CHAPTER 1

Human development in this age of globalization

Globalization, a dominant force in the 20th century's last decade, is shaping a new era of interaction among nations, economies and people. It is increasing the contacts between people across national boundaries—in economy, in technology, in culture and in governance. But it is also fragmenting production processes, labour markets, political entities and societies. So, while globalization has positive, innovative, dynamic aspects—it also has negative, disruptive, marginalizing aspects.

Today's interactions between nations and people are deeper than ever (figure 1.1).

- World exports, now $7 trillion, averaged 21% of GDP in the 1990s, compared with 17% of a much smaller GDP in the 1970s.
- Foreign direct investment topped $400 billion in 1997, seven times the level in real terms in the 1970s. Portfolio and other short-term capital flows grew substantially, and now total more than $2 trillion in gross terms, almost three times those in the 1980s.
- The daily turnover in foreign exchange markets increased from around $10–20 billion in the 1970s to $1.5 trillion in 1998.
- Between 1983 and 1993 cross-border sales and purchases of US Treasury bonds increased from $30 billion a year to $500 billion.
- International bank lending grew from $265 billion in 1975 to $4.2 trillion in 1994.
- People travel more—with tourism more than doubling between 1980 and 1996, from 260 million to 590 million travellers a year.
- Despite the tight restrictions, international migration continues to grow. So have workers' remittances, reaching $58 billion in 1996.
- Time spent on international telephone calls rocketed from 33 billion minutes in 1990 to 70 billion minutes in 1996 (figure 1.2).
- Travel, the Internet and the media have stimulated exponential growth in the exchange of ideas and information, and people today engage more than ever in associations that span national borders—from informal networks to formal organizations.

Driving this global integration are policy shifts to promote economic efficiency through the liberalization and deregulation of national markets and the retreat of the state from many economic activities, including a restructuring of the welfare state. Driving integration even faster are the recent innovations in information and communications technology. But global integration is still very partial—for one thing, the flow of labour is restricted, with borders closed to the unskilled.

The world today has more opportunities for people than 20, 50 or 100 years ago. Child death rates have fallen by half since 1965, and a child born today can expect to live a decade longer than a child born then. In developing countries the combined primary and secondary enrolment ratio has more than doubled—and the proportion of children in primary school has risen from less than half to more than three-quarters. Adult literacy rates have also risen, from 48% in 1970 to 72% in 1997. Most states are now independent, and more than 70% of the world's people live under fairly pluralist democratic regimes.

The world is more prosperous, with average per capita incomes having more than tripled as global GDP increased ninefold, from $3 trillion to $30 trillion, in the past 50 years. The share of people enjoying medium human development rose from 55% in 1975 to 66% in 1997, and the share in low human development fell from 20% to 10%.

But these trends mask great unevenness—in the advances and in the new setbacks.

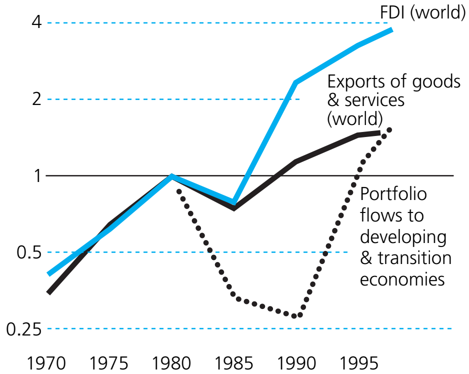
While globalization has positive, innovative, dynamic aspects—it also has negative, disruptive, marginalizing aspects

FIGURE 1.1

Global integration has progressed rapidly but unevenly . . .

Rapid growth in trade and capital flows

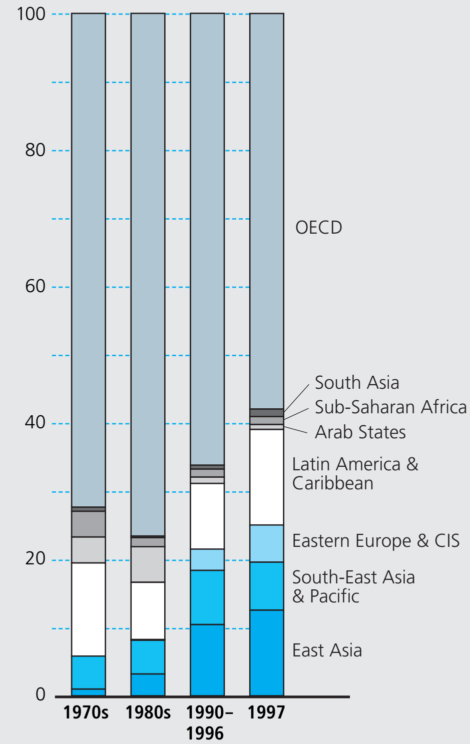
Index (1980=1)



Source: Based on data from World Bank 1999b and UNCTAD 1999.

Foreign direct investment—strong growth in a few regions, stagnation in others

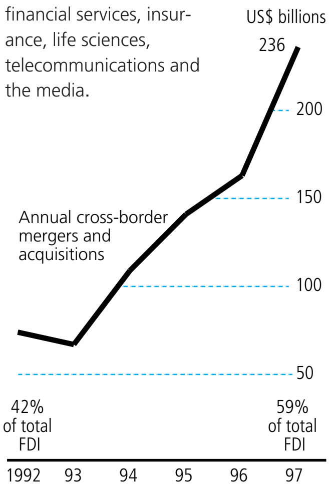
Percentage of total FDI



Source: Based on data from UNCTAD 1999.

Cross-border mergers and acquisitions

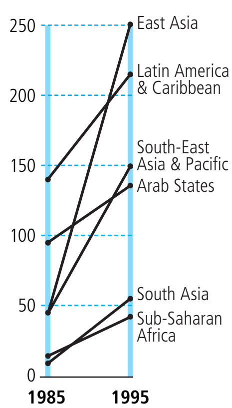
The growth in cross-border mergers and acquisitions (M&As) has become a striking trend and a major driver of FDI. In 1997 there were 58 transactions that exceeded $1 billion each. Large M&As have been concentrated in financial services, insurance, life sciences, telecommunications and the media.



Source: UNCTAD 1998c.

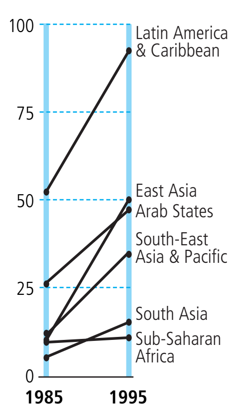
More people are watching television …

TV sets per 1,000 people



talking on the phone …

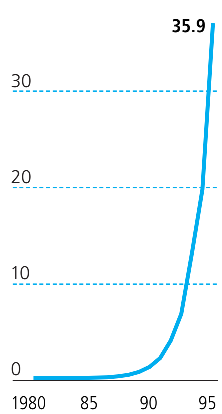
Telephone mainlines per 1,000 people



Source: Based on data from World Bank 1998c.

communicating on-line …

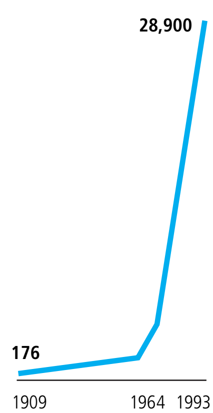
Internet hosts (millions)



Source: Network Wizards 1998a.

and participating in NGOs

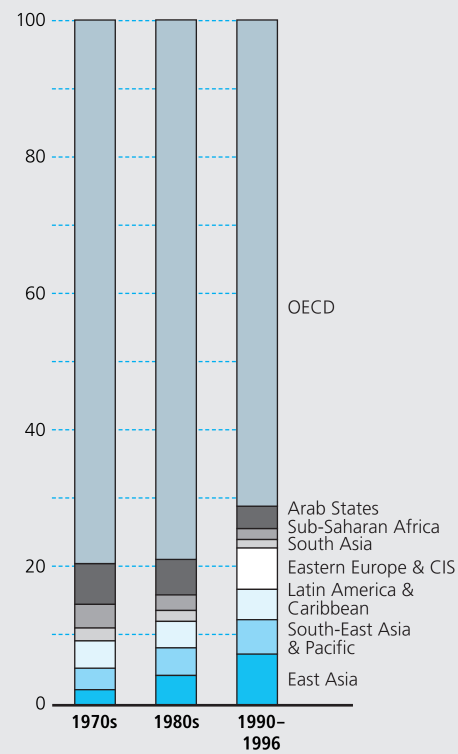
International NGOs



Source: Commission on Global Governance 1995.

