Distr.
GENERAL
E/ESCWA/ID/WG.1/CP.2
16 December 1991
ORIGINAL: ENGLISH

UNITED NATIONS

ECONOMIC AND SOCIAL COUNCIL

ECONOMIC AND SOCIAL COMMISSION FOR WESTERN ASIA

Expert Group Meeting on the Absorption
of Returnees in the ESCWA Region With
Special Emphasis on Opportunities in
the Industrial Sector
16-17 December 1991
Amman, Jordan

IMPACT OF THE GULF CRISIS ON DEVELOPING COUNTRIES

INFORMAL BACKGROUND PAPER

IMPACT OF THE GULF CRISIS ON DEVELOPING COUNTRIES

Report prepared for the United Nations Development Programme's Gulf Task Force

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June 1991

IMPACT OF THE GULF CRISIS ON DEVELOPING COUNTRIES

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IMPACT OF THE GULF CRISIS ON DEVELOPING COUNTRIES

I. INTRODUCTION

The invasion of Kuwait by Iraq on 2 August 1990 and the ensuing Gulf crisis has dealt a devastating blow to the economies and infrastructure of both Iraq and Kuwait, with negative immediate and longer term economic development implications for both countries, the neighbouring countries and many other developing countries outside the region.

Primarily owing to the importance of the role played by the Gulf region's oil resources in the international oil market, the Gulf crisis had negative ramifications on many oil-importing developing and industrialized countries around the world. In addition, large numbers of expatriate workers from many developing countries were employed in Iraq and Kuwait, and other Gulf States. The remittances transferred by these expatriates to their home countries were a major source of badly needed foreign exchange. The return of an estimated 2.6 million migrant workers and their dependants have had severe economic and social implications for their respective home countries.

Also, with the imposition of a trade embargo, as called for in the United Nations Security Council resolution 661 (1990),[1] many developing countries as well as countries 'in transition' suffered significant trade and financial losses. Article 50 of the United Nations Charter provides that "If preventive or enforcement measures against any state are taken by the Security Council, any other state, whether a Member of the United Nations or not, which finds itself confronted with special economic problems for carrying out of those measures shall have the right to consult the Security Council with regard to a solution of these problems."

As of March 1991, 21 States namely Bangladesh (S/21856), Bulgaria (S/21576), Czechoslovakia (S/21750), Djibouti (S/22193), Jordan (S/21620), India (S/21711), Lebanon (S/21686), Mauritania (S/21818), Pakistan

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[1] In response to the invasion of Kuwait by Iraq on 2 August 1990, the Security Council in its resolution 661(1990), acting under Chapter VII of the Charter of the United Nations, decided that, as of 6 August 1990, all States shall prevent all kinds of trade from and into Iraq and Kuwait, including any transfer of funds to the said countries for the purpose of any business related to trade, commerce, industry or public utility undertaking.

(S/21776),Philippines (S/21712), Poland (S/21808), Romania (S/21643), Seychelles (S/21891), Sri Lanka (S/21710), Sudan (S/21930, Syrian Arab Republic (S/22193), Tunisia (S/21649), Uruguay (S/21775), Viet Nam (S/21821), Yemen (S/21748) and Yugoslavia (S/21618), had provided information regarding the special economic problems with which they have been confronted arising from the implementation of the measures contained in Security Council resolution 661(1990) and requested consultations with the Security Council. In addition, Botswana (S/21872) had indicated its intention to consult the Security Council in that regard in due course.

Part II of this paper will briefly review developments in the international oil market caused by the Gulf crisis and focusses mainly on changes in oil prices and their implications. A short survey of economic and social conditions prevailing in Kuwait and Iraq before the start of the Gulf crisis will be undertaken in Part III. Then, an assessment of the effects of the Gulf crisis on Kuwait and Iraq will be made. Part IV assessses the impact of the Gulf crisis on other developing countries in the Arab region, Asia, Africa and Latin America. Also, an assessment of the impact of the Gulf crisis on the 'economies in transition' in Eastern Europe will be made. In Part V of this paper conclusions will be presented and recommendations suggested for reducing the adverse socio-economic impact of the Gulf crisis on developing countries.

II. BRIEF REVIEW OF DEVELOPMENTS IN THE INTERNATIONAL OIL MARKET

A. Oil Supply

With Iraq's invasion of Kuwait and the consequent imposition of a trade embargo on Iraq and Kuwait in August 1990, approximately 4.5 million barrels per day (m/b/d) of oil were no longer available to the international oil market. The sharp rise in oil prices, reflecting the fall in oil supplies as well as speculation of further oil shortages, led to an increase in oil production in many oil producing countries within and outside OPEC member countries.

Prior to the Gulf crisis, only Iraq, Kuwait, Saudi Arabia, Venezuela and the United Arab Emirates had idle production capacity, while most of the remaining OPEC countries were operating at close to full capacity. Thus, as the quota agreed upon in last July 1990 was ignored, each and every OPEC country (except Iraq and Kuwait) increased its oil production, with Saudi Arabia, Venezuela and the United Arab Emirates accounting for the bulk of this increase. By November 1990, OPEC member countries' total oil production amounted to 22.9 m/b/d thus exceeding their total production quota of 22.49 m/b/d and only 0.6 m/b/d below their total oil output in July. This difference was more than covered by increases in supply by non-OPEC oil producing countries such as Mexico, Norway, the United Kingdom and Oman.

B. Oil Prices

Mostly in response to the abrupt unavailability of the Iraqi and Kuwaiti oil in the international oil market, crude oil prices rose sharply[2]. As shown in Table 1, the average price of the basket of seven OPEC crudes increased from its $15.68 per barrel level recorded in July 1990 to $24.89 per barrel in August and continued its rise through October when it registered $35.58 per barrel, which was its highest monthly average in over nine years. Similarly, the price of the most often quoted benchmark Brent crude reached $40.75 per barrel on 10 October 1990 which was its highest level since late 1980.[3]

When the shortages in supply caused by the unavailability of Kuwaiti and Iraqi oil was overcome, the average spot price of the OPEC basket of seven crudes fell in November 1990 to $31.04 per barrel and in December 1990 to $26.17 per barrel.

Oil prices fell in January 1991 to $22.38 and to a monthly average of $17.55 in February 1991. Thus the average spot price of OPEC basket of seven crudes increased from a monthly average of $16.79 per barrel during the first seven months of 1990 to a monthly average of $29.72 per barrel during the first five months of the Gulf crisis (August-December 1990). For 1990 as a whole, the average price of OPEC basket of seven crudes was $22.17 per barrel, which was $4.86 per barrel (28 percent) more than its previous year level of $17.31 per barrel, as shown in Table 1. By February, 1991, however, the average spot price of OPEC basket of crude oil had fallen by $1.47 per barrel below its level registered in February 1990 of $19.02 per barrel. For 1991 as a whole, oil prices are expected to average slightly over $17 per

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[2] There was also concern about the possible disruption of oil supplies from other Gulf countries, particularly Saudi Arabia and the United Arab Emirates

[3] However, oil prices in real terms remained significantly below their 1980 level, which in October 1990 was equivalent to around $70 per barrel. Middle East Economic Digest, 5 October, 1990. p.8.

Table 1

Average Spot Price of OPEC Basket of Seven Crudes, 1990

(monthly)

	Price ($/barrel)
1990	
January	19.98
February	19.02
March	17.69
April	15.63
May	15.45
June	14.05
July	15.68
Average Jan - July	16.79
August	24.89
September	32.06
October	34.58
November	31.04
December	26.11
Average Aug. - Dec.	29.72
Year 1990	22.17
Year 1989	17.31
Year 1988	14.24
January 1991	22.38
February 1991	17.55

Source: OPEC, as published in Arab Oil and Gas, 1 March 1991 barrel.[4]

C. Implications of higher oil prices

Higher oil prices precipitate a transfer of wealth from the oil-importing to the oil-exporting countries. The oil-importing countries include over 100 developing countries as well as most of the developed ones. The oil-exporting countries, on the other hand, include sixteen developing countries in addition to OPEC members. In addition, among the developed countries, the USSR, the United Kingdom, Norway and Canada are also oil-exporters.

Estimates by UNCTAD indicate that for oil-importing developing countries taken as a group, each $1 rise in oil prices increases the import bill by about $2 bn.[5] However, the developing countries as a whole (oil-importing and oil-exporting) were net beneficiaries from the increase in oil prices caused by the Gulf crisis, but gains and losses were very unevenly distributed. In addition, as far as the many oil-importing developing countries are concerned, their losses were not offset by the gains made by a relative few. Higher oil prices caused by the Gulf crisis have had adverse implications on the balance of payments as well as budgets of numerous oil-importing developing countries.

III. EFFECTS OF THE GULF CRISIS ON KUWAIT; IRAQ

A. Economic and Social Conditions in Kuwait and Iraq Before the Gulf Crisis

The Kuwaiti economy had apparently rid itself of the recessionary conditions it had suffered from during the mid 1980s. With the international oil market strengthening in 1989 and Kuwait increasing its oil production from an average of 1.41 m/b/d in 1988 to that of 1.82 m/b/d in 1989, higher than OPEC quotas, the country's oil exports (91 percent of total) and non-oil exports (mainly petrochemical products) soared in 1989 to $11.4 bn from $7.7 bn in 1988.[6] The country's trade surplus increased from $1.6 bn in 1988 to $5.6 bn in 1989. Similarly, Kuwait's current account surplus rose

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[4] New York Times 25 April 1991. p.D5, based on a report by the International Monetary Fund.

[5] UNCTAD document TD/B/1272

[6] Department of International Economic and Social Affairs of the United Nations Secretariat. (New York, May, 1991)

sharply from $4.6 bn in 1988 to $9.5 bn in 1989.[7]

Owing to the dominant role played by the oil sector in Kuwait's economy, and a fairly expansionary fiscal policy pursued by the Kuwaiti Government, the country's Gross Domestic Product (GDP) grew by a notable 7.5 percent in 1989.[8] The Kuwaiti Dinar was regarded as a strong and stable currency and the country's inflation rate was firmly under control ranging between 1.5 and 3 percent annually.

As a result of its downstream investment strategy and its unwavering policy to annually save 10 percent of its oil revenues for future generations of Kuwaitis, Kuwait had a sizeable overseas portfolio investment (equity and securities) before the Gulf crisis unofficially estimated between $70 bn and $100 bn, in addition to an unofficially estimated $40 bn in privately owned foreign assets and deposits.[9] Kuwait's overseas investment portfolio generated in 1989 a net investment income estimated at $8.1 bn, nearly equivalent to the Government's oil revenues in that year. Owing primarily to relative water scarcity, arable land in Kuwait is fairly limited; only about 3 percent of the country's land is arable and less than 1 percent is under cultivation. Thus, before the Gulf crisis Kuwait imported approximately 95 percent of its food requirements.[10]

As shown in Table 2, before the Gulf crisis began there were 1.47 million foreigners in Kuwait composed of 0.85 million migrant workers and 0.62 million dependents. Given that Kuwait's total population on 2 August 1990 was estimated at 2.2 million, foreigners accounted for 66.8 percent of the total. Large numbers of non-Kuwaiti workers came from many developing countries of the region and elsewhere, particularly from Egypt (180,000), India (130,000), Jordan/Palestine (110,000), Sri Lanka (79,000), Pakistan (77,000) and Bangladesh (65,000), as shown in Table 2.

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[7] Department of International Economic and Social Affairs of the United Nations Secretariat (New York, May 1991)

[8] Ibid

[9] Estimates of Kuwait's holdings overseas vary widely owing to the general secrecy surrounding these assets and because it is often not clear whether cited figures include the large amounts of foreign assets owned by private Kuwait citizens. Furthermore, the United States dollar value of these assets fluctuate daily depending on market forces in the various financial and real estate markets.

[10] Ahtisaari Report (S/22409) p.7

Table 2

Number of Migrant Workers and their Dependents Residing in Iraq and Kuwait before the Gulf crisis (in thousands)

COUNTRY	In Iraq			In Kuwait			Iraq + Kuwait		
	Economically active	Dependents	Population	Economically active	Dependents	Population	Economically active	Dependents	Population
Bangladesh	14	1	15	65	10	75	79	11	90
Egypt	850	50	900	180	35	215	1,030	85	1,115
India	7	2	9	130	42	172	137	44	181
Jordan/Palestine	5	22	27	110	400	510	115	422	537
Pakistan	5	0	5	77	13	90	82	13	95
Philippines	10	0	10	38	7	45	48	7	55
Sri Lanka	1	0	1	79	21	100	80	21	101
Sudan	95	5	100	12	3	15	107	8	115
Thailand	5	0	5	7	1	8	12	1	13
Other Arab countries	18	10	28	88	72	160	106	82	188
Other Asian countries	29	1	30	50	12	62	79	13	92
Other countries	30	2	32	11	4	15	41	6	47
Total	1,069	93	1,162	847	620	1,467	1,916	713	2,629

Source: Estimates of the International Labour Organization. Ministerial Meeting on Migrant Workers Affected by the Gulf Crisis, 19 November 1990

Unlike Iraq where dependents represented only a small portion of the total foreign population at 8 percent, in Kuwait the dependents accounted for a significant share of the total foreign population at 42 percent. By far the largest non-Kuwaiti community in Kuwait were the Jordanians/ Palestinians accounting by themselves for 34.8 percent of the foreign population in Kuwait, as shown in table 3. They were followed by Egyptians (14.7%) and Indians (11.7%). There were also large Lebanese and Syrian communities in Kuwait, estimated at 40,000 and 100,000 respectively. Many expatriate workers, particularly from Jordan, Palestine, Syria and India had served in Kuwait for decades. The heavy dependence on foreign labour has been a matter of deep concern to the Kuwaiti authorities, and accordingly the Kuwaiti Government was implementing a labor Kuwaitization policy for several years prior to the Gulf crisis.

With crude oil reserves estimated at 90 bn barrels at the end of 1989, Kuwait has the fourth largest proven oil reserves in the world, behind Saudi Arabia, Iraq and the United Arab Emirates. Given Kuwait's very strong financial position (overseas portfolio holdings), the expected strengthening of the international oil market in the 1990s (primarily owing to the expected decline in oil production by the Soviet Union and the United States in particular), and what appeared as a return to stability in the Gulf region by the ending of the Iran-Iraq war, Kuwait was expecting a decade of steady economic development and growth.

Before Iraq invaded Kuwait on 2 August 1990, the Iraqi economy had suffered from large losses in human and capital resources during its eight-year war with Iran which ended in August 1988. By the end of 1989 the country had accumulated a large external debt estimated then at around $70 bn, including approximately $30 billion owed to other Arab States, mainly Saudi Arabia and Kuwait.[11]

Iraq was suffering from acute balance of payments deficits and a rapidly depreciating currency, with an inflation rate unofficially estimated at over 40 percent. Also, primarily owing to heavily subsidizing the price of essential food items and other consumer goods and services, as well as undertaking ambitious industrial military projects, the Government's budget registered large deficits.

Though diversification efforts have been made, Iraq depended on oil for over 95 percent of its export revenues.

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[11] Iraq, however, regarded most of its debt to the Arab Gulf States as outright grants, and not soft-term loans that had to be repaid in the long term.

Furthermore, with resources channelled away from productive sectors in favor of the Iraq-Iran war effort for eight years, Iraq had to import about 70 percent of its food requirements.

Iraq was eager to implement an ambitious economic reconstruction and development programme, but was increasingly frustrated by its inability to secure the required foreign funds.

Iraq, like Kuwait, depended greatly on foreign workers from a fairly large number of developing countries as shown in Table 2. Out of a population of 18.1 million residing in Iraq before the Gulf crisis 1.162 million were foreigners. Most of the foreign migrant workers in Iraq were from Egypt and Sudan accounting for 79.5 percent and 8.9 percent of the total expatriate workers in the country, respectively, as shown in Table 3. The number of Egyptian workers in Iraq, in both absolute and relative terms, was even larger in 1988. With the end of the Iraq-Iran war in August 1988, Iraq's dependence on foreign labour began to decline with hundreds of thousands of returning soldiers rejoining the civilian labour force. Many expatriate workers returned to their home countries between August 1988 and August 1990, particularly Egyptians.

