitation. In the case of arthropod-borne infections, control is through the application of insecticides to the localised breeding sites of parasites. This is a time-consuming and expensive process. In view of the large area affected and high costs involved in the necessary research and control operations, substantially increased external support will be crucial if such diseases are to be eradicated.

Table 1  
Least-developed Countries: Economic and Social Characteristics

Countries	Population (millions)	GDP per capita		Manufacturing share in GDF	Food production: average annual growth rates	Exports: average annual growth rates	Education		Health	
		Levels (US\$ at 1976 prices)	Average annual growth rates				Adult literacy rate	Primary school enrolment rate	Life expectancy at birth	Inhabitants per physician
	1977	1977	1970-1977	1977	1970- 1974	1970-1975	(per cent)	(per cent)	(years)	(number)
Afghanistan	14.74	135	1.2	17 <sup>b</sup>	5.1	17.4	12.0	18.0	42.0	28,290
Bangladesh	82.71	90	1.3	8	0.2	3.0	22.0	33.0	47.0	11,350
Benin	3.29	175	0.4	7	1.1	-4.9	11.0	53.0	46.0	34,380
Bhutan	1.23	75 <sup>a</sup>	..	..	2.4	..	..	..	43.6 <sup>d</sup>	..
Botswana	0.71	449	4.7	..	6.3	27.6	25.0	92.0	48.0	..
Burundi	4.14	82	0.7	10	3.4	17.0	10.0	22.0	45.0	45,430
Cape Verde	0.31	235	-4.6	2	..	4.6	37.0	..	50.0 <sup>e</sup>	..
Central African Republic	1.87	218	-3.3	8	3.7	14.8	..	79.0	46.0	29,410
Chad	4.21	122	0.9	11	-2.0	10.2	..	41.0	43.0	41,160
Comoros	0.32	220	-2.7	9	..	9.2	15.0	51.0	46.0	..
Ethiopia	28.98	102	0.4	10	-0.2	12.8	20.0	23.0	39.0	84,850
Gambia	0.55	212	2.3	1	1.6	16.2	10.0	32.0	41.0	..
Guinea	4.64	185	0.4	7	-1.3	27.5	9.0	33.0	44.0	15,500
Haiti	4.75	249	2.0	13	1.9	19.1	23.0	49.0	51.0	11,170
Lao	3.46	100	-2.6	3	2.0	13.2	..	95.0	42.0	..
Lesotho	1.25	142	2.2	3	1.6	24.5	40.0	19.0	50.0	17,800
Malawi	5.53	143	4.4	9	5.8	15.1	25.0	56.0	46.0	48,500
Maldives	0.14	121 <sup>a</sup>	..	..	..	5.0	..	..	..	..
Mali	6.12	93	0.6	13	-4.8	18.5	10.0	28.0	42.0	32,460
Nepal	13.14	99	0.4	10	1.8	11.4	19.2	60.0	45.0	38,650
Niger	4.86	173	0.9	5	-5.7	20.0	8.0	21.0	42.0	42,970
Rwanda	4.37	91	4.1	12	0.3	20.1	23.0	61.0	46.0	39,350
Samoa	0.15	350 <sup>a</sup>	..	3	..	10.2	97.8	91.0	68.0	..
Somalia	3.35	170	1.9	8	0.8	15.2	50.0	40.0	43.0	9,760
Sudan	16.95	279	0.5	6	4.5	9.7	20.0	39.0	46.0	28,330
Uganda	12.35	259	-2.8	6	1.6	10.4	..	51.0	53.0	18,490
Tanzania	16.09	176	1.9	9	0.0	9.4	66.0	70.0	51.0	61,800
Upper Volta	6.39	74	-2.8	10	-0.9	18.0	..	16.0	42.0	18,770
Yemen Arab Rep.	5.52	270	3.9	5	5.2	17.1	13.0	26.0	47.0	..
Yemen Democratic	1.80	169	1.9	..	6.3	8.6	27.1	78.0	47.0	9,210

<sup>a</sup> 1976.

<sup>b</sup> Including mining.

<sup>c</sup> Trend rates.

<sup>d</sup> 1970-75.

<sup>e</sup> 1960-65.

<sup>f</sup> Estimated.

.. Not available.

Sources: UNCTAD: TD/B/AC.17/14, 18 January 1980.  
World Bank: World Economic and Social Indicators,  
World Bank: World Development Report, 1979.

Overseas Development Council, The United States and World Development Agenda, 1979.

Table 2

Least Developed Countries : Official Aid Flows

(US \$ million)

	Bilateral				Multilateral
	DAC countries	OPEC	Socialist countries*	Total	Total
1970	387	Negl	90	477.0	178.0
1971	481	Negl	175	656.0	232.0
1972	786	Negl	215	1,001.0	289.2
1973	1,096	23.7	255	1,374.7	447.7
1974	1,393	321.8	170	1,884.8	571.0
1975	1,990	583.5	140	2,713.5	998.9
1976	1,492	637.7	165	2,294.7	867.1
1977	2,191	750.8	NA	2,941.9**	951.8

\* Source : National Foreign Assessment Centre (CIA), Research Paper ER 78-10253, May 1978.