Export shares—major regional shift

Percentage of total exports of goods and services

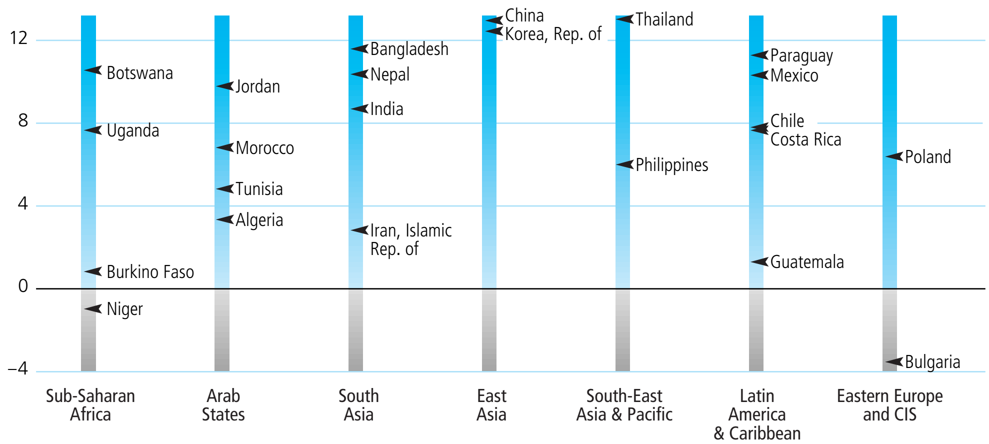


Source: Based on data from World Bank 1999b.

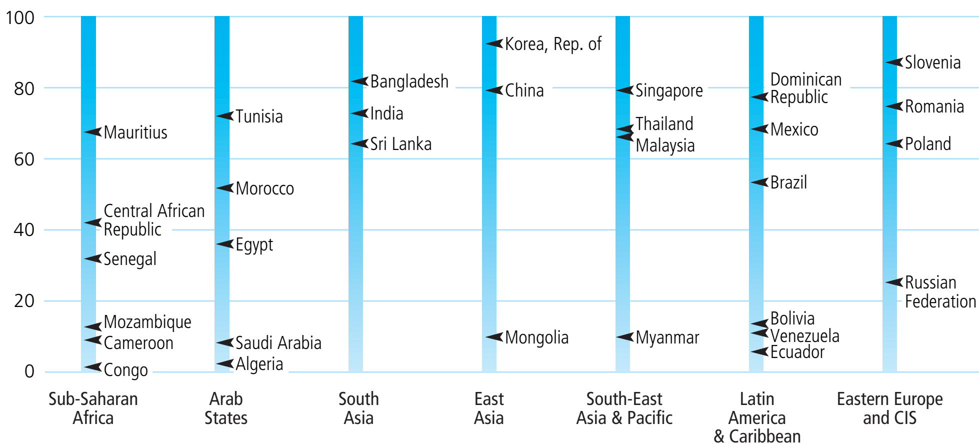
. . . with wide disparity between countries

Country performance varies widely within regions

EXPORTS OF GOODS AND SERVICES growth rate, annual average, 1980–96[a]



MANUFACTURED EXPORTS as a percentage of merchandise exports, annual average, 1990–97[a]



a. Late 1980s to 1996/97 for Eastern Europe and CIS.

Top 20 recipients

Among developing and transition countries

Workers' remittances
1996, millions of current US$

India	9,326
Mexico	4,224
Turkey	3,542
Egypt	2,798
Lebanon	2,503
Morocco	2,165
China	1,672
Jordan	1,544
Pakistan	1,461
Bangladesh	1,217
Brazil	1,213
Yemen	1,123
El Salvador	1,086
Algeria	1,045
Croatia	985
Nigeria	947
Dominican Republic	847
Sri Lanka	832
Indonesia	796
Tunisia	736

Totalling 88% of remittances

Foreign direct investment
1997, millions of current US$

China	45,300
Brazil	16,330
Mexico	12,101
Singapore	10,000
Argentina	6,327
Russian Federation	6,241
Chile	5,417
Indonesia	5,350
Poland	5,000
Venezuela	4,893
Malaysia	3,754
Thailand	3,600
India	3,264
Hong Kong, China (SAR)	2,600
Colombia	2,447
Korea, Rep. of	2,341
Taiwan, province of China	2,248
Hungary	2,085
Peru	2,000
Kazakhstan	1,320

Totalling 85% of FDI

Portfolio and other flows
1997, millions of current US$

Brazil	18,495
Mexico	16,028
Thailand	11,181
Argentina	10,132
Indonesia	10,070
China	9,920
Malaysia	7,596
Russian Federation	4,975
Turkey	4,913
Colombia	4,417
India	3,817
Czech Republic	3,459
Philippines	3,192
Chile	2,712
Venezuela	2,411
Peru	2,273
Romania	1,551
South Africa	1,281
Pakistan	1,246
Slovenia	1,033

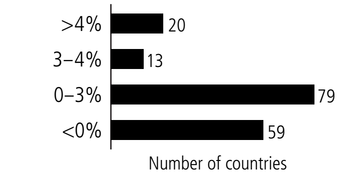
Totalling 94% of flows

How the benefits of integration are distributed

Annual averages

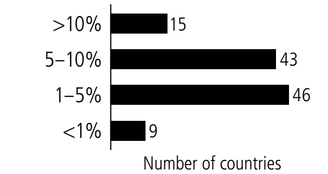
INCOME GROWTH

GNP per capita growth rate, 1980–97

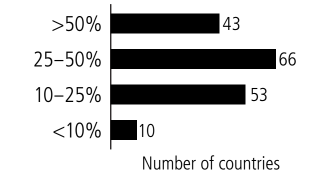


EXPORTS OF GOODS AND SERVICES

Growth rate, 1980–96

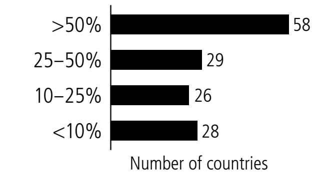


As a percentage of GDP, 1990–97



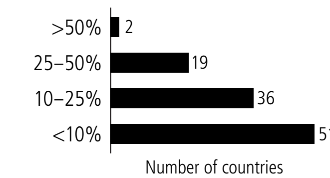
MANUFACTURED EXPORTS

As a percentage of merchandise exports, 1990–97



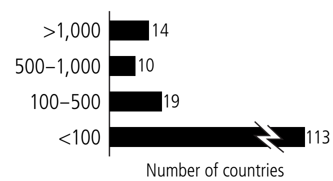
TAXES ON INTERNATIONAL TRADE

As a percentage of current revenue, 1990–96



WORKERS' REMITTANCES

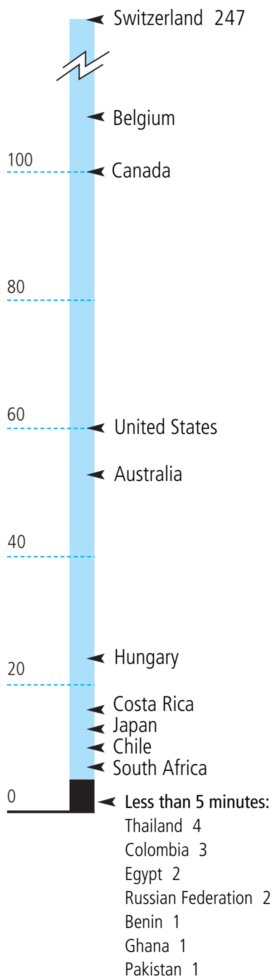
US$ millions, 1990–96



Note: The number of countries varies from 108 to 172 depending on the database used.

Source: All figures based on data from World Bank 1999b and UNCTAD 1999.

FIGURE 1.2
International telephone calls
Minutes per person per year, 1995



Source: UNESCO 1998b.

Despite the tremendous progress in the 20th century, the world today faces huge backlogs of deprivation and inequality that leave huge disparities within countries and regions.

Poverty is everywhere. Measured by the human poverty index (HPI-1), more than a quarter of the 4.5 billion people in developing countries still do not have some of life's most basic choices—survival beyond age 40, access to knowledge and minimum private and public services.

- Nearly 1.3 billion people do not have access to clean water.
- One in seven children of primary school age is out of school.
- About 840 million are malnourished.
- An estimated 1.3 billion people live on incomes of less than $1 (1987 PPP$) a day.

In industrial countries, too, human poverty and exclusion are hidden among statistics of success, revealing enormous disparities within countries. Measured by the human poverty index (HPI-2), one person in eight in the richest countries of the world is affected by some aspect of human poverty: long-term unemployment, a life shorter than 60 years, an income below the national poverty line or a lack of the literacy needed to cope in society.

The HPI disaggregated for a country's regions also shows wide disparities. In India, for example, the level of human poverty in the state of Bihar (54%) is more than twice that in Kerala.