Iraq's oil reserves of 100 bn barrels ranks it as the second country, after Saudi Arabia, in the world in terms of proven crude oil reserves. The oil sector received the primary attention of the Iraqi Government and efforts were successfully made to increase the country's oil production and export capacities. By July 1990, Iraq was producing 3.1 m/b/d of crude oil (only 0.04 m/b/d below its assigned OPEC quota). Iraq was clearly frustrated by weakening oil prices during the second quarter of 1990, owing mainly to over production by other OPEC members.

B. Impact of the Gulf crisis: Kuwait; Iraq

Owing primarily to security considerations, but also greatly influenced by rapidly deteriorating socio-economic conditions, hundreds of thousands of foreigners left Iraq and Kuwait. Table 4 shows estimates made by the International Labour Organization indicating the number of migrant workers and their dependents residing in Iraq and Kuwait after two months from the start of the Gulf crisis. Table 5, shows the number of foreign workers and their dependents that left Iraq and Kuwait in August and September 1990.

About 24 percent (275,000) of the foreign population in Iraq and 61 percent (900,000) of that in Kuwait left these two countries during the first two months of the Gulf crisis. Most of the foreign population fleeing Iraq and Kuwait left

Table 3

The Composition of Migrant Workers and their Dependents in Iraq and Kuwait before the Gulf Crisis (in percent)

COUNTRY	In Iraq			In Kuwait			Iraq + Kuwait		
	Economically active	Dependents	Population	Economically active	Dependents	Population	Economically active	Dependents	Population
Bangladesh	1.3%	1.1%	1.3%	7.7%	1.6%	5.1%	4.1%	1.5%	3.4%
Egypt	79.5%	53.8%	77.5%	21.3%	5.6%	14.7%	53.8%	11.9%	'42.4%
India	0.7%	2.2%	0.8%	15.3%	6.8%	11.7%	7.2%	6.2%	6.9%
Jordan/Palestine	0.5%	23.7%	2.3%	13.0%	64.5%	34.8%	6.0%	59.2%	20.4%
Pakistan	0.5%	0.0%	0.4%	9.1%	2.1%	6.1%	4.3%	1.8%	3.6%
Philippines	0.9%	0.0%	0.9%	4.5%	1.1%	3.1%	2.5%	1.0%	2.1%
Sri Lanka	0.1%	0.0%	0.1%	9.3%	3.4%	6.8%	4.2%	2.9%	3.8%
Sudan	8.9%	5.4%	8.6%	1.4%	0.5%	1.0%	5.6%	1.1%	4.4%
Thailand	0.5%	0.0%	0.4%	0.8%	0.2%	0.5%	0.6%	0.1%	0.5%
Other Arab Countries	1.7%	10.8%	2.4%	10.4%	11.6%	10.9%	5.5%	11.5%	7.2%
Other Asian Counties	2.7%	1.1%	2.6%	5.9%	1.9%	4.2%	4.1%	1.8%	3.5%
Other countries	2.8%	2.2%	2.8%	1.3%	0.6%	1.0%	2.1%	0.8%	1.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Derived from Table 2

Table 4

Number of Migrant Workers and their Dependents residing in Iraq & Kuwait after two months from the Start of the Gulf Crisis (in thousands)

COUNTRY	In Iraq			In Kuwait			Iraq or Kuwait		
	Economically active	Dependents	Population	Economically active	Dependents	Population	Economically active	Dependents	Population
Bangladesh	5	0	5	23	2	25	28	2	30
Egypt	700	40	740	50	5	55	750	45	795
India	6	0	6	27	23	50	33	23	56
Jordan/Palestine	3	14	17	68	232	300	71	246	317
Pakistan	2	0	2	35	5	40	37	5	42
Philippines	5	0	5	8	1	9	13	1	14
Sri Lanka	0	0	0	40	10	50	40	10	50
Sudan	77	3	80	9	1	10	86	4	90
Thailand	3	0	3	2	0	2	5	0	5
Other Arab Countries	2	0	2	11	10	21	13	10	23
Other Asian Counties	20	0	20	4	0	4	24	0	24
Other countries	7	0	7	1	0	1	8	0	8
Total	830	57	887	278	289	567	1,108	346	1,454

Source: Estimates of the International Labor Organization. Ministerial Meeting on Migrant Workers Affected by the Gulf Crisis. Geneva 19 November, 1990.

Table 5

Number of Migrant Workers and their Dependents who left Iraq or Kuwait after two months from the sart of the Gulf Crisis (in thousands)

COUNTRY	Left Iraq			Left Kuwait			Left Iraq or Kuwait		
	Economically active	Dependents	Population	Economically active	Dependents	Population	Economically active	Dependents	Population
Bangladesh	9	1	10	42	8	50	51	9	60
Egypt	150	10	160	130	30	160	280	40	320
India	1	2	3	103	19	122	104	21	125
Jordan/Palestine	2	8	10	42	168	210	44	176	220
Pakistan	3	0	3	42	8	50	45	8	53
Philippines	5	0	5	30	6	36	35	6	41
Sri Lanka	1	0	1	39	11	50	40	11	51
Sudan	18	2	20	3	2	5	21	4	25
Thailand	2	0	2	5	1	6	7	1	8
Other Arab Countries	16	10	26	77	62	139	93	72	165
Other Asian Counties	9	1	10	46	12	58	55	13	68
Other countries	23	2	25	10	4	14	33	6	39
Total	239	36	275	569	331	900	808	367	1,175

Source: Based on tables (2) and (4)

through Jordan, putting considerable pressures on that country's infrastructure and limited economic resources.

Foreigners continued to leave Iraq and Kuwait during the last quarter of 1990, and there was another surge in the exodus of foreigners from these two countries with the beginning of the Allied bombing in January 1991.

With the imposition of the United Nations sanctions, oil production in Iraq and Kuwait was reduced to only 0.46 m/b/d and 0.10 m/b/d, respectively; basically sufficient to meet domestic demand. It is estimated that in 1990 as a whole, Iraq's GDP fell by 31.2 percent and that of Kuwait by 28.1 percent.[12]

For Kuwait, the Iraqi invasion and then the war were devasting for the country's economy and its people. A significant part of the physical infrastructure was destroyed and power and water desalination plants seriously damaged. Basic water and sewage systems as well as hospitals were damaged. Many portable public and private properties were taken to Iraq.

Over 600 oil wells were reported to have been set ablaze in late February 1991 by the retreating Iraqi forces. In addition to wastefully burning 4 to 6 m/b/d of crude oil, the torched wells are polluting the air with huge clouds of dark oily smoke. The environmental havoc and its adverse health repercussions - short and long-term - cannot be authoritatively assessed as yet, but its immediate discomfort is already felt in the whole Gulf region. Rivers of spilling oil were polluting the land and were threatening the Wadis and the sea. In addition, the hundreds of thousands of mines remain a grave threat to the people and the environment in Kuwait.[13]

With access to its large foreign assets portfolio and the desire of the world community (particularly the Allies) to assist Kuwait, the country is rapidly overcoming the critical conditions it faced upon liberation from Iraq in late February 1991. Now Kuwait is moving towards confronting the construction challenge, which the Kuwaiti Government had.

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[12] Department of International Economic and Social Affairs of the United Nations Secretariat. (New York, May 1991)

[13] See the Ahtisaari report (S/22409) for a comprehensive assessment.

estimated at $60 bn.[14] Oil production is expected to rise to 150,000 b/d by the end of 1991, but full recovery to pre-Gulf crisis levels is projected to take five years.[15]

Though Kuwait's foreign asset portfolio remains considerable, it has decreased during the Gulf crisis. The Kuwaiti Government has pledged $5 bn for Desert Shield to cover United States military costs and compensate friendly Governments in the region. For Desert Storm, Kuwait pledged a total of $13.5 bn to the United States and an additional $1.3 bn to the United Kingdom.[16] Kuwait's aid to other members of the coalition included forgiveness of Egypt's government-to-government debt and loans by the Kuwait Fund for Arab Economic Development (KFAED) to Egypt and the Syrian Arab Republic.[17]

It is reported that the Kuwaiti Government is in the process of formulating a human resource policy with the objective of reducing Kuwait's overall dependence on foreign labour. This goal, however, may be extremely difficult to attain in the near future, given the huge reconstruction challenge confronting Kuwait.

In Iraq, Deputy Prime Minister, Mr. Saadoun Hammadi, estimated that the first 26 days of the war in 1991 left 20,000 people dead and 60,000 wounded.[18] The indications are that by the time the Gulf ceasefire was declared in late February 1991, the human casualty figures had risen considerably above their level of 13 February 1991.

Iraq's economic infrastructure was greatly damaged. Allied military reports specify more than 30 major bridges across the Tigris and Euphrates rivers as having been totally destroyed. A large number of other bridges are understood to have been damaged. The railway system has ceased to operate as a result of war inflicted damage.[19] Power plants, oil installations, telephone systems, military industries, many

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[14] The Economist Intelligence Unit, Kuwait. Country Report Number 1, 1991. p.8

[15] New York Times 9 May 1991

[16] New York Times, 9 May 1991

[17] Ibid

[18] Arab Oil and Gas. 1 March 1991. p.8

[19] The Economist Intelligence Unit, Iraq. Country Report Number 1, 1991. p.13

roads and private sector establishments were also damaged. A United Nations mission to Iraq from 10 to 17 March 1991 concluded that the Gulf crisis had had "near apocalyptic results upon the economic infrastructure" of that country.[20]

The first estimate by Iraqi officials of war damage to Iraqi civilian infrastructure was put at $200 bn.[21] This assessment appears to be very high. A more recent Iraqi estimate puts the cost of reconstruction of plants of particular importance to Iraq's economy and social life at Iraqi Dinar 8.0 bn ($25.6 bn), 80 percent of which is in foreign currency ($20.5 bn).[22] These costs, however, do not include various forms of social and humanitarian damage, military damage, damage to nuclear-power installations and military industries and damage to private sector establishments.[23]

Living standards in Iraq deteriorated rapidly during the first quarter of 1991, with Iraqis suffering from severe shortages in food, medicine and essential consumer goods. Iraqis were confronted with hyper-inflation and collapsing incomes.[24]

The Iraqi economy appears wholly incapable of financing its own reconstruction let alone servicing its external debt and providing reparations to Kuwait and other countries. According to official Iraqi estimates, Iraq's external debt at the end of 1990 was close to $42.1 bn, excluding interest payments due and grants from the Arab Gulf countries.[25] Including interest payments and soft-term loans that may have to be repaid to Kuwait and Saudi Arabia, however, Iraq's total external debt is currently unofficially estimated at around

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[20] Ahtisaari report (S/22366) p.5

[21] The Economist Intelligence Unit, Iraq. Country Report Number 1, 1991. p.13

[22] Report submitted by Iraq's Ambassador to the United Nations. 'Summary of Iraq's Financial Obligations and Basic Requirements.' 29 April 1991. p.4

[23] Ibid

[24] Ahtisaari report (S/22366) p.7

[25] Report submitted by Iraq's Ambassador to the United Nations. 'Summary of Iraq's Financial Obligations and Basic Requirements.' 29 April 1991. p.7

\$80 bn.[26] Total reparations that may be demanded of Iraq reportedly could be as high as \$50 bn.[27]

The United Nations Security Council has proposed a plan under which Iraq may have to pay between 25 and 30 percent of its annual oil revenue as reparations and debt repayment.[28] Given that Iraq's oil export ability for the rest of 1991 as announced by the Government to be 600,000 b/d, and assuming an average oil price of \$16 per barrel, Iraq's oil revenue during the second half of the year could amount to \$1.7 bn.[29]

IV. IMPACT OF THE GULF CRISIS ON OTHER DEVELOPING COUNTRIES

Between 2 August 1990 and the end of that year, almost two million third-country nationals from about 35 countries fled Kuwait and Iraq.[30] Many hundreds of thousands more foreign workers left other Gulf States, particularly Saudi Arabia, during these five months. Additional tens of thousands of expatriates left the Gulf region after the beginning of the Allied bombardment on 17 January 1991.

Table 6 lists the countries most adversely affected by large numbers of returnees due to the Gulf crisis. The total number of returnees to these twelve countries combined is estimated at 2.6 million persons. Significant numbers of foreign workers returned to countries other than the ones listed in Table 6. Also, some foreign workers who left Iraq and Kuwait during the Gulf crisis did not necessarily return to their home country but managed to find employment elsewhere.[31]

The economic impact on developing countries receiving very large numbers of displaced expatriates or refugees was devastating. The adverse impact is worsened further for countries whose returnees represented a significant percentage

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26 New York Times 28 April 1991

27 New York Times 15 May 1991

28 New York Times, 15 May 1991

29 Assuming that the UN trade embargo is lifted by 1 July 1991

30 United Nations Regional Bureau for Arab States and Europe. "Preliminary Assessment of the Gulf Crisis on the Arab Region." January 1991. p.3

31 Particularly true in the case of Egyptian workers who left Iraq and found jobs in Saudi Arabia which were vacated by Yemenis.

Table 6

Countries most adversely affected by large numbers of returnees due to the Gulf crisis

Country	Estimate number of returnees
Bangladesh	90,000
Egypt	700,000
India	200,000
Jordan	220,000
Lebanon	60,000
Pakistan	142,000
Philippines	55,000
Sri Lanka	101,000
Sudan	30,000
Syrian Arab Republic	110,000
Vietnam	16,000
Yemen	880,000
All above countries	2,604,000

Source: Estimates based on Government reports, Field Office assessments & reports by the International Labour Organization

Table 7

Population, Economically Active, and Migrant Workers in Kuwait and Iraq of countries adversely affected by large numbers of returnees from those two countries*

Country	Population 1990 (in millions)	Economically active population 1990 (in millions)	Migrant workers in Kuwait & Iraq as % of economically active population (before Gulf crisis) 1/
Bangladesh	115.244	33.398	0.2%
Egypt	52.536	14.574	7.1%
India	827.152	322.944	0.1%
Jordan/West Bank	4.291	0.992	11.6%
Pakistan	112.226	33.698	0.2%
Philippines	60.973	22.474	0.2%
Sri Lanka	17.451	6.367	1.3%
Sudan	24.895	8.087	1.3%

Source: United Nations: World Demographic Estimates and Projects, 1950-2025 (New York, 1988)

1/ Figures taken from table 2
* Large numbers of migrant workers also returned to Lebanon and the Syrian Arab Republic, mainly from Kuwait.

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of their economically active population.[32] Table 7 shows migrant workers in Kuwait and Iraq before the Gulf crisis as percentage of economically active population in their respective home country. Migrant workers from Jordan in Kuwait and Iraq before the Gulf crisis accounted for 11.6 percent of Jordan's economically active population. Similarly, migrant workers from Egypt in Kuwait and Iraq represented 7.1 percent of Egypt's economically active population. These percentages fall to 1.3 percent for Sri Lanka and Sudan, to 0.2 percent for Bangladesh, Pakistan and the Philippines, and 0.1 percent for India.

The socio-economic impact of the Gulf crisis on developing countries is given below by region.

(A) The Arab Region

The Gulf crisis has dealt a severe blow to the economies of most Arab countries, mainly due to their long established economic ties with each of Iraq and Kuwait, particularly with regard to labour management, financial aid, capital flows and trade.