\*\* Excluding resources from Socialist countries.

Table 3

Comparative summary of selected structural indicators of least developed countries and all developing countries

	Least developed countries	All developing countries
<u>Agriculture</u>		
Share in total GDP (%), 1976	44.5	18.2
Agricultural labour force as % of total force, 1977	83	61
Output per worker in agriculture (\$), 1977	196	433
Cereals: yield per hectare as % of world average (1974-1976)	59	71
<u>Per capita trade in food and agricultural raw materials (1975):</u>		
Exports (\$)	9.3	24.1 <sup>a</sup>
Imports (\$)	7.1	14.6 <sup>a</sup>
<u>Mining and fuels</u>		
Share in total GDP (%), 1976	1.1	13.4
<u>Per capita trade in ores and metals (1975):</u>		
Exports (\$)	1.0	6.9 <sup>a</sup>
Imports (\$)	1.3	6.3 <sup>a</sup>
<u>Per capita trade in fuels (1975):</u>		
Exports (\$)	1.1	11.4 <sup>a</sup>
Imports (\$)	2.7	17.0 <sup>a</sup>
<u>Per capita energy consumption in kilograms of coal equivalent (1975)</u>	45	149
<u>Manufacturing</u>		
Share in total GDP (%), 1976	8.7	17.5
<u>Per capita trade (1975):</u>		
Exports (\$)	1.7	18.0 <sup>a</sup>
Imports (\$)	14.5	46.6 <sup>a</sup>
<u>Investment</u>		
Gross domestic investment per capita (\$), 1977 <sup>b</sup>	22	86
<u>Government</u>		
Government consumption expenditure per capita (\$), 1977 <sup>b</sup>	15	70
<u>Transport and communications</u>		
Passenger cars per 1,000 population 1976	1.7	11.9
Telephones per 1,000 population 1976	2.0	13.9
<u>Education and literacy</u>		
Primary enrolment ratio (%), 1975	49	76
Secondary enrolment ratio (%), 1975	13	19
Adult literacy rate (%), 1974	21	40
<u>Health</u>		
Physicians per 100,000 population, 1974	6.2	14.4
Infant mortality (per 1,000 live births), 1975	146	111

Source: UNCTAD secretariat estimates, based on data of the Statistical Office of the United Nations, World Bank, World Development Report 1978, Washington D.C., August, 1978, and other international sources.

<sup>a</sup> Excluding major petroleum exporters.

<sup>b</sup> At 1976 prices.

Table 4

Developing Countries : GDP Growth and Levels

	All developing countries	Least developed countries
Growth in total GDP (per cent per annum)		
1960-1970	5.3	3.1
1970-1977	5.8	3.2
Growth in per capita GDP (per cent per annum)		
1960-1970	2.8	0.8
1970-1977	3.2	0.7
1970-1980 target rate for DDII	3.5	
Level of GDP per capita (\$)		
1977	505	139
1990*	732	152
Projected per capita increment (\$)		
1977-1990*	227	13

\* Projected at 1960-1977 GDP growth rates, and assuming a 2.5 per cent per annum population growth.

Table 5

Developing Countries :  
Growth in Agricultural and Food Production and in Population  
(per cent per annum)

	Agricultural production			Food production		Population 1970-77
	1960-70	1970-77	1970-80 target	1960-70	1970-77	
All developing countries	2.7	2.6	4.0	3.0	2.7	2.5
Least developed countries	2.5	1.7	4.0	2.5	0.9	2.5

Table 6

Developing Countries : Domestic Investment

	Share in GDP (per cent)	Real annual average growth rate (per cent)	
	1976	1960-70	1970-77
All developing countries	17	6.6	9.5
Least developed countries	16	6.0	3.3

Table 7

Developing Countries : Import Volume and Export Purchasing Power  
(constant 1977 dollars per capita)

	Average 1965-1968	1970	1977	1978
<u>Import volume</u>				
All developing countries*	63.7	76.0	93.0	97.8
Least developed countries	29.5	32.3	34.0	35.2
<u>Export purchasing power</u>				
All developing countries*	51.1	62.6	76.3	76.0
Least developed countries	22.7	23.7	19.1	17.5

\* Excluding major petroleum exporters.

Table 8

Developing Countries : Commodity structure of exports, 1977  
(percentages)

	All developing countries *	Least developed countries
Food	32.7	52.2
Agricultural raw materials	7.5	21.6
Fuels	15.9	6.1
Ores and metals	9.9	8.1
Manufactured goods	33.7	10.9
Unallocated	0.3	1.1
Total	100	100

\* Excluding major petroleum exporters.