Gender disparities remain large, too. In developing countries there are still 60% more illiterate women than illiterate men, and female enrolment at the primary level is still 6% lower than male enrolment. Disparities are starkest in the political and economic arena, with women nearly closed out of political life. In only five countries do they occupy more than 30% of parliamentary seats, and in 31 they occupy fewer than 5%. The gender empowerment measure and the gender development index show inequalities in every country (see indicator tables 2 and 3).

The world has changed

Over the past decade dramatic events have changed the global political order, brought technological progress and shifted economic policies—events defining the character of globalization and greatly accelerating it. The end of the cold war unleashed a wave of global political integration. Information and communications technology has launched millions of global conversations. And the Marrakesh Agreement of 1994 changed the rules of global trade. All this in the wake of a global ideological shift.

Political order

The fall of the Berlin Wall in 1989 and the end of the cold war removed political and economic barriers—bringing more than 400 million people in Eastern Europe and the Commonwealth of Independent States (CIS) and almost 1.3 billion people in China and Viet Nam into the world of global contacts and communications. Ideas and information began to flow freely as countries lifted censorship, travel restrictions and prohibitions on political parties and civil society organizations. And foreign investment poured into China, Viet Nam, Poland and the Russian Federation—as did McDonald's, Hollywood movies and CNN real-time global news.

Technological progress

The launching of the Internet's World Wide Web in 1990 followed by the free distribution of Netscape in 1994 turned an established but little-known technology for the scientific community into a user-friendly web for people. This not only brought far wider access at lower cost. It also brought a whole new structure of communication, allowing simultaneous transfers of information in words, numbers and images to points around the world. And it shrank the world of communications, making interaction possible at a distance in real time.

The average cost of processing information fell from $75 per million operations to less than a hundredth of a cent in 1960–90. Airline operating costs per mile came down by half in 1960–90. The cost of a three-minute telephone call from New York to London fell from $245 in 1930 (in 1990 prices) to under $50 in 1960 to $3 in 1990 to about 35 cents in 1999. These innovations in communications technology transform the possibilities for building social solidarity and for mobilizing people across the globe in network societies.

Economic governance

The Marrakesh Agreement—signed in April 1994, ending the Uruguay Round of the General Agreement on Tariffs and Trade (GATT)—reduced virtually all tariffs and other barriers. It also introduced a "rules based" system of global regulation in trade. And it broke ground in establishing the World Trade Organization (WTO) to enforce the agreement, with far-reaching authority to review country policies and settle disputes.

Multilateral agreements extend to new areas—services such as banking and insurance, and intellectual property rights. Unprecedented in scope and commitment, these multilateral agreements bind national governments in their domestic policy choices, driving a convergence of policy in a world of enormously diverse conditions.

A global ideological shift

National and international economic policies shifted sharply in the 1970s and 1980s towards more reliance on the market—diminishing the role of the state. Ever-growing numbers of developing countries adopted an open trade approach, shifting away from import substitution policies. By 1997 India had reduced its tariffs from an average of 82% in 1990 to 30%, Brazil from 25% in 1991 to 12%, and China from 43% in 1992 to 18%. Driven by technocrats, the changes were strongly supported by International Monetary Fund (IMF) and World Bank financing as part of comprehensive economic reform and liberalization packages. Conditions of membership in the WTO and the Organisation for Economic Co-operation and Development (OECD) were important incentives.

Country after country undertook deep unilateral liberalization, not just in trade but in foreign direct investment. In 1991, for example, 35 countries introduced changes in 82 regulatory regimes, in 80 of them moving to liberalize or promote foreign direct investment. In 1995 the pace accelerated, with even more countries—65—changing regimes, most continuing the trend of liberalization.

After the breakdown of the Bretton Woods system of fixed exchange rates in 1971, OECD countries abolished most restrictions on capital flows, and today capital of all kinds moves among them virtually without restriction. The deregulation of financial markets has been slower in developing countries but is progressing nonetheless, with encouragement from the IMF and OECD. Argentina, Mexico and Thailand opened their capital markets. India liberalized trade radically but not its capital markets. China discouraged short-term capital flows. And Chile followed the unique route of reducing excessive short-term volatility of flows by introducing a deposit tax.

Countries of Eastern Europe and the CIS began the dramatic transition from centrally planned economic systems to market democracies. China, Mongolia and Viet Nam also began to liberalize their economies and dramatically reshape their trading relationships, opening their economies to trade and foreign direct investment.

These changes sped the pace of globalization and deepened the interactions among people. They have also defined the character of global integration, giving rise to new markets, new actors, new rules and new tools (box 1.1). And they have created an era of globalization that is intensifying contacts—not just between countries but between people.

The landscape is changing in three distinct ways:

- *Shrinking space.* People's lives—their jobs, incomes and health—are affected by events on the other side of the globe, often by events they do not know about.
- *Shrinking time.* Markets and technologies now change with unprecedented speed, with action at a distance in real time, with impacts on people's lives far away. An example is the rapid reversal of capital flows to the East Asian markets and its contagion from Thailand to Indonesia to Korea—and also to faraway South Africa.
- *Disappearing borders.* National borders are breaking down, not only for trade, capital and information but also for ideas, norms, cultures and values. Borders are also breaking down in economic policy—as multilateral

Unprecedented in scope and commitment, these multilateral agreements bind national governments in their domestic policy choices, driving a convergence of policy in a world of enormously diverse conditions

BOX 1.1

Globalization—what's really new?

Some argue that globalization is not new, and that the world was more integrated a century ago. Trade and investment as a proportion of GDP were comparable, and with borders open, many people were migrating abroad. What's new this time?

New markets

- Growing global markets in services—banking, insurance, transport.
- New financial markets—deregulated, globally linked, working around the clock, with action at a distance in real time, with new instruments such as derivatives.
- Deregulation of antitrust laws and proliferation of mergers and acquisitions.
- Global consumer markets with global brands.

New actors

- Multinational corporations integrating their production and marketing, dominating world production.
- The World Trade Organization—the first multilateral organization with authority to enforce national governments' compliance with rules.
- An international criminal court system in the making.
- A booming international network of NGOs.
- Regional blocs proliferating and gaining importance—European Union, Association of South-East Asian Nations, Mercosur, North American Free Trade Association, Southern African Development Community, among many others.
- More policy coordination groups—G-7, G-10, G-22, G-77, OECD.

New rules and norms

- Market economic policies spreading around the world, with greater privatization and liberalization than in earlier decades.
- Widespread adoption of democracy as the choice of political regime.
- Human rights conventions and instruments building up in both coverage and number of signatories—and growing awareness among people around the world.
- Consensus goals and action agenda for development.
- Conventions and agreements on the global environment—biodiversity, ozone layer, disposal of hazardous wastes, desertification, climate change.
- Multilateral agreements in trade, taking on such new agendas as environmental and social conditions.
- New multilateral agreements—for services, intellectual property, communications—more binding on national governments than any previous agreements.
- The Multilateral Agreement on Investment under debate.

New (faster and cheaper) tools of communication

- Internet and electronic communications linking many people simultaneously.
- Cellular phones.
- Fax machines.
- Faster and cheaper transport by air, rail and road (box table 1.1).
- Computer-aided design.

BOX TABLE 1.1

Declining cost of transport and communications

(1990 US$)

Year	Sea freight (average ocean freight and port charges per ton)	Air transport (average revenue per passenger mile)	Telephone call (3 minutes, NY/London)	Computers (index, 1990 = 100)
1920	95	—	—	—
1930	60	0.68	245	—
1940	63	0.46	189	—
1950	34	0.30	53	—
1960	27	0.24	46	12,500
1970	27	0.16	32	1,947
1980	24	0.10	5	362
1990	29	0.11	3	100

Source: IMF 1997a.

agreements and the pressures of staying competitive in global markets constrain the options for national policy, and as multinational corporations and global crime syndicates integrate their operations globally.

What does all this mean for human development? People's lives around the globe are linked more deeply, more intensely, more immediately than ever before. This opens many opportunities, giving new power to good and bad, to global women's movements as well as to global crime syndicates. But it also exposes people to risks from changes far away. National governments cannot cope with these vulnerabilities and risks on their own—because their autonomy is weakening, and because "global bads" such as drugs and illegal arms travel the world with ease.

Global integration—rapid but unbalanced

Global integration is proceeding at breakneck speed and with amazing reach. But the process is uneven and unbalanced, with uneven participation of countries and people in the expanding opportunities of globalization—in the global economy, in global technology, in the global spread of cultures and in global governance. The new rules of globalization—and the players writing them—focus on integrating global markets, neglecting the needs of people that markets cannot meet. The process is concentrating power and marginalizing the poor, both countries and people (box 1.2).

Global economy

The steady expansion of exports and the phenomenal growth of capital flows mask enormous disparities in experience across countries and regions.