(i) Egypt

Egypt's economy was under severe pressures even before the start of the Gulf crisis. Its GDP growth rate of 1.0 percent in 1989 was insufficient to match its 2.5 percent population growth. With 55 million people, Egypt is the most populous country in the Arab region and the second most populous on the African continent after Nigeria. Egypt's economy and labour market were not growing fast enough to accommodate a population growth of 1 million every nine months and an additional 450,000 job seekers annually. Thus, before the Gulf crisis the unemployment rate in Egypt was officially estimated at 15 percent. In addition, Egypt was suffering from a depreciating currency and an inflation rate of 21.3 percent.[33]

As shown in Annex Table A-4, Egypt was also burdened by a large external debt estimated at $48.8 bn in 1989. The country's total debt service in 1989 amounted close to $3 bn, half of which was in interest payments alone. Annex Table B-2 shows the major role played by Egyptian migrant workers in

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[32] This is because the return of migrant workers implies reductions in transferred remittances and a jump in supply of labour in countries already suffering from high unemployment rates.

[33] World Bank. Trends in Developing Economies, 1990 (Washington DC: October 1990) p.178

providing greatly needed foreign exchange. After declining in 1985 and 1986, remittances of Egyptian workers continued to rise and were estimated at $4.3 bn in 1989. Remittances in 1989 exceeded the country's merchandise exports by 13 percent and helped finance 55.5 percent of the trade balance deficit in that year.

The Gulf crisis has adversely affected Egypt in several areas, the most grave of which was the unplanned return of an estimated 700,000 Egyptians who worked in Iraq and Kuwait and arrived in Egypt jobless and without their savings. This has caused a sharp escalation of unemployment and added to the pressures already exerted on the country's services sector. The loss of remittances by the returning migrant workers to Egypt will lead to a widening of the balance of payments' deficits and a relative shortage of foreign exchange. The re-integration and rehabilitation of the returning workers in the Egyptian economy is expected to be difficult and challenging, given Egypt's unemployment problem and poor financial position.

The Gulf crisis also had a particularly severe effect on Egypt's tourism sector, which, with an annual revenue of $2 bn was the country's second major source of foreign exchange. The negative impact of the Gulf crisis on Egypt's tourism sector is estimated to have been at least $125 million per month.[34] Other losses incurred by Egypt owing to the Gulf crisis were the reduced Suez Canal tolls, which also is a major source of foreign exchange. Estimates of Egypt's total losses caused by the Gulf crisis are difficult to quantify accurately. Egyptian officials estimate Egypt's total loss at $20 bn.[35] This, however, appears to be a high estimate, even when allowing for the loss of property and bank deposit accounts left by fleeing Egyptians in Kuwait and Iraq.

The Gulf crisis, however, was beneficial to Egypt in several respects. Egypt, being an oil-exporting country, benefitted from the higher oil prices brought about by the Gulf crisis.[36] The major benefit by far was the large debt forgiveness it was granted by Western nations and Arab Gulf countries. The United States decided to cancel some $7 bn of Egypt's military debt and Saudi Arabia, Kuwait, the United

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[34] <u>United Nations Development Programme's Regional Bureau for Arab States and Europe</u> 'Preliminary Assessment of the Gulf Crisis Impact on the Arab Region.' January 1991. p.11

[35] <u>New York Times</u> 18 April 1991

[36] Although this benefit was limited by the jump in oil demand caused by the influx of the 700,000 returnees.

Arab Emirâtes and Qatar forgave Egypt $6 bn in debts. Also, creditor members of the Paris Club agreed in May 1991 to cancel at least 50 percent of Egypt's government-to-government debts owed to them. This, however, was partly in recognition of Egypt's efforts in implementing IMF recommendations. All in all, Egypt's external debt has decreased by at least $20 bn partly as a result of the Gulf crisis.

Thus, while Egypt was adversely affected in many ways by the Gulf crisis, it appears to have been compensated in others. However, the main effect of the debt forgiveness is to reduce future debt service burdens, while the negative impact of the sharp fall in remittances, tourism revenues and Suez Canal tolls were immediate. Furthermore, for returnees who lost their life savings and jobs, the reduction in Government debts provides little comfort.

(ii) Jordan

Jordan was facing several economic problems prior to the Gulf crisis. Its GDP was contracting and its unemployment rate had reached 15 percent, which was considered dangerously high. Jordan was implementing the International Monetary Fund's recommendations for tackling the country's economic imbalances and servicing its external debt.

As shown in Annex Table A-6, Jordan's external debt in 1988 had reached $6.6 bn and its total debt service burden for that year was $1 bn. While Jordan's GDP contracted by 5.2 percent in 1988 and another 3.9 percent in 1989, its population continued to grow rapidly at an annual rate of 3.6 percent and reached 3.2 million in 1990.

Remittances transfered by its migrant workers abroad, particularly from the Arab Gulf countries, have for many years played an important supportive role in the Jordanian economy as shown in Annex Table B-4. Remittances from Jordanian migrant workers declined since their peak of $1.2 bn in 1984, and registered $627 million in 1989.[37] Nevertheless, remittances from Jordanian migrant workers in 1989 were equivalent to 56.5 percent of merchandise exports and helped close 85.5 percent of Jordan's trade balance deficit that year.

Other than Iraq and Kuwait, there is no doubt that Jordan was the most adversely affected country by the Gulf crisis.

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[37] This decline in remittances reflected to a great extent the recessionary conditions prevailing in the Arab Gulf countries where an estimated 1.25 million Jordanians resided. An upturn was expected in 1990.

In additión to serving and assisting an estimated 800,000 non-Jordanian migrant workers and their families who passed through Jordan upon fleeing Kuwait and Iraq, Jordan received an estimated 220,000 returnees from the Gulf, mostly from Kuwait. [38] Given that Jordan's population was estimated at 3.2 million in 1990, the returnees have resulted in a sudden 6.9 percent rise in the country's population, and about 10 percent increase in its labour force. The Jordanian Government faces the task not only of providing essential basic services for returning Jordanians but also of providing for their re-integration into an economy that was already contracting and has now lost is major export markets. Managing the human resource problems created by the returnees would be formidable, even under the best of circumstances. The fiscal impact alone of providing schooling, health care, municipal services and imported food supplies may overwhelm Jordan's limited resources.

Since the Jordanian community in Kuwait enjoyed an economic and social position higher than other migrant nationalities, they were the most adversely affected by the Gulf crisis. Like migrants from other countries they were not paid for several months, nor did they receive end of service benefits due to them. Furthermore, owing to their relatively large number and higher salaries, Jordanian expatriates had large bank deposits and significant assets in Kuwait, estimated at $1.4 bn and $1.5 bn, respectively.[39]

The Gulf crisis, coupled with adhering to United Nations sanctions, dealt a severe blow to Jordan's exports, since Iraq and Kuwait account for a large portion of the country's exports. Owing to the Gulf crisis, Jordan's political relations with other Arab Gulf countries deteriorated, and demand for Jordanian goods in these countries fell sharply. Thus, Jordan's merchandise exports, which registered $1.1 bn in 1989, were estimated to have tumbled to about $400 million in 1990 as a whole.[40] Meanwhile Jordan was forced to import oil at higher market prices, instead of receiving Iraqi oil which was expected as partial repayment of Iraqi debt to Jordan. For Jordan, debt losses resulting from the suspension of debt repayments due from Iraq are estimated at $110 million

[38] United Nations Development Programme, 'Impact of the Gulf Crisis on Jordan' (Field Report, Amman: January 1991)

[39] Tayseer Abdel Jaber, 'Impact of the Gulf Crisis on the ESCWA Region: the Case of Jordan.' (Amman: January 1991) p.7

[40] The Economist 6 April 1991. p.41

in 1990 and $12 million per month in 1991.[41] In addition, Jordan's losses in transportation in air traffic and civil aviation, port and marine shipping and land transport associated with carrying out measures of Resolution 661(1990) are estimated at $103.13 million in 1990 and $28.36 million per month in 1991.[42] Furthermore, Jordan's losses include loss of $274 million in tourism revenues in 1990 and $41 million per month in 1991.[43] Moreover, Jordan was heavily dependent on foreign aid, mostly from Saudi Arabia, Kuwait and Iraq; foreign grants in 1989 comprised over a third of Government revenues and were equivalent to 12 percent of the country's GDP.[44] The Gulf crisis precipitated a loss in expected financial aid worth $310 million during the last five months of 1990 and $50 million per month in 1991.

Jordan's Central Bank estimates indicate that the loss of exports, remittances, and other earnings in 1990 has cost Jordan around $2 bn; GNP fell by 10 percent in real terms over 1989, and income per person tumbled 13-14 percent.[45] If 1991 losses are estimated and the $2.9 bn loss of Jordanian assets and bank accounts in Kuwait are included, Jordan's losses caused by the Gulf crisis would exceed $8 bn. Financial aid from the international community to offset the impact of the crisis on Jordan has been estimated at $1 bn, mostly from the European Community and Japan. However, it falls very short of adequately compensating for the damage caused by the Gulf crisis.

(iii) Lebanon

The Gulf crisis erupted as the Lebanese economy was at rock bottom after 16 long years of civil strife. The country's unemployment rate during the past several years was estimated between 25 and 30 percent.[46] Lebanon's GDP which was estimated at $3.1 bn in 1988 fell by 16.1 percent to $2.6

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[41] Jean Ripert, the Special Representative of the Secretary General of the United Nations, Report of 17 October 1990. p.8 (S/21938)

[42] Ibid

[43] Ibid

[44] Ibid p.13

[45] The Economist 6 April 1991. p.41

[46] Chamber of Commerce and Industry in Beirut 'Evaluation of Economic and Social Conditions in Lebanon during 1990.' (Beirut: December 1990. p.15)

bn in 1989.[47] With a rapidly depreciating currency, the country's inflation rate in 1989 was estimated at 50 percent.[48]

The Gulf crisis has considerably aggravated the economic problems confronting Lebanon. It precipitated a return of 60,000 Lebanese, mainly from Kuwait and Iraq, at a time when the country was still suffering from the inflow of returnees escaping the civil war in Liberia. This has put tremendous pressure on Lebanon to reintegrate and rehabilitate the returnees economically and socially, and added to the unemployment problem. Estimates indicate that a third of a workforce of approximately 700,000 are currently unemployed in Lebanon.[49] The yearly remittances of the Lebanese community in Kuwait were estimated in 1989 at $150 million.[50] The financial assets of the Lebanese community in Kuwait were conservatively estimated at $500 million, while its physical and business assets run into the hundreds of millions of US dollars.[51]

The Gulf crisis has also adversely affected Lebanon's merchandise trade. The Arab Gulf countries constitute the traditional markets for Lebanese agricultural production, especially fruits. In addition, more than 50 percent of Lebanese industrial exports were directed towards Iraq, Kuwait and Saudi Arabia. Thus, partly owing to the Gulf crisis, Lebanon's total exports declined by about 35 percent from $23 million monthly in 1989 to nearly $15 million monthly in 1990.[52] Trade related losses to Lebanon caused by the Gulf crisis are estimated at $250 million/year.[53]

Lebanon's services sector has been traditionally oriented

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[47] Ibid. p.3

[48] The Economist Intelligence Unit Lebanon, Cyprus Country Report No. 1, 1991

[49] Middle East Economic Consultants 'The Lebanese Economy on the Eve of 1991: Living on the Current Account.' (Beirut: February 1991. p.57)

[50] The Lebanese community in Kuwait before the Gulf crisis was estimated at 40,000, the overwhelming majority of which were engaged in business, crafts, contracting and the professions.

[51] (S/21686)

[52] Chamber of Commerce and Industry in Beirut. p.3

[53] (S/21686)

to serving the Arab Gulf countries, Iraq and Jordan. The quasi-paralysis in the tourism sector following the start of the Gulf crisis is costing Lebanon approximately $250 million per year. In addition, the higher oil prices brought about by the Gulf crisis increased Lebanon's oil-import bill and increased inflationary pressures in the country.

Lebanon's inflation rate in 1990 was estimated at 62.8 percent. The country's GDP contracted by a further 14 percent from its 1989 level by shrinking to $2.2 bn in 1990.[54] The overall estimated losses suffered by Lebanon as a result of the Gulf crisis were put at $3.89 bn.[55]

(iv) Occupied Territories (West Bank and the Gaza Strip)

Estimates indicate that about 52,000 Palestinian workers from the Occupied Territories (persons holding West Bank, Gaza Strip and Jerusalem identity cards) were working in the Arab Gulf countries before the Gulf crisis. Of the migrant workers from the Occupied Territories, 50 percent were employed in Kuwait, 30 percent in Saudi Arabia and the remaining 20 percent in other Arab Gulf states.[56] Remittances transferred by these migrant workers were estimated at $146 million per year, of which $73 million were transferred from Kuwait, $44 million from Saudi Arabia and $29 million from other Gulf States.[57]

The Gulf crisis severely affected the Occupied Territories with the departure of Palestinians from Kuwait and other Arab Gulf countries. The losses to the Occupied Territories caused by the Gulf crisis include the sharp decline in remittances; loss of asset holdings in Kuwait; loss of separation from service payments due West Bank and Gaza Strip Palestinians working in Kuwait, estimated at $156 million; loss in tourism revenue estimated at $15 million monthly and financial aid from Saudi Arabia and Kuwait which contributed more than $120 million annually to the Palestinian National Fund.

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[54] Chamber of Commerce and Industry in Beirut. p.3

[55] Economic and Social Commission for Western Asia. 'The Impact of the Gulf Crisis on the Economy of Lebanon.' (Amman: January 1991)

[56] United Nations Development Programme 'Impact of the Gulf Crisis on the West Bank and Gaza Strip.' (Jerusalem: January 1991. pp.12,13)

[57] Ibid

(v) Sudan

The Sudanese economy was confronted with many problems even before the Gulf crisis. The country, an LDC, had witnessed unfavourable terms of trade; three drought years between 1982-1985; a devastating flood in 1988; a long-lasting civil war and economic mismanagement. As shown in Annex Table A-15, Sudan's external debt increased to close to $13 bn in 1989, and that was equivalent to 82.9 percent of the country's GNP. Its balance of trade deficits continued to grow during the 1980s and reached $521.5 million in 1988. Thus, the Sudanese Government adopted policies that encourage Sudanese to seek employment abroad and provided incentives to attract the transfer of remittances to Sudan. Remittances of Sudanese migrant workers are estimated to have jumped from $217.4 million in 1988 to $416.7 million in 1989, as shown in Annex Table B.8. Thus in 1989, remittances were equivalent to 76.8 percent of Sudan's merchandise exports, and they helped finance 82.0 percent of the country's trade balance deficit.

The Gulf crisis has adversely affected Sudan in many ways. The return of 30,000 migrant workers implies a fall in badly needed remittances and expenses incurred in reintegrating the returnees in Sudan's economy. These losses were estimated at $300 million.[58] Sudan's exports to the Gulf countries were negatively affected by the Gulf crisis and such losses were estimated at $360 million.[59] The cost of its imports of oil went up, and so did its wheat imports which prior to the crisis it used to receive at below market rates from Saudi Arabia. Financial aid estimated at $200 million, which was expected from various development funds in Kuwait, were stopped.

Sudan's direct losses attributed to the Gulf crisis were estimated by the country's Ministry of Finance and Economic Planning to have totalled $1,185 million.[60]

(vi) Syrian Arab Republic

It is estimated that prior to the Gulf crisis more than 100,000 Syrians resided in Kuwait. The Syrian community is among the oldest in Kuwait, and similar to the Jordanian and Lebanese communities in particular, large proportions of the Syrian community in Kuwait were businessmen, contractors,

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[58] (S/21930)

[59] Ibid

[60] United Nations Development Programme 'Impact of the Gulf Crisis on the Sudanese Economy.' (Khartoum: April 1991) p.2

professionals and skilled craftsmen.

It is reported that about 110,000 Syrians returned home owing to the Gulf crisis.[61] The immediate impact of the influx of returnees has been the significant strain imposed on the already fragile and overstretched social services and infrastructure facilities of the country, particularly in health and education.[62] In addition, the returned migrant workers have led the unemployment rate to jump by 4 percent, thereby reaching a socially and economically detrimental level of 14 percent.[63]

The Syrian economy was adversely affected by the Gulf crisis in many other ways. These losses include: (1) fall in remittances, (2) loss of exports to Kuwait and other Gulf countries, (3) loss of most tourism revenues, (4) decrease in transit revenue on overland shipment headed for the Gulf region, (5) losses of in-kind transactions from Syrian expatriates in Kuwait, (6) loss of poll tax and (7) losses due to suspension of the Iraqi transit agreement. The Syrian Government's estimate of losses caused by the Gulf crisis to the Syrian national economy total $2,179 million, while the losses to the Syrian community in Kuwait at $9,174 million.[64] The latter estimate appears to be somewhat high, in comparison with figures from other countries.