- World exports of goods and services almost tripled between the 1970s and 1997 in real terms. Botswana, China, the Dominican Republic and the Republic of Korea enjoyed 10–13% average annual growth in their exports. But many countries did not share in the benefits, with exports declining in Bulgaria, Niger, Togo and Zambia.
- Since the 1970s the share of manufactures in merchandise exports has grown considerably

for some countries—from 13% to 71% in Mauritius, 32% to 81% in Mexico, 25% to 78% in Tunisia. But for 28 countries manufactures still make up less than 10% of merchandise exports.

- In 1997 foreign direct investment zoomed to $400 billion, seven times the level of the 1970s, but 58% of it went to industrial countries, 37% to developing countries and just 5% to the transition economies of Eastern Europe and the CIS (see figure 1.1).
- More than 80% of the foreign direct investment in developing and transition economies in the 1990s has gone to just 20 countries, mainly China. For 100 countries foreign direct investment has averaged less than $100 million a year since 1990, and for nine countries net flows have been negative.
- Some 94% of the portfolio and other short-term capital flows to developing and transition economies went to just 20 of them in 1996, the year before the East Asian crisis (see figure 1.1). Today only 25 developing countries have access to private markets for bonds, commercial bank loans and portfolio equity. The rest are shut out by their lack of credit rating.

To sum up: the top fifth of the world's people in the richest countries enjoy 82% of the expanding export trade and 68% of foreign direct investment—the bottom fifth, barely more than 1%.

These trends reinforce economic stagnation and low human development. And they have further marginalized many developing countries from the most dynamic areas of global economic growth. The 1980s and 1990s have seen strong growth in the trade of manufactures, services and "knowledge goods". While some developing countries have made major advances, others have missed out entirely. Manufacturing exports should have been a step towards transforming their economies and creating more jobs. But only 33 countries managed to sustain 3% annual growth in GNP per capita during 1980–96. For 59 countries—mainly in Sub-Saharan Africa and Eastern Europe and the CIS—GNP per capita declined.

Economic integration is thus dividing developing and transition economies into those that are benefiting from global opportunities and those that are not. The uneven divide cuts across levels of income and human development—and across regions. Contrast China, Chile, Costa Rica, Mauritius and Poland with Cameroon, Niger, Venezuela and Russia.

Ironically, those left behind are deeply integrated in world trade. Sub-Saharan Africa has a higher export-to-GDP ratio (29% in the 1990s) than Latin America (15%). But Africa's exports are still mainly in primary commodities, and foreign direct investment is concentrated in mineral extraction—so the region's apparent integration is actually a vulnerability to the whims of the primary commodity markets.

Countries are not the only major actors—more and more it is multinational corporations that dominate global markets. Their foreign affiliates accounted for an estimated $9.5 trillion in sales in 1997. Their value added was 7% of world GDP in 1997, up from 5% in the mid-1980s. Their share of world exports increased as well, from a quarter in the late 1980s to a third in 1995. US-based multinationals account for more than a quarter of US GDP—$2 trillion

BOX 1.2

Shrinking time, shrinking space, disappearing borders—but for whom?

Have time, space and borders collapsed into a global village? It depends on who you are.

Financial dealers are at the pinnacle of connections. Instant communications, free flows of capital and constant updates from around the world enable money markets from London to Jakarta, from Tokyo to New York, to act as a unit in real time.

Multinational corporations, too, are roaming global markets and integrating production. Cross-border mergers and acquisitions (majority foreign-owned) accounted for 59% of total foreign direct investment in 1997.

Tourists travel more outside their countries—but more than half are travelling from high-income countries.

NGOs on-line can campaign around the world, with their messages travelling across borders in seconds. Through email and media networks, people are giving their support to associations across borders—from informal networks to formal organizations.

High-skilled labour also travels the global village. With Internet access in nearly every country, the highly educated are increasingly on-line and in touch around the world. In 1998 more than 250,000 African professionals were working in the United States and Europe. Immigrants with skills in computing technologies are in high demand—in the European Union alone, 500,000 information technology jobs go unfilled because of lack of national skills. The United States offers a special visa to professional immigrants to keep high-tech industries staffed.

Unskilled labour, by contrast, runs up against hurdles. Many families are divided across international borders as a result of the increasingly tight restrictions in the rich countries on immigration of unskilled labour. Millions of people do not even have passports—difficult to get in some countries—let alone the visas required to travel abroad.

The collapse of space, time and borders may be creating a global village, but not everyone can be a citizen. The global, professional elite faces low borders, but billions of others find borders as high as ever.

Source: Human Development Report Office.

of $7.3 trillion. And the large multinationals are becoming even larger as takeovers and mergers proliferate.

Capital is becoming even more concentrated globally as megacorporations merge, often across borders—Chrysler and Daimler, Hoechst and Rhone-Poulenc, Exxon and Mobil. From 1990 to 1997 the annual number of mergers and acquisitions more than doubled, from 11,300 to 24,600. Cross-border mergers and acquisitions accounted for $236 billion in 1997. Multinational corporations now dwarf some governments in economic power (table 1.1).

TABLE 1.1
Top corporations had sales totalling more than the GDP of many countries in 1997

Country or corporation	GDP or total sales (US$ billions)
General Motors	**164**
Thailand	154
Norway	153
Ford Motor	**147**
Mitsui & Co.	**145**
Saudi Arabia	140
Mitsubishi	**140**
Poland	136
Itochu	**136**
South Africa	129
Royal Dutch/Shell Group	**128**
Marubeni	**124**
Greece	123
Sumitomo	**119**
Exxon	**117**
Toyota Motor	**109**
Wal Mart Stores	**105**
Malaysia	98
Israel	98
Colombia	96
Venezuela	87
Philippines	82

Source: Forbes Magazine 1998.

Generating employment? Conventional economic theory predicts that trade liberalization will increase productivity and wages, especially for tradable goods, thus expanding jobs and opportunities for poor people. Sometimes the theory has been right. In the 1980s and 1990s great progress in reducing global poverty and advancing human development was propelled by many countries seizing global opportunities.

- China, Indonesia, the Republic of Korea, Malaysia and many others achieved rapid economic growth, and linked that growth to advancing human development and reducing poverty.
- Many countries generated good employment opportunities by tapping into global markets—take software programming in Bangalore, India, computer assembly in Costa Rica, high-tech services in Ireland.
- Others used foreign direct investment to improve the quality of employment. Foreign-owned companies in Hungary accounted for more than 80% of manufacturing investment in 1996, a third of employment and three-quarters of export earnings.

But expansion of trade does not always mean more employment and better wages. In the OECD countries employment creation has lagged behind GDP growth and the expansion of trade and investment. Despite 2–3% growth in per capita GDP over the past two decades, unemployment did not decline, staying at around 7%, with a higher rate in the European Union (10–11%) and lower rates in Japan, Norway and the United States (table 1.2). More than 35 million people are unemployed, and another 10 million have given up looking for a job. Among the youth, one in five is unemployed.

TABLE 1.2
Unemployment rate in selected OECD countries
(percentage of the labour force)

Country or group	Average 1985–95	1997	1999 [a]
Iceland	2.3	3.9	2.7
Japan	2.5	3.4	4.6
Norway	4.3	4.1	3.7
United States	6.3	4.9	5.0
Belgium	11.1	12.7	11.5
Spain	19.5	20.8	17.8
European Union	9.9	11.2	10.3
OECD	7.1	7.2	7.3

a. Projections.
Source: OECD 1998a and 1998b.

People are facing job losses alongside job creation in many countries—from corporate restructuring, mergers and acquisitions, the spread of globally integrated production by multinational corporations and, in the OECD countries, shifts to knowledge-based sectors.

A common perception in the OECD countries is that jobs are being exported to the South. OECD imports of manufactures from developing countries have certainly increased since 1970, but such imports were just 2% of the combined GDP of the OECD countries in 1996. So, it is not surprising that trade and immigration contributed only about a tenth of the increase in wage dispersion in the United States in the early 1980s. Moreover, North-South trade has mainly raised wages for skilled labour in OECD countries through exports, not depressed wages for unskilled labour. So, "dislocation" of jobs to the South does not appear to be the main source of job stress in the North.

Expanding opportunities—migration. Migration in today's globalizing world is also marked by uneven human opportunities and uneven human impacts. An estimated 130–145 million people live outside their countries, up from 104 million in 1985 and 84 million in 1975. These estimates include only legally registered immigrants, so the real number is much higher. For many countries workers' remittances are a major source of foreign exchange, sometimes the primary source (see figure 1.1).

Three points about migration. First, global employment opportunities may be opening for some, but they are closing for most others. The global market for high-skilled labour is now more integrated, with high mobility and standardized wages. But the market for unskilled labour is highly restricted by national barriers, even though it accounts for a larger share of international migration. Australia, Canada and the United States have programmes to attract skilled migrants, so the brain drain from developing countries continues. As many as 30,000 African PhDs live abroad, while the continent is left with only one scientist and engineer per 10,000 people.

Second, undocumented migration continues unabated. The United States alone has an estimated 4 million undocumented immigrants. European countries estimate that half their immigrants are undocumented, up from a quarter in the mid-1980s. Developing countries also host large numbers of undocumented immigrants—3 million in Côte d'Ivoire in 1988, 1 million in Thailand and 700,000 in Malaysia in 1997, 1 million in Gabon in 1993, 1 million in Argentina in 1996. Lacking papers, illegal immigrants face not only discrimination but also denial of human rights. They often have to accept wages and conditions that do not meet minimum labour standards. And they often have to pay traffickers—as much as $35,000 from China to the United States. Trafficking is a booming business, moving 4 million people a year, generating $7 billion.

Third, there is a gender face to much migration. At least 50 million migrants are women, 30 million in developing countries. A large share of migrants from the Philippines, Sri Lanka and elsewhere are women. Many end up in activities that are dirty, dangerous and demeaning.

Global culture

Contacts between people and their cultures—their ideas, their values, their ways of life—have been growing and deepening in unprecedented ways. Television now reaches families everywhere. For many, the exposure to new cultures is exciting, even empowering. For others, it is disquieting, as they try to cope with a rapidly changing world.

As Mahatma Gandhi expressed so eloquently earlier in the century, "I do not want my house to be walled in on all sides and my windows to be stuffed. I want the cultures of all the lands to be blown about my house as freely as possible. But I refuse to be blown off my feet by any." Today's flow of culture and cultural products is heavily weighted in one direction—from rich countries to poor.

The rise of culture as an economic good has added to the identification of culture with commodities that can be sold and traded—crafts, tourism, music, books, films. Although the spread of ideas and images enriches the world, there is a risk of reducing cultural concerns to protecting what can be bought and sold, neglecting community, custom and tradition.

Culture has become important economically. A UNESCO study shows that world trade in goods with cultural content—printed matter, literature, music, visual arts, cinema and photographic, radio and television equipment—almost tripled between 1980 and 1991, from $67 billion to $200 billion. It continues to grow. For the United States the largest single export industry is not aircraft, computers or automobiles—it is entertainment, in films and television programmes. Hollywood films grossed more than $30 billion worldwide in 1997, and in 1998 a single movie, *Titanic,* grossed more than $1.8 billion.

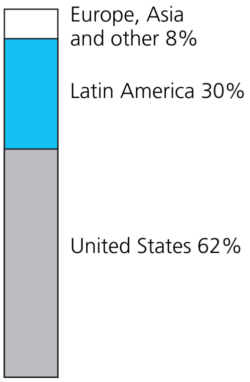
The vehicles for this trade in cultural goods are the new technologies. Satellite communications technology from the mid-1980s gave rise to a powerful new medium with a global reach and to such global media networks as CNN. The number of television sets per 1,000 people worldwide almost doubled between 1980 and 1995, from 121 to 235. The 1990s have seen a boom in multimedia industries, with sales of the world's largest 50 multimedia companies reaching $110 billion in 1993. The development of the Internet is also spreading culture around the world, over an expanded telecommunications infrastructure of fiber optics and parabolic antennas.

But the global market for cultural products is becoming concentrated, driving out small and local industries. At the core of the entertainment industry—film, music and television—there is a growing dominance of US products, and many countries are seeing their local industries wither (figures 1.3 and 1.4). Although India makes the most films each year, Hollywood reaches every market, getting more than 50% of its revenues from overseas, up from just 30% in 1980. It claimed 70% of the film market in Europe in 1996, up from 56% in 1987—and 83% in Latin America and 50% in Japan. By contrast, foreign films rarely make it big in the United States, taking less than 3% of the market there.

Once-thriving film industries around the world declined in the 1970s and 1980s, a result of the rise of television. Mexico once produced more than 100 films a year, but despite a resurgence of cinema attendance, local production

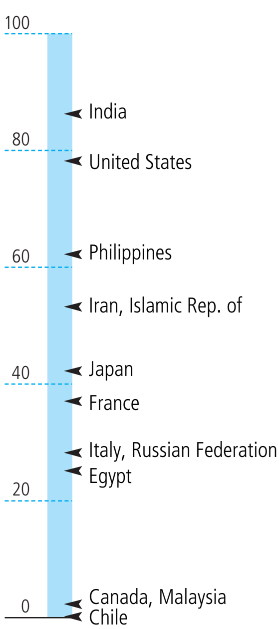
For the United States the largest single export industry is not aircraft, computers or automobiles—it is entertainment, in films and television programmes

FIGURE 1.3
Less than a third of television programming in Latin America originates in the region
Percentage of total programming by origin



Source: UNESCO 1998b.

FIGURE 1.4
Domestic film industries struggle to hold market share
Domestic share of film distribution, 1990–93 (percent)



Source: UNESCO 1998b.

had dropped to less than 40 films by 1995, and to less than 10 by 1998. Hollywood has captured the resurgence of attendance since the mid-1990s, leaving domestic industries to struggle.

Faced with such threats, many countries argue that cultural goods should be exempt from free trade agreements. The Uruguay Round acknowledged the special nature of cultural goods, granting some exemptions. The North American Free Trade Agreement (NAFTA) required substantial negotiations before limited exemptions or exclusions of cultural industries were adopted. The issue was reopened in the negotiations for the Multilateral Agreement on Investments, polarizing countries that see cultural goods as an economic good or service like any other (Germany, Japan, the United Kingdom, the United States) and countries that see cultural goods as having intrinsic value to be protected for artistic diversity and national identity (Canada, France).

People are concerned about the spread of "global consumer culture" and cultural homogenization. Global producers market global products—brands like Nike and Sony that symbolize the life styles that people aspire to. But there are countervailing trends. Culture does not always flow in one direction. Salsa music from the Caribbean, the cuisines of Ethiopia and Thailand and many other traditions are spreading globally, and more nations are becoming multiethnic. Local cultures have also taken on renewed vigour and significance as political movements promote local culture and local identity. In the post–cold war world local culture has often replaced ideology in politics, as the rise of fundamentalist movements reflects.

The debate among anthropologists on whether there is cultural homogenization remains open. There are no surveys showing that people are becoming alike. And while some argue that globalization is an ideological process imposing a global culture, others argue that while cultural products flow around the world, people receive and use them differently.

Global governance

Governance is not government—it is the framework of rules, institutions and practices that set limits on the behaviour of individuals, organizations and companies. In today's integrating world there is clear need for global governance for the good of society, economy and environment. And a form of global governance is indeed emerging—but the imbalances in the process are cause for concern.

Intergovernmental policy-making in today's global economy is in the hands of the major industrial powers and the international institutions they control—the World Bank, the International Monetary Fund, the Bank for International Settlements. Their rule-making may create a secure environment for open markets, but there are no countervailing rules to protect human rights and promote human development. And developing countries, with about 80% of the world's people but less than a fifth of global GDP, have little influence.

Ad hoc and self-selected policy groups have emerged in the past decade to make de facto global economic policy, outside the United Nations or any other formal system with democratic processes and participation. The finance ministers of the major industrial countries are in daily telephone contact—and their staff in email contact—shaping the annual G-7 meetings to discuss global economic and political issues. The United States took the initiative in 1998 to form the G-22—from the G-7 and 15 others, including the largest emerging economies—to review the global financial system in the wake of the East Asian crisis. The G-10 central bankers still guide the supervision of banking systems. All these groups play a key part in international economic policy-making, yet only the G-22 has any consultation with developing countries, and then only with a select few.

Poor countries participate little in the formulation and implementation of the new rules that govern global markets. The 1994 Uruguay Round of GATT shows the difficulties facing small and poor countries. Of the 29 least developed countries in the WTO, only 12 had missions in Geneva, most staffed with a handful of people to cover the gamut of UN work. Few African countries had delegations supported by staff or in-depth analysis to defend their national interests, weaknesses that carry through all negotiating and dispute settlement procedures. Many small and poor countries had difficulty even ensuring representation at meetings. And although the WTO is representative in its voting structure, its procedures, which rely on consensus for decision-making and on committees with selected membership, leave much scope for the delegations with more resources to influence outcomes. Indeed, the 1996 ministerial meeting in Singapore agreed on the need to review these procedures.

Compounding these weaknesses in negotiating capacity is the breakup of the common "South" position on global trade issues in the 1990s—and the pursuit of diverging interests. The different situations of developing countries—from the newly industrializing to the least developed—only deepen the schisms.

The rapidly increasing multilateral agreements—the new rules—are highly binding on national governments and constrain domestic policy choices, including those critical for human development. They drive a convergence of policies in a world of enormous diversity in conditions—economic, social, ecological. For example, most developing countries previously exempted agriculture, medicines and other products from national patent laws, but with the passage of the agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), almost all knowledge-based production is now subject to tight intellectual property protection, unified internationally. Further, the TRIPS agreement is unbalanced: it provides an enabling environment for multinationals, tightening their dominant ownership of technology, impeding and increasing the cost of transfer to developing countries.