In an effort to alleviate the economic burden on the Syrian economy, the Syrian Government appealed to some of the major donor countries including Japan, Germany, Italy, Saudi Arabia and Kuwait to render economic assistance in the form of grants and soft loans. All these countries responded positively and firm commitments/agreements had been made by mid-April 1991 totalling $1,971.4 million.[65]

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[61] United Nations Development Programme 'Direct and Indirect Impact of the Gulf Crisis on Syria.' (Damascus: April 1991) p.1

[62] Ibid

[63] Ibid

[64] (S/22193) pp. 3,21

[65] United Nations Development Programme 'Direct and Indirect Impact of the Gulf Crisis on Syria.' pp. 5,6

(vii) The Republic of Yemen [66]

Yemen is classified by the United Nations as a Least Developed Country, thereby reflecting its limited resources and state of economic development. Though the Republic of Yemen began to benefit from exporting oil since 1988, the several natural disasters which plagued the country during the past few years and the short, yet damaging, civil war combined to hinder the country's economic growth and development.

The Gulf crisis has severely hurt Yemen's economy. The largest number of migrant workers and their dependents returning to their home country due to the Gulf crisis, have returned to Yemen. According to Yemen's Deputy Minister of Labour and Vocational Training, 30,000 Yemeni workers returned through Jordan and an additional 850,000 suddenly returned from Saudi Arabia.[67] The impact of their return has been overwhelming since that represents a sudden 9 percent increase in population and the number of returning migrant workers corresponds to about 15 percent of the labour force.[68] Moreover, a large portion of the returnees had lived abroad for many years and had few links back in Yemen. This adds to the difficulty of reintegrating them in the economy and society.

With such a large number of returnees to Yemen, the limited social service facilities will be taxed further. Furthermore, Yemen has lost a major source of foreign exchange, which up to 1987 by far exceeded the country's merchandise exports, as shown in Annex Tables B-10 and B-11. Compounding Yemen's economic problems, the Gulf crisis resulted in the suspension of annual grants provided by Iraq and Kuwait in support of the Yemeni budget and of concessional loans from the Arab Fund and Kuwait Fund.

Yemen estimates that its direct losses caused by the compliance with Resolution 661(1990) at not less than $1.384 bn.[69] This is expected to lead to an additional $300 million

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[66] The People's Democratic Republic of Yemen and Yemen Arab Republic united on 22 May, 1990, forming the Republic of Yemen.

[67] International Labour Organization Ministerial Meeting on Migrant Workers Affected by the Gulf Crisis. (Geneva: 19 November 1990. p.3)

[68] Overseas Development Institute Briefing paper 'The Impact of the Gulf Crisis on Developing Countries.' (London: March 1991. p.2)

[69] (S/21748)

in indirect losses.[70] Given the devastation confronting a Least Developed Country, financial assistance by donor countries and the international community has so far been relatively meagre.

(viii) Other Arab Countries

The Gulf crisis has also adversely affected other labour sending Arab countries, particularly Djibouti, Somalia, Tunisia and Morocco. Djibouti and Somalia are categorized as Least Developed countries. Djibouti's loss from the suspension and/or postponement of investment projects financed by Kuwait and Iraq and other Arab Funds is estimated at $800 million. Moreoever, the rise in oil prices have cost Djibouti $17 million, the loss of trade revenue is estimated at $68 million and import/transport costs are estimated at $30 million. Tunisia was recently strengthening its economic ties with Iraq and was hoping for trade cooperation and new outlets for its exports. The repercussions of the Gulf crisis on Tunisia are serious, particularly on the country's balance of payments. Tunisia has estimated that losses caused by the Gulf crisis amounted to $209 million in 1990 and are expected to total $345 million in 1991.[71] Morocco, already confronted with a large external debt burden, had to pay a sharply higher oil-import bill.

(ix) The Gulf Co-operation Council (GCC)

Like Kuwait, the other members of the Gulf Co-operation Council (Bahrain, Oman, Qatar, Saudi Arabia and the United Arab Emirates) all benefitted from higher oil prices in 1989, with positive implications for their fiscal budgets, balance of payments and GDP. They had been pursuing diversification policies which had already started to yield concrete results, particularly in Saudi Arabia. The private sector was strongly encouraged to play a greater role in the economies of these countries. Bahrain was the most diversified (in terms of sources of income and employment) among the GCC countries. Its position as a regional banking sector was being strengthened.

The Gulf crisis has had severe implications to the GCC countries. In addition to the terrible environmental catastrophe caused by the oil slick in the Gulf and the burning oil wells pollution in the air, these countries economies were also hurt by the Gulf crisis, albeit in different degrees. The capital flight from these countries

[70] Ibid

[71] (S/21649)

immediately after the Iraqi invasion of Kuwait has dealt a severe blow to Bahrain's efforts to become a regional financial center. The surge in oil revenues associated with higher oil prices and a large increase in production, were economically beneficial to several GCC countries, particularly the United Arab Emirates. However, the cost of financing the efforts to liberate Kuwait are estimated to have exceeded Saudi Arabia's oil revenue gain during the Gulf crisis.

Owing to the Gulf crisis, it is expected that the governments of the GCC countries will substantially increase their defense expenditures, thereby diverting resources from economic development. Furthermore, contrary to policy objectives pursued for several years in the 1980s, the GCC countries' dependence on the oil sector is expected to rise and simultaneously the relative role of the private sector in economic development and growth to diminish in the coming few years.

(B) Asian Countries

Before the Gulf crisis there were an estimated 552,000 Asians in Kuwait and another 75,000 Asians in Iraq for a total of 627,000 as shown in Table 2. Except for some Indians and Pakistanis who already had families settled in Kuwait, the Asian nationals were almost all contract workers. Migrant workers accounted for 82.5 percent of all Asians in Kuwait and Iraq before the Gulf crisis, i.e. 517,000 workers. The estimated annual remittances of Asian migrant workers in Kuwait and Iraq exceeded $890 million, as shown in Table 8. This was an important source of foreign exchange for several Asian countries, particularly Bangladesh, India, Pakistan, the Philippines and Sri Lanka. In addition, Asian countries had strong economic ties with Iraq and Kuwait and other Arab Gulf countries, exporting mainly agriculture commodities to the Arab Gulf countries, and importing mostly oil.

The Gulf crisis had severe adverse effects on several Asian countries. The main damage was related to the influx of a large number of returnees and the decline in the flow of remittances, as well as the higher price of imported oil, caused by the Gulf crisis. As shown in Table 9, the oil import bill of several Asian countries has more than doubled in 1990.

(i) Bangladesh

Bangladesh is a Least Developed Country which has been plagued by national disasters and burdened with a large external debt.

In 1989, Bangladesh's total debt service was $488

Table 8

Estimated annual remittances of selected
Asian workers in Kuwait & Iraq
(in million US dollars)

Country	Remittances from Kuwait & Iraq
Bangladesh (1989)	160
India (1985)	203
Pakistan (1987)	370
Philippines (1989)	60
Sri Lanka (1989)	90
Thailand (1987)	9
Total of above countries	892

Source: International Labour Organization & country estimates

Table 9

Estimated increase in oil import bill of selected Asian countries (in million US dollars)

Country	Value of oil imports 1989	1990	Increase in 1990
Bangladesh	272	574	302
India	4,054	8,554	4,500
Pakistan	977	2,062	1,085
Philippines	1,229	2,593	1,364
Sri Lanka	289	610	321
Thailand	1,728	3,646	1,918
Total of above countries	8,549	18,039	9,490

Source: Economic and Social Commission for Western Asia, based on ILO 'Gulf Crisis and Impact on Asian Labour Sending Countries.' Geneva, November 1990 p.5.

million, as shown in Annex Table A-1. Like most other developing countries it suffered a chronic balance of trade deficit, and was heavily dependent on remittances from its migrant workers to help finance these deficits. As shown in Annex Table B-1, Bangladesh's total remittances in 1989 amounted to $757.9 million, of which 21.1 percent (160 million) were transferred from Kuwait and Iraq.

Bangladesh is one of the most adversely affected Asian countries by the Gulf crisis and among the least able to cope with its repercussions. The return of an estimated 90,000 Bangladeshis has compounded the country's economic difficulties. In addition to the loss of an annual transfer of remittances worth $160, Bangladesh had to repatriate and rehabilitate the returnees, at a cost estimated at $36 million.[71] The loss of exports to Iraq and Kuwait was estimated at $120 million annually.[72] In 1990, primarily owing to the increase in oil prices during the last five months of the year, Bangladesh's oil-import bill is estimated to have increased by $302 million, over 1989. This has led to a deterioration in the country's balance of payments, a higher inflation rate and retarded economic growth and development. Bangladesh estimates that its Gulf crisis losses may total $1.5 bn.[73]

(ii) India

In 1989, India's external debt was estimated at $62.5 bn and its debt service payments totalled $6.4 bn, as shown in Annex Table A-5. Its chronic trade balance deficits grew steadily in the 1980s and registered $6.6 bn in 1989, as shown in Annex Table B-3. Unemployment and underemployment have for years plagued this overpopulated country. Thirty million persons in India are currently registered at employment agencies.[74]

The Gulf crisis has aggravated the economic problems facing India by precipitating a rise in the country's oil import bill, a decline in export earnings, a fall in transferred remittances and levying the financial burden associated with the repatriation, reintegration and rehabilitation of returning migrant workers from the Gulf region. India had budgeted for oil imports for 1990-91 on the

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[71] (S/21856)

[72] Ibid

[73] Ibid

[74] E/ESCAP/749 p.13

basis of $17 per barrel. It has been estimated that for every dollar increase in oil prices above $17 per barrel, India's import bill would increase by $222 million.[75] Thus for 1990, India estimates the additional oil bill caused by the Gulf crisis at $1.66 bn.[76] India had strong trade relations with Iraq and Kuwait for many years; importing oil and exporting light industrial products. In Iraq, India had completed several contracted development projects. India's losses in terms of exports to Iraq and Kuwait in 1990 were estimated at $265 million.

Of one million documented Indian migrant workers in the Gulf region, 200,000 have returned to India. This results in a loss in remittances estimated at $200 million annually. Though this figure is relatively small in comparison with the Indian economy, the drop in remittances has had an extremely severe effect on the State of Kerala from where 60 percent of Indians working in Kuwait came from and where remittances from the Gulf were estimated to account for 15 percent of the State of Kerala's economy.[77]

The repatriation and rehabilitation of returning migrant workers to India have had both an immediate dislocating impact on, and longer-term adverse implications for, India's economy. India estimates the cost of rehabilitating the returned migrants over two years at $720 million.[78] Additional losses to India caused by the Gulf crisis include $85 million due to India from Iraq in 1990. In total, for 1990 India estimated its losses caused by the Gulf crisis at $3.045 bn.[79] It also estimated its losses in 1991 at $2.869 bn.[80]

(iii) Pakistan

In 1989, Pakistan's external debt had increased to $18.5 bn. and its debt service burden during that year totalled $1.77 bn., as shown in Annex Table A-9. Its chronic balance

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75 (S/21711)

76 Ibid

77 Overseas Development Institute p.3

78 (S/21711)

79 Ibid

80 Ibid. However, this assumed an average oil price of $24 per barrel in 1991.

of trade deficit registered $2.45 bn. Pakistan's economy has for many years depended heavily on the outflow of migrant workers and the inflow of transferred remittances. Remittances by Pakistani migrant workers totalled $2.01 billion in 1989, and thus helped finance 82 percent of the country's merchandise trade deficit, as shown in Annex Table B-5. Pakistan was adversely affected by the Gulf crisis owing to the return of 142,000 migrant workers from the Gulf region, the sharp rise in its oil-import bill and loss of exports to Kuwait. The rehabilitation of returnees is estimated to have cost Pakistan $70 million.[81] Pakistan estimates its losses in terms of decline in remittances and export receipts at $300 million and $100 million, respectively.[82]

The higher oil prices caused by the Gulf crisis were particularly damaging to Pakistan, because prior to the crisis it received half of its total oil imports from Kuwait at a special long-term price of $15 per barrel.[83] It was forced to purchase oil elsewhere, at considerably higher market prices. Pakistan estimates its additional oil import costs brought about by the Gulf crisis at $1.596 million, and thereby the country's total direct losses caused by the Gulf crisis are more than $2.1 bn.[84]

(iv) Philippines

The external debt of the Philippines registered $28.9 bn in 1989 and its total debt service burden was $3.36 bn. as shown in Annex Table A-10. The chronic deficit in its balance of trade more than doubled in 1989 recording its highest level since 1982 at $2.6 bn, as shown in Annex Table B-6.

The Philippines has steadily increased its dependence on remittances from its migrant workers. The remittances of Filipino migrant workers continued to rise annually from their level of $718 million registered in 1984 to reach an estimated $1,362 million in 1989. Out of the $1,362 total remittances transferred to the Philippines in 1989, $485 million are reported to have come from the Middle East, including an estimated $60 million from Kuwait and Iraq.[85]

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[81] (S/21776)

[82] (S/21776)

[83] E/ESCAP/749 p.18

[84] (S/21776)

[85] ILO 'Gulf Crisis and Impact on Asian Labour Sending Countries. p.3

A devastating earthquake struck the Philippines in July 1990, inflicting major damage in the country's agriculture and services sectors. Beginning August, 1990 the Gulf crisis dealt a severe blow to the already precarious balance of payments position of the Philippines and intensified the inflationary pressures already hampering the country's economic growth. In 1989, oil imports amounting to $1.1 bn constituted 10.7 percent of the Philippines' total imports; these are estimated to have accounted for 15 percent of total imports in 1990.[86] The return of an estimated 55,000 migrant workers from Iraq, Kuwait and other Arab Gulf countries has led to a decline in remittances estimated by the Philippines at $190 million in 1990 and projected at $300 million in 1991.[87]

(v) Sri Lanka

Mainly owing to a continuing civil war, an over-populated country and limited resources, Sri Lanka was prior to the Gulf crisis experiencing an unemployment rate estimated at 20 percent and an inflation rate estimated at 18.7 percent.[88] In servicing its external debt of $5.1 bn in 1989 it had to disburse $408 million out of its fairly limited foreign exchange supply. The chronic deficit in its trade balance registered $454 million in 1989, as shown in Annex Table B-7. Remittances from Sri Lankan migrant workers totalled $360 million in 1989, 90 percent of which were transferred from Middle Eastern countries and 28 percent of the total from Iraq and Kuwait alone. Remittances from Sri Lankan migrant workers helped finance 78.4 percent of Sri Lanka's balance of trade deficit.

The Gulf crisis has exacerbated the various economic problems facing Sri Lanka, placing it among the countries least able to cope with the damage inflicted upon it by the Gulf crisis. The return of mostly unskilled 101,000 migrant workers to Sri Lanka will further aggravate the unemployment problem. This will be particularly painful in Colombo and the neighbouring district of Gampaha, from where more than half of the country's overseas workers originated.[89] The loss of about $90 million worth of remittances transferred annually

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[86] (S/21712)

[87] Ibid. The projected figure appears somewhat high given total reported remittances from all Middle Eastern countries were $485 million in 1989.