These new rules and institutions advance global markets. But there has been much less progress in strengthening rules and institutions to promote universal ethics and norms—especially human rights to promote human development and to empower poor people and poor countries. Fortunately, two important forces of social governance are gaining strength.

Institutions of human rights. Helped by the end of the cold war and the global communications network, awareness is growing of the violations of human rights and the possibilities for democratic governance. The international legal framework for human rights is a great achievement, starting with the Universal Declaration of Human Rights in 1948. And since the 1980s the system has been gaining ground. A high commissioner for human rights was appointed, and it was agreed to establish an international criminal court. And the Convention on the Rights of the Child has achieved nearly universal ratification in just a decade, while earlier conventions have yet to be universally ratified after three decades (figure 1.5).

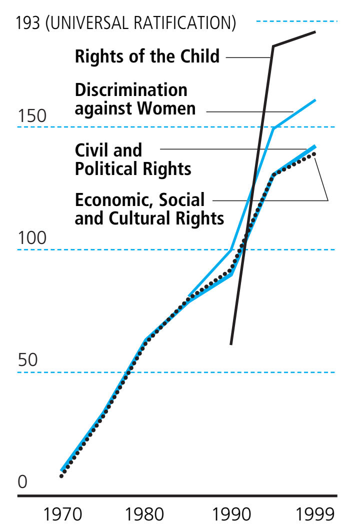
But the lack of mechanisms for enforcement is glaring. The human rights regime holds only national governments accountable—not individuals, corporations or institutions. The 1998 agreement to create an international criminal court, with 120 countries in favour and only 7 against, was a landmark, bringing a forum for enforcement of international justice. But it applies only to war crimes, crimes against humanity and genocide.

Ironically, more attention has gone to enforcing labour and environmental standards in expanding free trade, using strong trade sanctions to punish countries that violate them. The Multilateral Agreement on Investment was being developed in the OECD to provide a predictable market for multinationals, protecting their rights. But no consideration went to their responsibilities to people—their responsibilities to limit their behaviour, to bind their obligation to respect human rights and to promote the development interests of the communities they touch.

Global NGO networks. One big development in opening opportunities for people to participate in global governance has been the growing strength and influence of NGOs—in both the North and the South. NGOs have been effective advocates for human development, maintaining pressure on national governments, international agencies and corporations to live up to commitments and to protect human rights and environmental standards. Their campaigns have reversed policy—as with their opposition to the Multilateral Agreement on Investment. When developing country governments have found it difficult to stay unified in negotiations, the NGOs have often come forward with alternative approaches. Some NGOs

NGOs have been effective advocates for human development, maintaining pressure on national governments, international agencies and corporations to live up to commitments and to protect human rights and environmental standards

FIGURE 1.5
Uneven ratification of human rights conventions
Total countries ratifying



Source: UN 1999c.

now have more members than some countries have citizens. A recent study estimates that the non-profit organizations in just 22 countries are a $1.1 trillion sector, employing 19 million people (see figure 1.1).

Social fragmentation—reversals in progress and threats to human security

Uneven globalization is bringing not only integration but also fragmentation—dividing communities, nations and regions into those that are integrated and those that are excluded.

Social tensions and conflicts are ignited when there are extremes of inequality between the marginal and the powerful. Indonesia shows what can happen when an economic crisis sets off latent social tensions between ethnic groups—or between the rich and poor.

BOX 1.3

The concept of human security

Human Development Report 1994 presented the concept of human security. Human development is a broader concept—a process of widening the range of people's choices. Human security means that people can exercise these choices safely and freely—and that they can be fairly confident that the opportunities they have today will not be lost tomorrow. With advancing globalization, new issues of global security have since emerged, but the conceptual framework from 1994 is still relevant for analysing today's global issues.

Human security has two main aspects:

- Safety from such chronic threats as hunger, disease and repression.
- Protection from sudden and hurtful disruptions in the patterns of daily life—whether in homes, in jobs or in communities. Such threats exist at all levels of national income and development.

Threats to human security

The loss of human security can be a slow, silent process—or an abrupt, loud emergency. Humans can be at fault—with bad policy choices. So can the forces of nature. Or it can be a combination of the two—when environmental degradation leads to a natural disaster, followed by human tragedy.

The many threats to human security, differing for individuals at different times, fall into seven main categories:

- Economic insecurity.
- Food insecurity.
- Health insecurity.
- Personal insecurity.
- Environmental insecurity.
- Community and cultural insecurity.
- Political insecurity.

Threats to global security

When human security is under threat anywhere, it can affect people everywhere. Famines, ethnic conflicts, social disintegration, terrorism, pollution and drug trafficking can no longer be confined within national borders. Some global challenges to human security arise because threats within countries rapidly spill beyond national frontiers, such as greenhouse gases and trade in drugs. Other threats take on a global character because of the disparities between countries—disparities that encourage millions of people to leave their homes in search of a better life, whether the receiving country wants them or not. And frustrations over inequality—in incomes and in political power—often build up into serious civil conflicts between groups, whether ethnic, religious or social.

Source: UNDP 1994.

Recent research on complex humanitarian emergencies concluded that "horizontal inequalities" between groups—whether ethnic, religious or social—are the major cause of the current wave of civil conflicts. Inequalities—and insecurities—matter not only in incomes but in political participation (in parliaments, cabinets, armies and local governments), in economic assets (in land, human capital and communal resources) and in social conditions (in education, housing and employment).

The shrinking of time and space is creating new threats to human security. The fast-changing world presents many risks of sudden disruptions in the patterns of daily life—in jobs and livelihoods, in health and personal safety, in the social and cultural cohesion of communities (box 1.3). Threats to human security can now speed their way around the world—the collapse of financial markets, HIV/AIDS, global warming, global crime. Global threats are increasing, outgrowing national abilities to tackle them, and outpacing international responses.

Widening disparities in income

Gaps in income between the poorest and richest people and countries have continued to widen. In 1960 the 20% of the world's people in the richest countries had 30 times the income of the poorest 20%—in 1997, 74 times as much. This continues the trend of nearly two centuries (figure 1.6).

Gaps are widening both between and within countries. In East Asia per capita incomes today are more than seven times what they were in 1960, three times what they were in 1980. But in Sub-Saharan African and other least developed countries, per capita incomes today are lower than they were in 1970. The transition economies of Eastern Europe and the CIS have experienced the fastest rise in inequality ever. Russia now has the greatest inequality—the income share of the richest 20% is 11 times that of the poorest 20%. Income inequalities also grew markedly in China, Indonesia, Thailand and other East and South-East Asian countries that had achieved high growth while improving income distribution and reducing poverty in earlier decades.

Recent studies show inequality rising in most OECD countries during the 1980s and into the early 1990s. Of 19 countries, only one showed a slight improvement. The deterioration was worst in Sweden, the United Kingdom and the United States. In the United Kingdom the number of families below the poverty line rose by 60% in the 1980s, in the Netherlands, by nearly 40%. And in Australia, Canada, the United Kingdom and the United States at least half the single-parent households with children have incomes below the poverty line. Contrast that with the staggering concentration of wealth among the ultra-rich. The net worth of the world's 200 richest people increased from $440 billion to more than $1 trillion in just the four years from 1994 to 1998. The assets of the three richest people were more than the combined GNP of the 48 least developed countries.

Job and income insecurity

In both poor countries and rich, dislocations from economic and corporate restructuring and dismantled social protection have meant heavy job losses and worsening employment conditions. Jobs and incomes have become more precarious. The pressures of global competition have led countries and employers to adopt more flexible labour policies, and work arrangements with no long-term commitment between employer and employee are on the rise.

In Latin America, for example, reforms in labour laws increased labour market flexibility, and more flexible contracts were introduced. By 1996 the share of workers without contracts or with new kinds of contracts increased to 30% in Chile, 36% in Argentina, 39% in Colombia and 41% in Peru. In Egypt an increasingly common practice is to require new recruits to sign a resignation letter before taking the job. Belgium, France, Germany and the United Kingdom all weakened their worker dismissal laws. And the Netherlands, Spain and the United Kingdom decentralized wage bargaining.

With ever-changing technology, people need ever-changing skills—yet even in the richest countries many lack the basics. Despite universal primary and secondary education in OECD countries, one person in six is functionally illiterate—unable to fill out a job application, excluded from the rapidly changing world that demands new skills in processing information. With unemployment a luxury few can afford, people who cannot get formal employment end up in the informal sector. In Latin America in the 1990s, informal employment has expanded from 52% to 58%, and 85 of every 100 jobs created are informal.

As multinationals merge, corporate restructuring means job losses (box 1.4). Though the loss of corporate jobs may be compensated by employment creation elsewhere, it adds to the insecurity of people in their jobs and lives.

Bust and boom economies—financial volatility

The financial crisis in East Asia destabilized the lives of millions and reduced the prospects for growth in that region and in the world. In Indonesia, the Republic of Korea, Malaysia, the Philippines and Thailand human costs were

BOX 1.4

Merry Christmas—and have a Happy New Year elsewhere

With mergers and acquisitions come corporate restructuring, downsizing and layoffs. It is impossible to say whether the downsizing following a merger would have been avoided if the two corporations had not merged, but it is clear that the layoffs disrupt the lives of many. Reports in the *New York Times* and the *Financial Times* in one month, from 7 December 1998 to 4 January 1999, tell part of the relentless story of corporate layoffs.

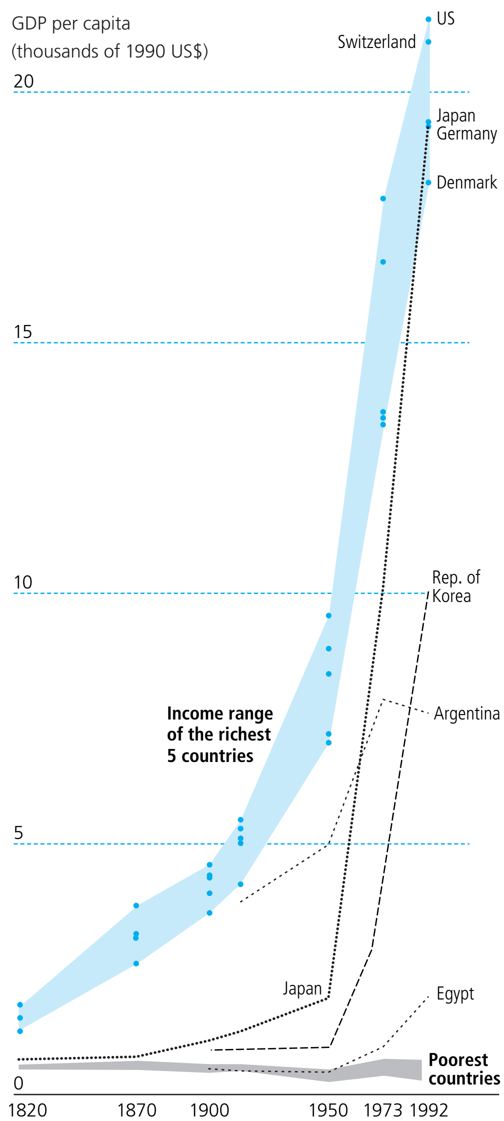
- *NYT,* 7 December 1998. "Deutsche Telekom plans to eliminate 20,000 jobs by the year 2000 and will seek partners for possible mergers. . . . The job reductions are part of Deutsche Telekom's effort to cut costs to help offset lower prices, as the company, a former monopoly, winds up its first year in a more competitive market."
- *FT,* 8 December 1998. "Last week's announcements that Exxon was to buy Mobil (with job losses projected at 9,000) and that Deutsche Bank planned to acquire Bankers Trust (5,500 jobs to go) both came in industries that are becoming accustomed to consolidation through merger. . . . In Exxon's case, the announced job losses represent only those that will be lost in the immediate aftermath of the merger: many thousands more are likely to be cut later as the merged company sheds unprofitable refineries, oil wells and service stations."
- *NYT,* 16 December 1998. "Citigroup, one of the country's largest financial services companies, said yesterday that it planned to eliminate about 10,400 jobs, or about 6 percent of its workforce. . . . Citigroup said 65 percent, or about 6,760, of the cuts would be overseas. The rest, about 3,640 positions, will be in the US."
- *NYT,* 4 January 1999. "The largest private oil company, the Royal Dutch/Shell Group, said last month that it would . . . cut some of its 105,000 employees. . . . In addition, thousands of jobs will be cut by Texaco, Conoco, Shell and Chevron. British Petroleum and Amoco, whose merger was approved on Wednesday by the FTC, plan to shed 6,000 jobs."

Source: New York Times 1998a, 1998b and 1999b; *Financial Times* 1998b.

FIGURE 1.6

Inequality has worsened both globally . . .

Widening gaps between rich and poor since the early 19th century



World inequalities have been rising steadily for nearly two centuries. An analysis of long-term trends in world income distribution (between countries) shows that the distance between the richest and poorest country was about 3 to 1 in 1820, 11 to 1 in 1913, 35 to 1 in 1950, 44 to 1 in 1973 and 72 to 1 in 1992. More amazing is that the British in 1820 had an income about six times that of the Ethiopians in 1992!

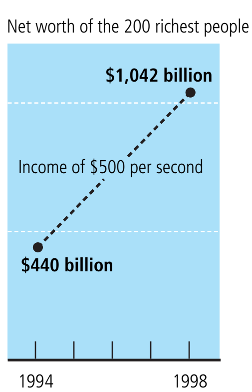
These trends mask the fact that many countries have caught up with the most advanced. Japan, for example, had scarcely 20% of US income in 1950, 90% in 1992. Southern Europe has seen a similar trend—with 26% of US income in 1950 and 53% in 1992. Some Arab states have also seen big increases in income.

Richest and poorest countries, 1820–1992
GDP per capita (1990 US$)

1820	1900	1992
Richest		
UK 1,756	UK 4,593	US 21,558
Netherlands 1,561	New Zealand 4,320	Switzerland 21,036
Australia 1,528	Australia 4,299	Japan 19,425
Austria 1,295	US 4,096	Germany 19,351
Belgium 1,291	Belgium 3,652	Denmark 18,293
Poorest		
Indonesia 614	Myanmar 647	Myanmar 748
India 531	India 625	Bangladesh 720
Bangladesh 531	Bangladesh 581	Tanzania, U. Rep. of 601
Pakistan 531	Egypt 509	Congo, Dem. Rep. of the 353
China 523	Ghana 462	Ethiopia 300

Source: Maddison 1995.

The world's 200 richest people are getting richer—fast



They are global, citizens of both rich and poor countries:

North America 65
Europe 55
Other industrial countries 13
Eastern Europe & CIS 3
Asia & the Pacific 30
Arab States 16
Latin America & Caribbean 17
Sub-Saharan Africa 1

They could do a lot for world poverty:

The assets of the 3 richest people are more than the combined GNP of all least developed countries.

The assets of the 200 richest people are more than the combined income of 41% of the world's people.

A yearly contribution of 1% of the wealth of the 200 richest people could provide universal access to primary education for all ($7–8 billion).

Source: Based on data from *Forbes Magazine* 1998.

. . . and within countries

Worsening inequality in OECD countries during the 1980s

Earnings inequality

• Almost all countries had an increase in wage inequality during the 1980s except Germany and Italy.

• Earnings inequality increased most in the UK and the US, and least in the Nordic countries.

• The increasing demand for skilled workers coupled with differences across countries in the growth of supply of skilled workers explain a large part of differences in earnings inequality.

• At any given time there are large earnings inequalities between men and women.

Disposable income inequality

• Increases in household income inequality were lower than those in earnings inequality in most nations, since disposable income (after taxes and transfers) is better distributed than market income.

• Still, income inequality increased in most OECD countries in the 1980s and early 1990s.

• Trends in inequality were not closely associated with levels. Some nations with low inequality experienced some of the largest increases.

• Reductions in social welfare spending and regressive changes in income taxes account for only a small part of the increase in disposable income inequality in most nations.

Country	Inequality in: Market income	Inequality in: Disposable income
UK 1981–91	▲	**▲**
US 1980–93	▲	▲
Sweden 1980–93	▲	▲
Australia 1980–81 to 89–90	△	△
Denmark 1981–90	△	△
New Zealand 1981–89	△	△
Japan 1981–90	△	△
Netherlands 1981–89	△	△
Norway 1982–89	△	△
Belgium 1985–92	△	△
Canada 1980–92	△	○
Israel 1979–92	△	○
Finland 1981–92	▲	○
France 1979–89	○	○
Portugal 1980–90	○	○
Spain 1980–90		○
Ireland 1980–87	△	○
Germany 1983–90 [a]	△	○
Italy 1977–91	▽	▽

Interpretation		Change in Gini
▲	Extremely large increase	30% or more
▲	Large increase	16 to 29%
△	Small increase	5 to 10%
○	Zero	–4% to +4%
▽	Small decline	–5% or more

a. Data refer to the Federal Republic of Germany before reunification.
Source: Gottschalk and Smeeding 1997.