[88] (S/21710)

[89] E/ESCAP/749 p.13

from Iraq and Kuwait will aggravate the country's foreign exchange shortages. In addition, this income will be greatly missed by the returnees and their families. Moreover, about 75 percent of the returnees to Sri Lanka worked as domestic servants and left without unpaid wages for up to three months.[90] They were paid a meagre $65 per month on average and thus it would take them a long period just to repay the debt they incurred to finance the travel to their jobs in Kuwait.[91]

Other losses incurred by Sri Lanka owing to the Gulf crisis is the sharp drop in its export receipts. Tea is the country's second largest source of foreign exchange, accounting for 15 percent of total current account receipts in 1989.[92] Iraq and Kuwait together accounted for approximately 12.5 percent of the country's total tea exports. Partly owing to the loss of the market in these two countries, the price of Sri Lanken tea dropped in the international market. Thus declining export receipts coupled with a sharp rise in its oil import bill, the country's balance of payments position has become dangerously precarious.

(vi) Other Asian Countries (Vietnam, Korea, Thailand)

Other Asian developing countries were also adversely affected by the Gulf crisis, though at a relatively smaller extent. These countries include Vietnam, Korea and Thailand. Vietnam has estimated the losses to its fragile economy attributed to the Gulf crisis at a total of $377.2 million.[93]

(C) European Countries

The Gulf crisis had a severe impact on developing countries in Europe, like Turkey, as well as on the countries of Central and Eastern Europe whose economices are "in transition". Democratic social transformation and fundamental economic reforms were in progress in East European countries before the Gulf crisis began in August 1990. These countries were striving to cope with all problems resulting from the transition from planned economies to ones that are market oriented. A significant adverse effect of the Gulf crisis on most East European countries stems from their substantial

[90] ILO 'Informal Report on Migrant Workers Affected by the Gulf Crisis.' Arabic (Geneva: 19 November 1990. p.12)

[91] Ibid

[92] (S/21710)

[93] (S/21821)

engagement with Iraq as a trade partner and as a debtor.

As part of its debt management strategy, Iraq had offered East European countries barter deals involving oil for debt repayment. The Gulf crisis has resulted in East European countries not getting the Iraqi oil and having to pay for sharply higher market prices for necessary oil imports. This coincided with the cutback of Soviet deliveries in the second half of 1990 and those envisaged for 1991. The oil price rise has had a considerable negative effect on their balance-of-payments position and led to an increase in inflationary pressures.

The East European countries's combined external debt total $100 bn.[94] The Gulf crisis has simultaneously cut off debt repayment by Iraq to East European countries and increased the debt servicing burden levied on these countries owing to an increase in interest rates. In addition, the loss of Iraq as an export market has also added to the negative impact of the Gulf crisis on most East European countries. As for Urikey, it had to deal with large numbers of refugees and third country national in addition to its own losses.

(i) Bulgaria

Bulgaria estimates its direct losses caused by implementing Resolution 661 (1990) at $1.39 bn for 1990 alone.[95] Almost half of this amount arose from Iraq's non-repayment of debt due in 1990. Other losses stemmed mainly from the cost of replacing contracted deliveries of Iraqi oil at higher prices, the cancellation or freezing of Bulgarian engineering projects in Iraq and Kuwait, and the non-delivery of Bulgarian goods produced for export to Iraq and Kuwait.[96]

(ii) Czechoslovakia

Czechoslovakia had also developed economic relations with Iraq and Kuwait, although its oil imports from these countries were not significant. The negative effect of the Gulf crisis on the country's balance of payments is estimated at $1.4 bn in 1990, a consequence of higher oil prices, loss of exports

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[94] UNDP Regional Bureau for Arab States and Europe. 'The Gulf Crisis Impact on RBASE's Countries in Eastern Europe.' (New York: January 1991. p.7)

[95] (S/21818)

[96] Economic Commission for Europe 'Economic Bulletin for Europe' Vol. 42 (Geneva: November 1990. p.39)

to Iraq and the freezing of Czechoslovak assets there.[97] Czechoslovakia estimates its overall losses caused by the Gulf crisis at about $2.1 bn.[98]

(iii) Poland

Poland estimated its general losses caused by the Gulf crisis at $2.4 bn.[99] These losses were due to the suspension of payment of Iraqi debts to Poland estimated at over $500 million; higher oil prices which added $170 million to Poland's oil-import bill in 1990; loss of exports to Iraq and Kuwait estimated at $219 million; financial loss of bank accounts estimated at $183 million; and cancellation of contracts at signature stage for which contractors had assembled equipment and ordered supplies estimated by Poland at $1.515 million.[100]

Poland, however, was fortunate that the major creditor countries decided in March 1991 to forgive at least 50 percent of its $33 bn in government debts.[101] The United States went beyond the 50 percent reduction agreed to by the Paris Club, forgiving 70 percent of Poland's $3.8 bn debt.[102] Thus, creditor countries have more than compensated for Poland's losses caused by the Gulf crisis.

(iv) Romania

Iraqi debt to Romania, estimated at $1.7 bn, was the second largest to any Council for Mutual Economic Assistance (CMEA) country, after the Soviet Union. Both Iraq and Kuwait were important oil suppliers to Romania.

Romania estimates its total direct losses caused by implementing resolution 661 (1990) at $2.9 bn.[103] Over 58 percent of this amount represents the total Iraqi debt to

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97 V. Diouhy, Czechoslovakia's Minister of Economic Affairs, International Herald Tribune, 22 October 1990.

98 (S/21750)

99 (S/21808)

100 (S/21808)

101 New York Times. 10 April 1991

102 Ibid

103 (S/21643)

Romania which Iraq had agreed to meet oil deliveries.[104] Romania's total direct losses include $746 million it has estimated as the increase in its oil-import bill in 1990, owing to the Gulf crisis; $46.1 million in loss of exports of goods made especially for Iraq, $142.6 million losses caused by interrupted projects in Iraq; and $200.6 million in blocked bank accounts and assets.[105] To these direct losses,there are indirect and other losses to Romania, including the cost of repatriation and reintegration of Romanian personnel withdrawn from Iraq.

(v) Turkey

The Government gave a preliminary estimate of Turkey's losses at $5 billion, including reduction in tourism, cancelled service contracts, lost exports, as well as lost foreign investment and remittances. Turkey received some compensation from the Allies, but the country's efforts to cope with the Iraqi refugee problem seriously strained the country's services.

(vi) Yugoslavia

For many years, Yugoslavia has had strong economic ties with Iraq, which accounted for $300 - $400 million of Yugoslav exports per year.[106] At the outbreak of the Gulf crisis, a large number of Yugoslav companies were extensively involved in various industrial projects in Iraq. The total value of these projects is estimated at close to $3 bn.[107] The non-delivery of exports already contracted to Iraq and Kuwait resulted in a loss of $140 million. Moreover, owing to the freeze on payment for Yugoslav goods and services, Yugoslavia estimates its losses in this regard at $225 million from Iraq and $50 million from Kuwait.[108] Yugoslavia was to receive $242 million worth of Iraqi oil during the last five months of 1990, as debt repayment. In all, Yugoslavia has estimated the total losses it incurred in 1990, owing to the Gulf crisis, at $1.3 bn.[109]

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[104] Ibid

[105] Ibid

[106] Regional Bureau for Arab States and Europe p.10

[107] Ibid

[108] (S/21618)

[109] Ibid

(D) Africa

Africa as a whole is a net oil exporter, yet most African countries are oil importers. Thus the increase in oil price brought about by the Gulf crisis has brought windfall gains to five Sub-Sahara African countries, namely Nigeria, Angola, Gabon, Congo and the Cameroon, and taxed the limited resources of the other 38 Sub-Sahara African countries. While the oil-exporting countries were able to use some of the unexpected rise in oil revenues to service their external debts and meet other obligations, the oil-importing countries witnessed a further deterioration in their balance of payments and greater difficulties in servicing their respective external debts. The impact of the Gulf crisis and the oil price increase has been equivalent to that of a major natural disaster. For Africa, the total loss was estimated at $2 bn, equivalent to almost one-fifth of net resource flows to the region in 1990. This, in turn, has exacerbated the many economic problems confronting these countries, particularly their debt-servicing burden.

(i) Mauritania

Mauritania is among the poorest African countries adversely affected by the Gulf crisis. It is a Least Developed Country which for the past several years was confronting various economic difficulties, in addition to the problem of desertification. Mauritania has estimated that the Gulf crisis has inflicted direct losses worth $190 million, and indirect losses that could reach $239 million,[110] and requested compensation for implementing Resolution 661 (1990).

(E) Latin American Countries

Many Latin American countries, led by Brazil, Mexico and Argentina, have accumulated large external debts. While some oil-exporting countries in Latin America like Mexico and Venezuela have benefited from the surge in oil prices, others were adversely affected, particularly Brazil and Argentina. Both Brazil and Argentina are heavily dependent on oil imports and have had strong economic ties with Iraq.

(i) Uruguay

Uruguay was adversely affected by the Gulf crisis, since it imports 100 percent of its fuel requirements. Higher oil prices has led to an increase in Uruguay's oil import bill by $42 million in 1990. Uruguay has estimated its trade balance losses in 1990 at $58.8 million, and requested compensation

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[110] (S/21818)

for implementing Resolution 661 (1990).[111]

V CONCLUSIONS AND RECOMMENDATIONS

A large number of developing countries in different regions of the world have been adversely affected by the Gulf crisis, albeit in varying degrees. The countries most severely affected are clearly the ones whose returnees comprise a significant share of their population and labour force. The negative impact of the influx of returning migrant workers has been reflected immediately and is expected to have long term repercussions as well. The increase in oil prices, while benefiting some developing oil-exporting countries, has aggravated the balance of payments problems of the more numerous oil-importing developing countries in 1990. This in turn has adversely affected the ability of many indebted developing countries to service their external debts. The trade embargo on Iraq has been devastating to Iraq's economy, and it also has severely affected many of Iraq's trading partners all over the world. The longer the trade embargo on Iraq is upheld, the greater the economic damage will be on Iraq as well as its trading partners.

While there has been a significant response to alleviate some of the burden caused by the Gulf crisis on developing countries, the distribution of assistance has been very uneven and with little regard to the degree of devastation. A few countries appear to have been almost over-compensated, while others have received insufficient or no assistance at all.

The international community should consider taking immediate and longer term measures to help alleviate the negative impact of the Gulf crisis on the economies of the most adversely affected developing countries. The affected countries themselves should also undertake proper measures and pursue constructive socio-economic policies. The recommended macro-economic adjustments required to reduce the adverse repercussions caused by the Gulf crisis fall into three areas:

1. Balance of payments problems and external debt.
2. Economic and social re-integration of returnees.
3. Overall economic development.

1. Balance of payments problems and external debt

(a) Further debt rescheduling and forgiveness could be

[111] (S/21775)

considered in correlation with the severity of the negative affects of the Gulf crisis and with the implementation of economic adjustment policies.

(b) Immediate, though temporary, reductions in all import tariffs - and/or increase quotas - on exports from the most indebted and economically devastated countries.

(c) Identification and penetration of new markets for merchandise exports.

(d) Attaining an agreement between the major oil-exporting and oil-importing countries in order to avoid future severe fluctuations in oil prices and guarantee adequate supply.

(e) Since real interest rates are already high, further increases would be specially damaging to the heavily indebted developing countries.

2. <u>Economic and Social Reintegration of Returnees</u>

(a) Immediate support for the expansion of public services to accommodate the influx of returnees.

(b) Establishment of country and/or regional funds to help finance the training of returning migrant workers.

(c) Support should be extended to countries that received large numbers of returnees to help them implement household surveys on returning migrants and the subsequent preparation of a plan of action to resolve the problems and difficulties.

(d) Support should be extended to country and regional skills development programmes and ensuring that they also train women.

(e) Establishing and/or supporting specially designed rehabilitation and training programmes for the war wounded and handicapped.

(f) Emphasis should be given to labour intensive industries in order to generate domestically the largest number of employment opportunities.

3. <u>Overall Economic Development</u>

(a) Intensify efforts to raise funds commensurate to the damage suffered, and distribute aid based on economic criteria and degree of devastation caused by the Gulf crisis.

(b) Increase in external funding of development projects with a priority to those pertaining to food security, employment opportunities, export promotion and import-substitution.

(c) Developing countries need to intensify efforts to encourage the growth of the tourism sector in particular, since it is labour intensive and a potential major source of foreign exchange.

(d) Developing countries need to pursue policies that not only discourage capital flight but also attract the return of private capital held by their citizens abroad.

(e) Developing countries, particularly heavily indebted ones, should be increasingly encouraged to direct greater portions of their natural resources to economic development and away from military expenditures.

(f) Over-populated developing countries should promote policies aimed at reducing their high population growth rates.

(g) Economic cooperation should be strengthened simultaneously among developing countries and between them and the developed ones.

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Annex: Table A-1

(In Million US dollars, unless otherwise indicated)

BANGLADESH

SUMMARY DEBT DATA

	1980	1984	1985	1986	1987	1988	1989
EDT	4,056	5,632	6,629	8,032	9,891	10,389	10,712
TDS	272	275	342	461	526	482	488
Principal Repay	197	153	204	305	336	303	296
Interest Payments	76	121	138	156	189	180	192

MAJOR ECONOMIC AGGREGATES

	1980	1984	1985	1986	1987	1988	1989
GNP	12,806	13,961	15,948	15,439	17,542	18,754	20,102
XGS	1,174	1,617	1,584	1,576	1,953	2,278	2,448
MGS	2,622	2,664	3,011	2,749	3,033	3,441	3,915
Current Acct. Bal.	-844	-239	-614	-122	-309	-289	-729
RES	331	406	354	430	869	829	929

DEBT INDICATORS

	1980	1984	1985	1986	1987	1988	1989
EDT/XGS(%)	345.6	348.4	418.6	509.5	506.4	456.0	437.6
EDT/GNP(%)	31.7	40.3	41.6	52.0	56.4	55.4	53.3
TDS/XGS(%)	23.2	17.0	21.6	29.3	26.9	21.2	19.9
INT/XGS(%)	6.4	7.5	8.7	9.9	9.7	7.9	7.9
RES/MGS(months)	1.5	1.8	1.4	1.9	3.4	2.9	2.8

EDT = Total Ex. Debt
TDS = Total Debt Source
GNP = Gross National Product
XGS = Exports of Goods & Services
MGS = Import of Goods & Services
RES = International Reserves

Source: World Bank. World Debt Tables (1990-1991)
Vol. 2 Country Tables (Washington, D.C.: December 1990)

Annex: Table A-2

Bulgaria: selected economic indicators

1.	GDP 1989, million dollars	17100
2.	Population, 1989, millions	9
3.	GDP per capita, 1989, in dollars	1900
4.	Average growth, 1985-1989, in per cent, official	2.8
4a.	Average growth, 1985-1989, in per cent, probably	1-1.5
5.	Export value, average 1987-1989, million dollars	16389
5a.	Exports to Iraq and Kuwait, per cent of total (1986-1988)	2.67
5b.	Principal exports	no values
6.	Import value, average 1986-1988, million dollars	15917
6a.	Imports from Iraq and Kuwait, per cent of total (1986-1988)	1.34
6b.	Principal imports	no values
7.	Service exports to Iraq and Kuwait	n.a.
8.	Migrant workers abroad	n.a.
9.	Worker remittances	n.a.
9a.	as per cent of total export earnings	n.a.
10.	Debt owed to Iraq and Kuwait	0
11.	Iraqi debt to Bulgaria, mid-1990, million dollars	1200
11a.	Iraqi debt service, million tons of oil annually (4.75 million tons over four year mid-1990-1994 plus an extra 140,000 tons in 1990)	1.25

SOURCE: Department of International Economic and Social Affairs of the United Nations Secretariat, based on unofficial and official estimates.

Annex: Table A-3

(in Million US dollars, unless otherwise indicated)

DJIBOUTI

SUMMARY DEBT DATA

	1980	1984	1985	1986	1987	1988	1989
EDT	31.8	85.7	144.0	125.2	183.4	184.5	180.1
TDS	3.9	6.2	7.1	9.2	14.0	15.7	14.9
- Prin. payments	2.2	3.0	1.9	2	9.3	9.5	9.1
- Int. payments	1.7	3.2	5.2	4.9	4.7	6.1	5.8

MAJOR ECONOMIC AGGREGATES

GNP	...	339.7	349.6	375.9	388.9	"	"
XGS	...	174.2	165.0	180.5	197.3	"	"
MGS	...	266.1	247.2	238.0	254.3	"	"
Amt. Acct. Bal.	...	-57.1	-42.1	-21.2	-14.7	"	"
RES	...	44.9	50.9	53.6	63.5	64.4	59.2

DEBT INDICATORS

EDT/XGS(%)	...	49.2	87.3	69.4	93.0	"	"
EDT/GNP(%)	...	25.2	41.2	33.3	47.2	"	"
TDS/XGS(%)	...	3.6	4.3	5.1	7.1	"	"
INT/XGS(%)	...	1.8	3.1	2.7	2.4	"	"
RES/MGS(months)	...	2.0	2.5	2.7	3.0	"	"

EDT = Total Ex. Debt
TDS = Total Debt Source
GNP = Gross National Product
XGS = Exports of Goods & Services
MGS = Import of Goods & Services
RES = International Reserves

Source: World Bank. World Debt Tables (1990-1991)
Vol. 2 Country Tables (Washington, D.C.: December 1990)

Annex: Table A-4

(US $ millions, unless otherwise indicated)

SUMMARY DEBT DATA

EGYPT

	1980	1984	1985	1986	1987	1988	1989
EDT	20,384	34,864	40,218	42,997	49,121	49,485	48,799
TDS	2,038	3,072	3,133	3,111	1,768	2,471	2,992
-Prin. repayment	1,157	1,464	1,639	1,509	826	1,127	1,486
-Int. payment	881	1,608	1,493	1,603	943	1,344	1,506

MAJOR ECONOMIC AGGREGATES

	1980	1984	1985	1986	1987	1988	1989
GNP	21,453	28,580	31,406	32,068	32,037	28,253	30,684
XGS	9,783	13,492	13,250	11,727	10,906	12,467	13,733
MGS	11,300	16,556	18,011	17,074	14,684	15,337	17,454
Current Acct. bal.	-1,421	-2,278	-3,564	-4,038	-2,705	-1,868	-1,691
RES	2,480	1,486	1,587	1,780	2,556	2,261	2,495

DEBT INDICATORS

	1980	1984	1985	1986	1987	1988	1989
EDT/XGS(%)	208.4	258.4	303.5	366.7	450.4	396.9	355.3
EDT/GNP(%)	95.0	122.0	128.0	134.1	153.3	175.2	159.0
TDS/XGS(%)	20.8	22.8	23.6	26.5	16.2	19.8	21.8
INT/XGS(%)	9.0	11.9	11.3	13.7	8.6	10.8	11.0
RES/MGS (months)	2.6	1.1	1.1	1.3	2.1	1.8	1.7

EDT = Total Ex. Debt
TDS = Total Debt Source
GNP = Gross National Product
XGS = Exports of Goods
MGS = Import of Goods & Services
RES = International Reserves

Source: World Bank. World Debt Tables (1990-1991)
Vol. 2 Country Tables (Washington, D.C.: December 1990)

Annex: Table A-5

(in Million US dollars, unless otherwise indicated)

INDIA

SUMMARY DEBT DATA

	1980	1984	1985	1986	1987	1988	1989
EDT	20,561	33,857	40,886	48,026	55,034	57,254	62,509
TDS	1,379	2,938	5,204	5,204	5,590	6,190	6,364
- Prin. payments	765	1,224	2,937	2,937	2,974	3,160	2,930
- Int. payments	614	1,714	2,267	2,267	2,616	3,031	3,434

MAJOR ECONOMIC AGGREGATES

	1980	1984	1985	1986	1987	1988	1989
GNP	172,533	192,588	212,969	227,411	253,970	267,208	262,089
XGS	15,088	16,251	15,538	16,465	19,282	21,431	24,191
MGS	18,135	19,716	21,518	22,496	25,756	30,475	32,229
Amt. Acct. Bal.	-2,268	-2,945	-5,536	-5,588	-5,987	-8,509	-7,538
RES	11,924	8,804	9,730	10,814	11,449	9,246	11,610

DEBT INDICATORS

	1980	1984	1985	1986	1987	1988	1989
EDT/XGS(%)	136.1	208.3	263.1	291.7	285.4	267.2	258.4
EDT/GNP(%)	11.9	17.6	19.2	21.1	21.7	21.4	23.9
TDS/XGS(%)	9.1	18.1	22.3	31.6	29.0	28.9	26.3
INT/XGS(%)	4.1	10.5	12.2	13.8	13.6	14.1	14.2
RES/MGS(months)	7.9	5.4	5.4	5.8	5.3	3.6	4.3

EDT = Total Ex. Debt
TDS = Total Debt Source
GNP = Gross National Product
XGS = Exports of Goods & Services
MGS = Import of Goods & Services
RES = International Reserves

Source: World Bank. World Debt Tables (1990-1991)
Vol. 2 Country Tables (Washington, D.C.: December 1990)

Annex: Table A-6

(in Million US dollars, unless otherwise indicated)

JORDAN

SUMMARY DEBT DATA

	1980	1984	1985	1986	1987	1988	1989
EDT	1,977	3,508	4,153	5,026	6,373	6,564	7,418
TDS	210	452	558	650	821	1,002	589
- Prin. payments	103	235	292	357	460	596	237
- Int. payments	107	217	266	293	361	406	353

MAJOR ECONOMIC AGGREGATES

	1980	1984	1985	1986	1987	1988	1989
GNP	...	4,771	4,747	5,737	5,986	5,617	4,338
XGS	2,496	3,275	3,103	3,089	3,221	3,367	3,023
MGS	3,459	4,272	4,157	3,815	4,159	4,269	3,734
Amt. Acct. Bal.	409	-217	-254	-46	-350	-292	-61
RES	1,745	842	770	853	910	414	771

DEBT INDICATORS

	1980	1984	1985	1986	1987	1988	1989
EDT/XGS(%)	79.2	107.1	133.9	162.7	197.9	194.4	245.4
EDT/GNP(%)	...	73.5	87.5	87.6	106.5	116.9	171.0
TDS/XGS(%)	8.4	13.8	18.0	21.0	25.5	29.8	19.5
INT/XGS(%)	4.3	6.6	8.6	9.5	11.2	12.1	11.7
RES/MGS(months)	6.1	2.4	2.2	2.7	2.6	1.2	2.5

EDT = Total Ex. Debt
TDS = Total Debt Source
GNP = Gross National Product
XGS = Exports of Goods & Services
MGS = Import of Goods & Services
RES = International Reserves

Source: World Bank. World Debt Tables (1990-1991)
Vol. 2 Country Tables (Washington, D.C.: December 1990)

Annex: Table A-7

(in Million US dollars, unless otherwise indicated)

LEBANON

SUMMARY DEBT DATA

	1980	1984	1985	1986	1987	1988	1989
EDT	490.6	447.6	415.8	457.9	495.9	499.5	519.9
TDS	51.7	84.8	73.3	44.7	48.5	61.1	58.2
- Prin. payments	6.9	38.0	40.7	16.4	16.2	20.3	19.5
- Int. payments	44.8	46.7	32.5	28.3	32.2	40.8	38.7

MAJOR ECONOMIC AGGREGATES

GNP	...	...	...	...	...	...	...
XGS	...	...	...	...	...	...	...
MGS	...	...	...	...	...	...	...
Amt. Acct. Bal.	...	...	...	...	...	...	...
RES	7,024.6	3,514.7	4,089.4	4,092.9	4,832.3	4,761.1	4,636.2

EDT = Total Ex. Debt
TDS = Total Debt Source
GNP = Gross National Product
XGS = Exports of Goods & Services
MGS = Import of Goods & Services
RES = International Reserves

Source: World Bank. World Debt Tables (1990-1991)
Vol. 2 Country Tables (Washington, D.C.: December 1990)

Annex: Table A-8

(US $ millions, unless otherwise indicated)

SUMMARY DEBT DATA

MAURITANIA

	1980	1984	1985	1986	1987	1988	1989
EDT	845	1,338	1,502	1,773	2,044	2,072	2,010
TDS	48	67	102	100	115	132	102
-Prin. repayment	26	31	65	60	76	87	66
-Int. payment	22	36	37	40	39	45	37

MAJOR ECONOMIC AGGREGATES

	1980	1984	1985	1986	1987	1988	1989
GNP	672	684	665	780	828	904	943
XGS	275	331	403	447	446	486	509
MGS	493	528	632	731	665	656	635
Current Acct. bal.	-133	-111	-116	-194	-147	- 96	111
RES	146	81	63	53	77	60	87

DEBT INDICATORS

	1980	1984	1985	1986	1987	1988	1989
EDT/XGS(%)	306.7	404.0	372.4	396.9	458.2	426.1	394.8
EDT/GNP(%)	125.7	195.8	225.8	227.4	246.8	229.1	213.2
TDS/XGS(%)	17.3	20.1	25.3	22.4	25.8	27.1	20.1
INT/XGS(%)	7.9	10.8	9.2	9.0	8.8	9.2	7.2
RES/MGS (months)	3.6	1.8	1.2	0.9	1.4	1.1	1.6

EDT = Total Ex. Debt
TDS = Total Debt Source
GNP = Gross National Product
XGS = Exports of Goods
MGS = Import of Goods & Services
RES = International Reserves

Source: World Bank. World Debt Tables (1990-1991)
Vol. 2 Country Tables (Washington, D.C.: December 1990)

Annex: Table A-9

(US $ millions, unless otherwise indicated)

SUMMARY DEBT DATA

PAKISTAN

	1980	1984	1985	1986	1987	1988	1989
EDT	9,941	12,125	13,362	14,904	16,708	16,996	18,509
TDS	855	1,185	1,417	1,644	1,813	1,810	1,770
-Prin. repayment	493	680	919	1,062	1,197	1,158	1,027
-Int. payment	362	506	498	582	616	653	743

MAJOR ECONOMIC AGGREGATES

	1980	1984	1985	1986	1987	1988	1989
GNP	23,409	30,709	30,639	31,258	32,657	37,643	39,457
XGS	5,049	6,383	5,858	6,504	6,786	7,365	7,630
MGS	6,042	7,687	7,775	7,983	7,793	9,295	9,782
Current Acct. bal.	- 869	- 689	-1,282	- 774	- 334	-1,164	-1,351
RES	1,568	1,610	1,429	1,465	1,441	1,193	1,302

DEBT INDICATORS

	1980	1984	1985	1986	1987	1988	1989
EDT/XGS(%)	196.9	190.0	228.1	229.1	246.2	230.8	242.6
EDT/GNP(%)	42.5	39.5	43.6	47.7	51.2	45.1	46.9
TDS/XGS(%)	16.9	18.6	24.2	25.3	26.7	24.6	23.2
INT/XGS(%)	7.2	7.9	8.5	8.9	9.1	8.9	9.7
RES/MGS (months)	3.1	2.5	2.2	2.2	2.2	1.5	1.6

EDT = Total Ex. Debt
TDS = Total Debt Source
GNP = Gross National Product
XGS = Exports of Goods
MGS = Import of Goods & Services
RES = International Reserves

Source: World Bank. World Debt Tables (1990-1991)
Vol. 2 Country Tables (Washington, D.C.: December 1990)

Annex: Table A-10

(US $ millions, unless otherwise indicated)

SUMMARY DEBT DATA

PHILIPPINES

	1980	1984	1985	1986	1987	1988	1989
EDT	17,431	24,375	26,819	28,372	30,038	29,161	28,902
TDS	2,172	2,695	2,573	3,038	3,613	3,482	3,364
-Prin. repayment	681	765	817	1,419	1,763	1,476	1,181
-Int. payment	1,491	1,930	1,756	1,619	1,849	2,006	2,183

MAJOR ECONOMIC AGGREGATES

	1980	1984	1985	1986	1987	1988	1989
GNP	35,213	31,583	32,125	30,153	34,197	39,001	43,961
XGS	8,203	8.076	8,028	8,796	9,385	11,054	12,767
MGS	10,348	9,697	8,331	8,120	10,191	11,831	14,702
Current Acct. bal.	-1,903	-1,294	- 35	954	- 444	- 390	-1,465
RES	3,978	844	1,098	2,611	2,312	2,169	2,398

DEBT INDICATORS

	1980	1984	1985	1986	1987	1988	1989
EDT/XGS(%)	212.5	301.8	334.1	322.6	320.1	263.8	2264
EDT/GNP(%)	49.5	77.2	83.5	94.1	87.8	74.8	657
TDS/XGS(%)	26.5	33.4	32.0	34.5	38.5	31.5	263
INT/XGS(%)	18.2	23.9	21.9	18.4	19.7	18.1	171
RES/MGS (months)	4.6	1.0	1.6	3.9	2.7	2.2	20

EDT = Total Ex. Debt
TDS = Total Debt Source
GNP = Gross National Product
XGS = Exports of Goods
MGS = Import of Goods & Services
RES = International Reserves

Source: World Bank. World Debt Tables (1990-1991)
Vol. 2 Country Tables (Washington, D.C.: December 1990)

Annex: Table A-11

(US $ millions, unless otherwise indicated)

SUMMARY DEBT DATA

POLAND

	1980	1984	1985	1986	1987	1988	1989
EDT	..	..	33,336	36,670	42,620	42,146	43,324
TDS	..	..	2,045	1,816	2,060	1,763	1,548
-Prin. repayment	..	..	455	718	983	833	674
-Int. payment	..	..	1,591	1,097	1,078	930	873
MAJOR ECONOMIC AGGREGATES							
GNP	54,354	73,094	68,430	71,221	60,990	65,869	63,453
XGS	16,200	13,866	13,222	14,129	14,459	16,589	16,480
MGS	20,338	15,681	15,174	16,332	16,396	18,387	19,498
Current Acct. bal.	-3,417	-1,083	- 982	-1,106	- 379	- 107	- 985
RES	574	1,252	1,025	882	1,723	2,249	2,504
DEBT INDICATORS							
EDT/XGS(%)	..	..	252.1	259.5	294.8	254.1	2629
EDT/GNP(%)	..	..	48.7	51.5	69.9	64.0	683
TDS/XGS(%)	..	..	15.5	12.8	14.2	10.6	94
INT/XHS(%)	..	..	12.0	7.8	7.5	5.6	53
RES/MGS (months)	0.3	1.0	0.8	0.6	1.3	1.5	15

EDT = Total Ex. Debt
TDS = Total Debt Source
GNP = Gross National Product
XGS = Exports of Goods
MGS = Import of Goods & Services
RES = International Reserves

<u>Source:</u> World Bank. World Debt Tables (1990-1991)
Vol. 2 Country Tables (Washington, D.C.: December 1990)

Annex: Table A-12

(US $ millions, unless otherwise indicated)

SUMMARY DEBT DATA

ROMANIA

	1980	1984	1985	1986	1987	1988	1989
EDT	9,762	7,758	7,008	6,983	6,580	2,524	500
TDS	1,529	2,116	2,064	1,981	2,493	4,274	1,946
-Prin. repayment	928	1,484	1,391	1,318	1,885	3,777	1,783
-Int. payment	601	632	673	662	608	497	163

MAJOR ECONOMIC AGGREGATES

	1980	1984	1985	1986	1987	1988	1989
GNP	33,967	38,595	..	..	..	..	..
XGS	12,160	13,603	13,016	13,471	..	..	..
MGS	14,580	11,884	11,777	11,982	..	..	..
Current Acct. bal.	-2,420	1,719	1,239	1,489	..	..	.
RES	2,511	1,860	1,448	1,851	2,062	1,375	2,731

DEBT INDICATORS

	1980	1984	1985	1986	1987	1988	1989
EDT/XGS(%)	80.3	57.0	53.8	51.8	..	..	.
EDT/GNP(%)	28.7	20.1	..	..	..	..	.
TDS/XGS(%)	12.6	15.6	15.9	14.7	..	..	.
INT/XHS(%)	4.9	4.6	5.2	4.9	..	..	.
RES/MGS (months)	2.1	1.9	1.5	1.9	..	..	.

EDT = Total Ex. Debt
TDS = Total Debt Source
GNP = Gross National Product
XGS = Exports of Goods
MGS = Import of Goods & Services
RES = International Reserves

Source: World Bank. World Debt Tables (1990-1991)
Vol. 2 Country Tables (Washington, D.C.: December 1990)

Annex: Table 13

(US $ millions, unless otherwise indicated)

SUMMARY DEBT DATA

SEYCHELLES

	1980	1984	1985	1986	1987	1988	1989
EDT	84.1	70.5	98.0	147.5	175.2	170.6	168.4
TDS	37.2	6.1	9.4	11.6	13.3	17.7	24.0
-Prin. repayment	0.1	2.9	5.3	5.8	5.5	9.3	13.1
-Int. payment	37.1	3.1	4.1	5.9	7.8	8.4	11.0

MAJOR ECONOMIC AGGREGATES

	1980	1984	1985	1986	1987	1988	1989
GNP	142.0	145.5	163.0	199.0	233.4	265.7	278.8
XGS	102.8	102.1	118.8	129.7	155.6	184.8	201.7
MGS	131.4	128.1	151.5	174.4	198.01	237.1	260.1
Current Acct. bal.	-15.6	-13.3	-19.2	-33.3	-21.1	-28.4	-31.9
Reserves	18.4	5.4	8.5	7.7	13.7	8.7	12.1

DEBT INDICATORS

	1980	1984	1985	1986	1987	1988	1989
EDT/XGS(%)	81.8	69.1	82.5	113.7	112.6	92.3	83.5
EDT/GNP(%)	59.2	48.5	60.1	74.0	75.1	64.2	60.4
TDS/XGS(%)	36.2	5.9	7.9	9.0	8.6	9.6	11.9
INT/XGS(%)	36.1	3.0	3.5	4.5	5.0	4.6	5.4
RES/MGS (months)	1.7	0.5	0.7	0.5	0.8	0.4	0.6

EDT = Total Ex. Debt
TDS = Total Debt Source
GNP = Gross National Product
XGS = Exports of Goods
MGS = Import of Goods & Services
RES = International Reserves

Source: World Bank. World Debt Tables (1990-1991)
Vol. 2 Country Tables (Washington, D.C.: December 1990)

Annex: Table A-14

(US $ millions, unless otherwise indicated)

SUMMARY DEBT DATA

SRI LANKA

	1980	1984	1985	1986	1987	1988	1989
EDT	1,841	2,992	3,538	4,063	4,732	5,187	5,101
TDS	179	274	320	398	495	484	408
-Prin. repayment	94	124	164	239	321	315	256
-Int. payment	85	150	156	159	175	169	152
MAJOR ECONOMIC AGGREGATES							
GNP	3,998	5,871	5,953	6,379	6,653	6,962	6,940
XGS	1,492	2,097	1,937	1,906	2,141	2,232	2,287
MGS	2,269	2,274	2,506	2,470	2,610	2,805	2,795
Current Acct. bal.	- 655	1	- 418	- 417	-326	- 404	- 372
Reserves	283	530	472	377	310	248	269
DEBT INDICATORS							
EDT/XGS(%)	123.4	142.7	182.7	213.1	221.0	232.4	223.0
EDT/GNP(%)	46.1	51.0	59.4	63.7	71.1	74.5	73.5
TDS/XGS(%)	12.0	13.1	16.5	20.9	23.1	21.7	17.8
INT/XGS(%)	5.7	7.1	8.0	8.3	8.2	7.6	6.7
RES/MGS (months)	1.5	2.8	2.3	1.8	1.4	1.1	1.2

EDT = Total Ex. Debt
TDS = Total Debt Source
GNP = Gross National Product
XGS = Exports of Goods
MGS = Import of Goods & Services
RES = International Reserves

Source: World Bank. World Debt Tables (1990-1991)
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Annex: Table A-15

(US $ millions, unless otherwise indicated)

SUMMARY DEBT DATA

SUDAN

	1980	1984	1985	1986	1987	1988	1989
EDT	5,163	8,612	9,127	9,870	11,563	11,961	12,965
TDS	264	172	149	247	97	179	97
-Prin. repayment	131	76	21	151	42	58	46
-Int. payment	133	96	128	96	55	121	51

MAJOR ECONOMIC AGGREGATES

	1980	1984	1985	1986	1987	1988	1989
GNP	7,862	8,595	6,351	8,861	9,655	8,352	15,645
XGS	1.034	1,347	1,245	1,072	962	961	1,233
MGS	1,682	2,118	1,888	1,914	1,664	2,105	2,266
Current Acct. bal.	- 564	- 462	- 354	- 430	- 423	- 630	- 945
Reserves	49	17	12	59	47	107	176

DEBT INDICATORS

	1980	1984	1985	1986	1987	1988	1989
EDT/XGS(%)	499.3	639.3	732.9	920.3	1,202.5	1,244.8	1,051.2
EDT/GNP(%)	65.7	100.2	143.7	111.4	119.8	143.2	82.9
TDS/XGS(%)	25.5	12.7	12.0	23.0	10.0	18.6	7.9
INT/XGS(%)	12.8	7.1	10.3	8.9	5.7	12.6	4.1
RES/MGS (months)	0.3	0.1	0.1	0.4	0.3	0.6	0.9

EDT = Total Ex. Debt
TDS = Total Debt Source
GNP = Gross National Product
XGS = Exports of Goods
MGS = Import of Goods & Services
RES = International Reserves

Source: World Bank. World Debt Tables (1990-1991)
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Annex: Table A-16

(US $ millions, unless otherwise indicated)

SUMMARY DEBT DATA

SYRIA

	1980	1984	1985	1986	1987	1988	1989
EDT	2,749	3,463	4,028	4,873	5,091	5,199	5,202
TDS	382	336	345	360	447	469	485
-Prin. repayment	225	196	212	212	258	260	272
-Int. payment	157	140	133	148	190	209	213

MAJOR ECONOMIC AGGREGATES

	1980	1984	1985	1986	1987	1988	1989
GNP	13,073	..	..	..	..	..	..
XGS	3,341	2,697	2,595	1,862	2,190	2,142	..
MGS	4,610	4,720	4,543	3,152	3,137	2,843	..
Current Acct. bal.	251	- 794	- 860	- 530	- 187	- 165	..
Reserves	828	525	355	470	626	533	..

DEBT INDICATORS

	1980	1984	1985	1986	1987	1988	1989
EDT/XGS(%)	82.3	128.4	155.2	261.2	232.5	242.7	..
EDT/GNP(%)	21.0	..	..	..	..	..	..
TDS/XGS(%)	11.4	12.5	13.3	19.3	20.4	21.9	..
INT/XGS(%)	4.7	5.2	5.1	7.9	8.7	9.8	..
RES/MGS (months)	2.2	1.3	0.9	1.8	2.4	2.2	..

EDT = Total Ex. Debt
TDS = Total Debt Source
GNP = Gross National Product
XGS = Exports of Goods
MGS = Import of Goods & Services
RES = International Reserves

Source: World Bank. World Debt Tables (1990-1991)
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Annex: Table A-17

(US $ millions, unless otherwise indicated)

SUMMARY DEBT DATA

TUNISIA

	1980	1984	1985	1986	1987	1988	1989
EDT	3,527	4,096	4,880	5,898	6,741	6,675	6,899
TDS	545	706	746	877	1,098	1,060	1,138
-Prin. repayment	290	441	476	551	730	651	707
-Int. payment	255	265	271	326	368	409	431

MAJOR ECONOMIC AGGREGATES

	1980	1984	1985	1986	1987	1988	1989
GNP	8,483	7,779	7,920	8,402	9,117	9,535	9,617
XGS	3,674	3,113	2,983	3,107	3,854	4,846	5,054
MGS	4,119	3,912	3,606	3,764	3,947	4,752	5,418
Current Acct. bal.	- 361	- 770	- 587	- 618	- 60	213	- 159
Reserves	700	464	294	378	616	976	1,037

DEBT INDICATORS

	1980	1984	1985	1986	1987	1988	1989
EDT/XGS(%)	96.0	131.6	163.6	189.8	174.9	137.7	136.5
EDT/GNP(%)	41.6	52.6	61.6	70.2	73.9	70.0	71.7
TDS/XGS(%)	14.8	22.7	25.0	28.2	25.8	21.9	22.5
INT/XGS(%)	6.9	8.5	9.1	10.5	9.5	8.4	8.5
RES/MGS (months)	2.0	1.4	1.0	1.2	1.9	14.6	15.0

EDT = Total Ex. Debt
TDS = Total Debt Source
GNP = Gross National Product
XGS = Exports of Goods
MGS = Import of Goods & Services
RES = International Reserves

Source: World Bank. World Debt Tables (1990-1991)
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Annex: Table A-18

(US $ millions, unless otherwise indicated)

SUMMARY DEBT DATA

TURKEY

	1980	1984	1985	1986	1987	1988	1989
EDT	19,119	21,601	26,010	32,842	40,800	40,864	41,600
TDS	1,697	3,225	4,574	4,453	5,957	7,442	7,033
-Prin. repayments	750	1,397	2,615	2,372	3,493	4,282	3,948
-Int. payments	857	1,828	1,959	2,082	2,464	3,160	3,085
MAJOR ECONOMIC AGGREGATES							
GNP	55,801	48,228	51,477	56,592	66,221	68,850	77,283
XGS	5,743	11,562	13,131	12,555	16,538	19,710	21,917
MGS	9,251	13,276	14,414	14,310	17,713	18,518	21,446
Current Acct. bal.	- 3,408	- 1,407	- 1,013	- 1,465	- 806	- 1,596	- 966
Reserves	3,298	2,442	2,318	2,913	3,631	3,912	6,298
DEBT INDICATORS							
EDT/XGS(%)	332.9	186.8	198.1	261.6	246.7	207.3	189.8
EDT/GNP(%)	34.3	44.8	50.5	58.0	61.6	59.4	53.8
TDS/XGS(%)	28.0	27.9	34.8	35.5	36.0	37.8	32.1
INT/XGS(%)	14.9	15.8	14.9	16.6	14.9	16.0	14.1
RES/MGS (months)	4.3	2.2	1.9	2.4	2.5	2.5	3.5

EDT = Total Ex. Debt
TDS = Total Debt Source
GNP = Gross National Product
XGS = Exports of Goods
MGS = Import of Goods & Services
RES = International Reserves

Source: World Bank. World Debt Tables (1990-1991)
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Annex: Table A-19

(US $ millions, unless otherwise indicated)

SUMMARY DEBT DATA

URUGUAY

	1980	1984	1985	1986	1987	1988	1989
EDT	1,660	3,271	3,919	3,906	4,271	3,825	3,751
TDS	299	501	568	509	618	729	647
-Prin. repayments	130	150	203	162	260	376	310
-Int. payments	169	351	366	347	358	354	337
MAJOR ECONOMIC AGGREGATES							
GNP	10,033	4,885	4,856	6,177	7,457	7,638	8,065
XGS	1,594	1,377	1,330	1,592	1,650	1,877	2,198
MGS	2,312	1,516	1,461	1,573	1,816	1,890	2,053
Current Acct. bal.	- 709	- 129	- 120	- 45	- 158	- 9	- 153
Reserves	2,401	942	1,031	1,500	1,793	1,602	1,548
DEBT INDICATORS							
EDT/XGS(%)	104.1	237.6	294.7	245.3	258.9	203.8	170.6
EDT/GNP(%)	16.5	67.0	80.7	63.2	57.3	50.1	46.5
TDS/XGS(%)	18.8	36.4	42.7	32.0	37.4	38.9	29.4
INT/XGS(%)	10.6	25.5	27.5	21.8	21.7	18.8	15.3
RES/MGS (months)	12.5	7.5	8.5	11.4	11.8	10.2	9.0

EDT = Total Ex. Debt
TDS = Total Debt Source
GNP = Gross National Product
XGS = Exports of Goods
MGS = Import of Goods & Services
RES = International Reserves

Source: World Bank. World Debt Tables (1990-1991)
Vol. 2 Country Tables (Washington, D.C.: December 1990)

Annex: Table A-20

Viet Nam: Selected economic indicators

1	GDP, 1989 (unofficial estimate)	Approx. 12 billion US$
2	Population, 1989	64.4 million
3	GDP per capita, 1989 (unofficial estimate)	180 US$
4	NMP rate of growth, 1986-89	3.5%
5	Exports to Iraq	Below 5 million US$
6	Total exports, 1989	1,820 million US$
7	Total imports, 1989	2,444 million US$
8	Number of migrant workers	n.a.
9	Number of migrant workers in Iraq	17,000
10	Total debt to Iraq, 1988	347 million US$
11	Total foreign debt, 1988	12 billion US$
12	NMP rate of growth, 1989	2.4%
13	Agricultural rate of growth, 1989	5.6%
14	Industrial rate of growth, 1989	-4%
15	Imports of petroleum products (unofficial), 1989	308 million US$

Source: Department of International Economic and Social Affairs of the United Nations secretariat, based on unofficial and official estimates.

Annex: Table A-21

(US $ millions, unless otherwise indicated)

SUMMARY DEBT DATA

YEMEN (PDR)

	1980	1984	4985	5986	1987	1988	1989
EDT	652	1,387	1,576	1,733	1,936	2,240	2,505
TDS	55	76	102	130	153	174	217
-Prin. repayments	36	48	68	95	114	131	144
-Int. payments	18	30	33	35	40	43	73
MAJOR ECONOMIC AGGREGATES							
GNP	811	1,379	1,320	1,129	1,242	1,272	1,273
XGS	534	670	588	429	494	488	424
MGS	733	949	848	635	674	926	906
Current Acct. bal.	- 124	- 253	- 231	- 176	- 130	- 405	- 417
Reserves	258	262	200	154	117	97	..
DEBT INDICATORS							
EDT/XGS(%)	122.0	206.9	268.1	404.3	391.5	459.3	591.0
EDT/GNP(%)	80.3	100.5	119.4	153.5	155.9	176.0	196.8
TDS/XGS(%)	10.2	11.4	17.3	30.4	31.0	35.0	51.2
INT/XGS(%)	3.4	4.5	5.7	8.2	8.0	8.9	17.3
RES/MGS (months)	4.2	3.3	2.8	2.9	2.1	1.3	..

EDT = Total Ex. Debt
TDS = Total Debt Source
GNP = Gross National Product
XGS = Exports of Goods
MGS = Import of Goods & Services
RES = International Reserves

Source: World Bank. World Debt Tables (1990-1991)

Annex: Table A-22

(in Million US dollars, unless otherwise indicated)

YEMEN (YAR)

SUMMARY DEBT DATA

	1980	1984	1985	1986	1987	1988	1989
EDT	1,011	1,871	2,032	2,366	2,636	3,034	3,324
TDS	37	92	92	124	208	225	208
Principal Repay	17	52	54	65	132	135	115
Interest Payments	21	40	38	58	75	89	93

MAJOR ECONOMIC AGGREGATES

	1980	1984	1985	1986	1987	1988	1989
GNP	3,549	5,062	4,639	4,319	4,593	5,550	6,776
XGS	1,608	1,319	1,007	858	1,060	1,402	1,818
MGS	2,253	1,703	1,367	1,127	1,643	1,897	1,953
Current Acct. Bal.	-686	-314	-319	-115	-506	-695	-423
RES	1,283	319	297	432	540	285	280

DEBT INDICATORS

	1980	1984	1985	1986	1987	1988	1989
EDT/XGS(%)	62.9	141.8	201.8	275.8	248.7	216.4	182.8
EDT/GNP(%)	28.5	37.0	43.8	54.8	57.4	54.7	49.1
TDS/XGS(%)	2.3	7.0	9.1	14.4	19.6	16.0	11.5
INT/XGS(%)	1.3	3.1	3.7	6.8	7.1	6.4	5.1
RES/MGS(months)	6.8	2.2	2.6	4.6	3.9	1.8	1.7

EDT = Total Ex. Debt
TDS = Total Debt Source
GNP = Gross National Product
XGS = Exports of Goods & Services
MGS = Import of Goods & Services
RES = International Reserves

Source: World Bank. World Debt Tables (1990-1991)
Vol. 2 Country Tables (Washington, D.C.: December 1990)

Annex: Table A-23

(In Million US dollars, unless otherwise indicated)

YUGOSLAVIA

SUMMARY DEBT DATA

	1980	1984	1985	1986	1987	1988	1989
EDT	18,486	19,644	22,278	21,510	22,479	21,002	19,651
TDS	3,735	4,491	3,336	4,014	3,875	3,741	3,727
Principal Repay	2,449	1,845	1,496	1,965	1,895	1,852	2,234
Interest Payments	1,286	2,646	1,841	2,049	1,981	1,889	1,493

MAJOR ECONOMIC AGGREGATES

	1980	1984	1985	1986	1987	1988	1989
GNP	72,282	44,274	46,197	64,664	65,003	49,782	58,636
XGS	17,928	16,615	17,186	19,116	19,941	22,274	23,316
MGS	20,500	16,310	16,526	18,216	18,921	20,063	23,619
Current Acct. Bal.	-2,317	478	833	1,100	1,248	2,487	2,427
RES	2,478	1,732	1,704	2,189	1,602	3,074	4,899

DEBT INDICATORS

	1980	1984	1985	1986	1987	1988	1989
EDT/XGS(%)	103.1	118.2	129.6	112.5	112.7	94.3	84.3
EDT/GNP(%)	25.6	44.4	48.2	33.3	34.6	42.2	33.5
TDS/XGS(%)	20.8	27.0	19.4	21.0	19.4	16.8	16.0
INT/XGS(%)	7.2	15.9	10.7	10.7	9.9	8.5	6.4
RES/MGS(months)	1.5	1.3	1.2	1.4	1.0	1.8	2.5

EDT = Total Ex. Debt
TDS = Total Debt Source
GNP = Gross National Product
XGS = Exports of Goods & Services
MGS = Import of Goods & Services
RES = International Reserves

Source: World Bank. World Debt Tables (1990-1991)
Vol. 2 Country Tables (Washington, D.C.: December 1990)

Annex Table B-1

Remittances of Bangladeshi Migrant Workers and Bangladesh's Merchandise Exports and Imports, 1980 - 1989
(In US$ millions, unless otherwise indicated)

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
Remittances	338.7	381.1	526.5	624.4	500.7	502.5	576.3	747.8	763.6	757.9
Merch. Exports(FOB)	793.2	790.5	768.4	723.9	931.7	999.5	880.0	1,076.9	1,291.0	1,304.9
Merch. Imports(FOB)	-2,352.8	-2,34.8	-2,221.1	-1,930.7	-2,340.0	-2,286.4	-2,300.7	-2,445.6	-2,734.5	-3,290.8
Trade balance	-1,559.6	-1,644.3	-1,452.7	-1,206.8	-1,408.3	-1,286.9	-1,420.7	-1,368.7	-1,443.5	-1,985.9
Rem/Merch Exports (ratio)	42.7%	48.2%	68.5%	88.7%	53.7%	50.3%	65.5%	69.4%	59.1%	58.1%
Rem/Merch Imports (ratio)	14.4%	15,7%	23.7%	33.3%	21.4%	22.0%	25.0%	30.6%	27.9%	23.0%
Rem/Trade balance (ratio)	21.7%	23.2%	36.2%	53.2%	35.6%	39.0%	40.6%	54.6%	52.9%	38.2%

<u>Source:</u> Based on Department of International Economic and Social Affairs of the United Nations Secretariat (New York, May 1991) Computer Printout

Annex: Table B-2

Remittances of Egyptian Migrant Workers & Egypt's Merchandise Exports and Imports
1980-1989
(In million US dollars, unless otherwise indicated)

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
Remittances	2,696	2,181	2,439	3,666	3,693	3,212	2,506	3,604	3,770	4,257
Merch. Exports (FOB)	3,854	3,999	4,018	3,693	3,836	3,836	2,632	3,115	2,770	3,755
Merch. Imports (FOB)	-6,814	-7,918	-7,733	-8,251	-10,080	-9,050	-7,170	-8,095	-9,378	-11,419
Trade Balance	-2,960	-3,919	-3,715	-4,558	-6,216	-5,214	-4,538	-4,980	-6,608	-7,664
Rem./Merch.Exp. (ratio)	69.8%	54.5%	60.7%	99.3%	102.5%	83.7%	95.2%	115.7%	136.1%	113.3%
Rem./Merch.Imp. (ratio)	39.6%	27.5%	31.5%	44.4%	39.3%	35.5%	35.0%	44.5%	40.2%	37.3%
Rem./Trade Balance (ratio)	88.8%	55.7%	65.7%	80.4%	63.7%	61.6%	55.2%	72.4%	57.1%	55.5%

Source: Based on Department of International Economic and Social Affairs of the United Nations Secretariat. Computer Printout (New York, May 1991)

Annex: Table B-3

Remittances of Indian Migrant Workers and India's Merchandise
Exports and Imports
1980-1989
(In million US dollars, unless otherwise indicated)

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
Remittances	2,757	2,302	2,618	2,660	2,295	2,469	2,240	2,665	2,326	2,819
Merch. Exports(FOB)	8,303	8,437	9,226	9,770	10,192	9,465	10,248	11,884	13,310	16,092
Merch. Imports(FOB)	-13,947	-14,149	-14,046	-13,868	-14,216	-15,081	-15,686	-17,661	-20,134	-22,650
Trade Balance	-5,644	-5,712	-4,820	-4,098	-4,024	-5,616	-5,438	-5,777	-6,824	-6,558
Rem./Merch.Exp. (ratio)	33.2%	27.3%	28.4%	27.2%	22.5%	26.1%	21.9%	22.4%	17.5%	17.5%
Rem./Merch.Imp. (ratio)	19.8%	16.3%	18.6%	19.2%	16.1%	16.4%	14.2%	15.1%	11.6%	12.4%
Rem./Trade Bal. (ratio)	48.8%	40.3%	54.3%	64.9%	57.03%	44.0%	41.2%	46.1%	34.1%	43.0%

Source: Based on Department of International Economic and Social Affairs of the United Nations Secretariat. Computer Printout (New York, May 1991)

Annex: Table B-4

Remittances of Jordanian Migrant Workers and Jordan's Merchandise
Exports and Imports
1980-1989
(In million US dollars, unless otherwise indicated)

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
Remittances	793.9	1,032.9	1,082.3	1,109.6	1,236.7	1,022.2	1,183.8	938.0	895.0	627.1
Merch. Exports(FOB)	575.2	733.2	751.6	580.0	751.9	788.9	732.0	933.1	1,007.4	1,109.4
Merch. Imports(FOB)	-2,136.1	-2,815.3	-2,878.6	-2,700.1	-2,472.6	-2,426.7	-2,158.4	-2,400.1	-2,418.3	1,882.5
Trade Balance	-1,560.9	-2,082.1	-2,127.0	-2,120.1	-1,720.7	-1,637.8	-1,426.4	-1,467.0	-1,411.3	-733.1
Rem./Merch.Exp. (ratio)	138.0%	140.9%	144.0%	191.3%	164.5%	129.6%	161.7%	100.5%	88.8%	56.5%
Rem./Merch.Imp. (ratio)	37.2%	36.7%	37.6%	41.1%	50.0%	42.1%	54.8%	39.1%	37.0%	33.3%
Rem./Trade Bal. (ratio)	50.9%	49.6%	50.9%	52.3%	71.9%	62.4%	83.0%	63.9%	63.4%	85.5%

Source: Based on Department of International Economic and Social Affairs of the United Nations Secretariat. Computer Printout (New York, May 1991)

Annex: Table B-5

Remittances of Pakistani Migrant Workers and Pakistan's Merchandise
Exports and Imports
1980-1989
(in million US dollars, unless otherwise indicated)

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
Remittances	2,038	2,057	2,576	2,926	2,569	2,525	2,435	2,170	1,863	2,010
Merch. Exports(FOB)	2,569	2,730	2,341	2,877	2,480	2,648	3,191	3,938	4,405	4,906
Merch. Imports(FOB)	-5,445	-5,656	-5,744	-5,592	-6,234	-5,878	-5,971	-6,254	-7,097	-7,359
Trade Balance	-2,876	-2,926	-3,403	-2,715	-3,754	-3,230	-2,780	-2,316	-2,692	-2,453
Rem./Merch.Exp. (ratio)	79.3%	75.3%	110.0%	101.7%	103.6%	95.3%	76.3%	55.1%	42.3%	41.0%
Rem./Merch.Imp. (ratio)	37.4%	36.4%	44.8%	52.3%	41.2%	43.0%	40.8%	34.7%	26.3%	27.3%
Rem./Trade Bal. (ratio)	70.9%	70.3%	75.7%	107.8%	68.4%	78.2%	87.6%	93.7%	69.2%	81.9%

Source: Based on Department of International Economic and Social Affairs of the United Nations Secretariat. Computer Printout (New York, May 1991)

Annex: Table B-6

Remittances of Filipino Migrant Workers and the Philippines' Merchandise Exports and Imports
1980-1989
(in million US dollars, unless otherwise indicated)

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
Remittances	626.0	800.0	1,049.0	1,124.0	718.0	806.0	861.0	1,020.0	1,262.0	1,362.0
Merch. Exports(FOB)	5,788.0	5,722.0	5,021.0	5,005.0	5,391.0	4,629.0	4,842.0	5,720.0	7,074.0	7,821.0
Merch. Imports(FOB)	-7,727.0	-7,946.0	-7,667.0	-7,487.0	-6,070.0	-5,111.0	-5,044.0	-6,737.0	-8,159.0	-10,419.0
Trade Balance	-1,939.0	-2,224.0	-2,646.0	-2,482.0	-679.0	-482.0	-202.0	-1,017.0	-1,085.0	-2,598.0
Rem./Merch.Exp. (ratio)	10.8%	14.0%	20.9%	22.4%	13.3%	17.4%	17.8%	17.8%	17.8%	17.4%
Rem./Merch.Imp. (ratio)	8.1%	10.1%	13.7%	15.0%	11.8%	15.8%	17.1%	15.1%	15.5%	13.1%
Rem./Trade Bal. (ratio)	32.3%	36.0%	39.6%	45.3%	105.7%	167.2%	426.2%	100.3%	116.3%	52.4%

Source: Based on Department of International Economic and Social Affairs of the United Nations Secretariat. Computer Printout (New York, May 1991)

Annex: Table B-7

Remittances of Sri Lankan Migrant Workers and Sri Lanka's Merchandise
Exports and Imports
1980-1989
(in million US dollars, unless otherwise indicated)

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
Remittances	151.7	229.6	289.3	294.5	300.9	291.7	326.0	350.1	357.7	355.9
Merch. Exports(FOB)	1,061.6	1,062.5	1,013.9	1,061.2	1,461.6	1,315.8	1,208.5	1,393.9	1,477.1	1,558.4
Merch. Imports(FOB)	-1,845.1	-1,694.5	-1,794.3	-1,725.6	-1,698.7	-1,838.5	-1,764.3	-1,866.0	-2,017.5	-2,012.4
Trade Balance	-783.5	-632.0	-780.4	-664.4	-237.1	-522.7	-555.8	-472.1	-540.4	-454.0
Rem./Merch.Exp. (ratio)	14.3%	21.6%	28.5%	27.8%	20.6%	22.7%	27.0%	25.1%	24.2%	22.8%
Rem./Merch.Imp. (ratio)	8.2%	13.5%	16.1%	17.1%	17.7%	15.9%	18.5%	18.8%	17.7%	17.7%
Rem./Trade Bal. (ratio)	19.4%	36.3%	37.1%	44.3%	126.9%	55.8%	58.7%	74.2%	66.2%	78.4%

Source: Based on Department of International Economic and Social Affairs of the United Nations Secretariat. Computer Printout (New York, May 1991)

Annex: Table 9-8

Remittances of Sudanese Migrant Workers and the Sudan's Merchandise Exports and Imports
1980-1989
(In million US dollars, unless otherwise indicated)

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
Remittances	262.2	384.0	133.1	274.5	284.8	260.8	133.3	137.8	217.4	416.7
Merch. Exports(FOB)	689.4	792.7	400.9	514.2	519.0	444.2	326.8	265.0	427.0	542.7
Merch. Imports(FOB)	-1,127.4	-1,633.6	-750.3	-703.2	-599.8	-579.0	-633.7	-694.8	-948.5	-1,051.0
Trade Balance	-438.0	840.9	-349.4	-189.0	-80.8	-134.8	-306.9	-429.8	-521.5	-508.3
Rem./Merch.Exp. (ratio)	38.0%	48.4%	33.2%	53.4%	58.9%	58.7%	40.8%	52.0%	50.9%	76.8%
Rem./Merch.Imp. (ratio)	23.3%	23.5%	17.7%	39.0%	47.5%	45.0%	21.0%	19.8%	22.9%	39.6%
Rem./Trade Bal. (ratio)	59.9%	45.7%	38.1%	145.2%	352.5%	193.5%	43.4%	32.1%	41.7%	82.0%

Source: Based on Department of International Economic and Social Affairs of the United Nations Secretariat. Computer Printout (New York, May 1991)

Annex: Table B-9

Remittances of Syrian Migrant Workers and Syria's Merchandise Exports and Imports
1980-1989
(in million US dollars, unless otherwise indicated)

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
Remittances	747	436	411	387	321	350	323	334	360	355
Merch. Exports(FOB)	2,112	2,212	2,002	1,918	1,834	1,856	1,037	1,357	1,348	2,812
Merch. Imports(FOB)	-4,010	-4,404	-3,636	-4,024	-3,687	-3,946	-2,363	-2,226	-1,986	-1,821
Trade Balance	-1,898	-2,192	-1,634	-2,106	-1,853	-2,090	-1,326	-869	-638	991*
Rem./Merch.Exp. (ratio)	36.6%	19.7%	20,5%	20.2%	17.5%	18.9%	31.1%	24.6%	26.7%	12.6%
Rem./Merch.Imp. (ratio)	19.3%	9.9%	11.3%	9.2%	8.7%	8.9%	13.7%	15.0%	18.1%	19.5%
Rem./Trade Bal. (ratio)	40.8%	19.9%	25.2%	18.4%	17.3%	16.7%	24.4%	38.4%	56.4%	35.8%

Source: Based on Department of International Economic and Social Affairs of the United Nations Secretariat. Computer Printout (New York, May 1991)

Annex: Table B-11

Remittances of Yemeni Migrant Workers and People Democratic Republic of Yemen's Merchandise Exports and Imports
1980-1989
(In million US dollars, unless otherwise indicated)

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
Remittances	352.4	409.4	474.5	490.7	505.5	429.1	294.2	304.9	255.1	173.7
Merch. Exports(FOB)	59.6	48.6	37.9	40.2	30.7	42.6	30.4	70.9	82.2	113.8
Merch. Imports(FOB)	-598.2	-641.0	-690.8	-683.6	-734.2	-623.6	-447.9	-456.9	-596.1	-553.9
Trade Balance	-538.6	-592.4	-652.9	-643.4	-703.5	-581.0	-417.5	-386.0	-513.9	440.1
Rem./Merch.Exp. (ratio)	591.3%	842.4%	1,251.9%	1,220.6%	1,646.5%	1,007.3%	967.7%	430.0%	310.3%	152.6%
Rem./Merch.Imp. (ratio)	58.9%	63.9%	68.7%	71.8%	68.9%	68.8%	65.7%	66.7%	42.8%	31.4%
Rem./Trade Bal. (ratio)	65.4%	69.1%	72.7%	72.3%	71.9%	73.9%	70.5%	79.0%	42.6%	39.5%

Source: Based on Department of International Economic and Social Affairs of the United Nations Secretariat. Computer Printout (New York, May 1991)