Recovery, but no improvement in distribution: the experience of Latin America

The period of rapid growth in the region, beginning in the 1960s and lasting until the outbreak of the debt crisis in 1982, led to an improvement in income distribution. Between 1970 and 1982 the income gap between the richest 20% of the population and the poorest 20% fell from 23 to 1 to 18 to 1. But these improvements were short-lived. In the 1980s the 10% of the population with the highest incomes increased its share by more than 10 percent—at the cost of all other groups. The poorest 10% suffered a 15% drop in their share of income, wiping out the improvements in distribution before the crisis.

The economies of the region have undergone great changes in the 1990s. High inflation has been halted, deep economic reforms have been adopted to support market operations, and productivity and economic growth have been restored. But the concentration of income has remained nearly unchanged, with the region's Gini coefficient staying at around 0.58.

But trends have varied across countries. In Brazil, Chile and Mexico income inequality worsened in the 1980s, but this trend was halted in the 1990s. In Colombia and Costa Rica distribution patterns have remained quite stable. In Honduras and Jamaica income distribution worsened in the early 1990s.

One of the most striking features of income distribution in Latin America is the huge gap between the top and bottom 20%.

Income distribution in selected Latin American countries

Share of household income (percent)

Country	Poorest 20%	Richest 20%	Gini coefficient[a]
Uruguay	5.0	48.7	0.43
Costa Rica	4.3	50.6	0.46
Peru	4.4	51.3	0.46
Ecuador	2.3	59.6	0.57
Brazil	2.5	63.4	0.59
Paraguay	2.3	62.3	0.59

a. A Gini coefficient of zero represents perfect equality, a coefficient of one perfect inequality.
Source: IADB 1998.

Worsening inequality in Eastern Europe and the CIS

The transition from centrally planned to market economies was accompanied by large changes in the distribution of national wealth and income. Data on income inequality indicate that these changes were the fastest ever recorded. In less than a decade income inequality as measured by the Gini coefficient increased from an average of 0.25–0.28 to 0.35–0.38, surpassing OECD levels. Inequality increased most in the Russian Federation and other CIS countries, least in Eastern Europe. In Ukraine and the Russian Federation the annual increase in the Gini coefficient was three to four times as high as in the United States and United Kingdom.

Gini coefficient

	1987/88	1993/95	Increase
Ukraine	0.23	0.47	0.24
Russia	0.24	0.48	0.24
Lithuania	0.23	0.37	0.14
Hungary	0.21	0.23	0.02
Poland	0.26	0.28	0.02

Source: Milanovic 1998; Ruminska-Zimny 1999.

BOX 1.5

The collapse of the East Asian financial markets—economies recovering, but human recovery will take longer

The exchange rate and inflation seem to have stabilized in the Republic of Korea, Malaysia and Thailand. Malaysia's stock index has begun to recover, and liquidity is returning to the financial system. Consumer spending is increasing—motor vehicle sales rose from 19,000 in November 1998 to nearly 23,000 in December. These developments are welcome. But they mask the continuing human costs of the crisis.

Past crises show that while economies regain output growth and macroeconomic balances—inflation, exchange rates, balance of payments—fairly quickly, it takes longer for employment and wages to recover. An analysis of more than 300 economic crises in more than 80 countries since 1973 shows that output growth recovered to precrisis levels in one year on average. But real wage growth took about four years to recover, and employment growth five years. Income distribution worsened on average for three years, improving over precrisis levels by the fifth year.

The human costs of the East Asian crisis have been wide-ranging and widespread.

- *Bankruptcies.* Among small businesses especially, bankruptcies soared with currency and stock market plunges and rocketing interest rates. A total of 435 Malaysian firms were declared bankrupt in the nine months from July 1997 to March 1998. Such bankruptcies are a loss of livelihood for owners and employees of small firms, which unlike large businesses and banks did not receive rescue packages.
- *Rising poverty.* In Indonesia, the poorest country affected, an additional 40 million people (or 20% of the population) are estimated to have fallen into poverty. In Korea and Thailand poverty is expected to rise, with 12% of the population affected in each country—5.5 million in Korea and 6.7 million in Thailand.
- *Surging unemployment.* Virtually unknown for many years in Korea and Malaysia, unemployment rose in all countries—by 0.3 million in Malaysia, 0.5 million in Thailand, 1 million in Indonesia and 1.5 million in Korea. Real wages declined: average real wages in Korea fell by nearly 10% in the 12 months following April 1997.

Job losses hit women, the youth and unskilled workers hardest in Korea. Employment declined by 7.1% among women between April 1997 and April 1998, compared with 3.8% for men. The number of unemployed among those aged 15–29 doubled in 1997–98, from 300,000 to 600,000, and it tripled for the unskilled, rising from 1.7% to 5.4%. Migrant workers were also hit hard. Lacking valid papers, many were sent back to their home countries.

- *Reduced schooling.* Families under stress are taking children out of school. In Thailand one study estimates that nearly 100,000 students are not pursuing either primary or secondary education because of the crisis. In Korea enrolment registered small declines at primary and middle school levels. But drop-outs at the higher level increased by 36% in 1998.
- *Reduced public services.* When family incomes are under stress, people need to rely more on public services to finance education and health. In most countries efforts were made to protect public expenditures, but strains are evident in many activities. In Thailand the budget of the Ministry of Public Health was reduced by 10%, and the community and social services budget by 7.6%. In the Philippines health expenditures declined by about 10%, and the budget shows reductions in family health and nutrition (6%) and communicable disease control (10%). Malaysia initially cut all expenditures by 18–20%, but then introduced a stimulus package.
- *Increased social stress and fragmentation.* Felt in many communities, though difficult to document, increasing domestic violence, street crime and suicides are reported in all countries. In Korea the Hotline for Women received escalating numbers of calls from women suffering domestic violence—seven times as many as in the previous year. The incidence of suicides also went up, from 620 a month in 1996 to more than 900 a month in mid-1998. Unemployment was often reported as the cause of intolerable human pain and social tension.

Source: Lee and Rhee 1999; World Bank 1998a; Kakwani 1998; Korea Institute for Social Information and Research 1999; UNFPA 1998; UNDP Country Office, Malaysia 1999.

severe. Escalating prices of essentials such as food and medicines were accompanied by increases in bankruptcies, unemployment, suicides, domestic violence and other consequences. Signs of economic recovery are beginning to emerge in 1999. But studies of past economic crises show that unemployment persists long after inflation subsides and exchange rates recover. People take longer to recover than economies (box 1.5).

An analysis of this crisis spotlights two important lessons about global capital markets. The first is that financial volatility is a permanent feature of today's globally integrated financial markets (figure 1.7). The East Asian crisis is not an isolated accident—it is a symptom of general weakness in global capital markets. Recent UNCTAD studies show a rising frequency of financial crises with the growth in international capital flows of the 1990s. Flows can be volatile, fed by herd behaviour and inadequate information for investors around the world, with investor confidence and risk ratings tumbling overnight. Technological innovations link global financial markets in real time, allowing instantaneous decisions around the world. Markets have also become increasingly sophisticated, with financial innovations that have made available countless financial instruments—from derivatives to hedge funds. In theory, these instruments were intended to transfer and spread risk. In practice, they have become part of the volatility of today's capital markets.

A central feature of the financial crisis in East Asia was the massive new inflows of short-term capital, followed by sudden reversals (box 1.6). A rapid buildup in the early 1990s followed the deregulation of capital controls and the restructuring of financial policies. Net financial inflows to Indonesia, Korea, Malaysia, the Philippines and Thailand totalled $93 billion in 1996. In 1997, as turmoil hit financial markets, these flows reversed in just weeks to a net outflow of $12 billion, a swing of $105 billion, or 11% of the precrisis GDPs of the five countries.

The second lesson is that extreme caution is required in opening up to foreign short-term (often speculative) capital, especially when financial market institutions are not well developed. There are increasing doubts among economists about the benefits of short-term flows. They do not have the same potential as long-term investments to contribute to development. They can even be disastrous, creating macroeconomic imbalances, overvaluing the currency, reducing international competitiveness and seriously destabilizing domestic banking systems.

Contagion and threat of a worldwide recession

The reversals in human development are spreading—with the contagion to financial markets in Brazil, Russia and elsewhere, but also through slowdowns in global economic growth. IMF, World Bank and UN projections of growth in 1998 show a slowdown of 1–2 percentage points to around 2%, the lowest in five years. Many poor countries are suffering lower export prices due to shrinking world demand. Petroleum exporters have been hit particularly hard, and Angola and Kuwait could lose about a quarter of their export earnings and have their GDPs decline by 14–18%. The impact has also been severe for African countries dependent on primary commodity exports. Because of the collapse in the copper market, Zambia can expect a 26% decline in its copper exports—and a 9% decline in its GDP (table 1.3). World Bank projections of GDP growth in Sub-Saharan Africa for 1999 were revised downward from 4.5% to 3.2%.

Global crime

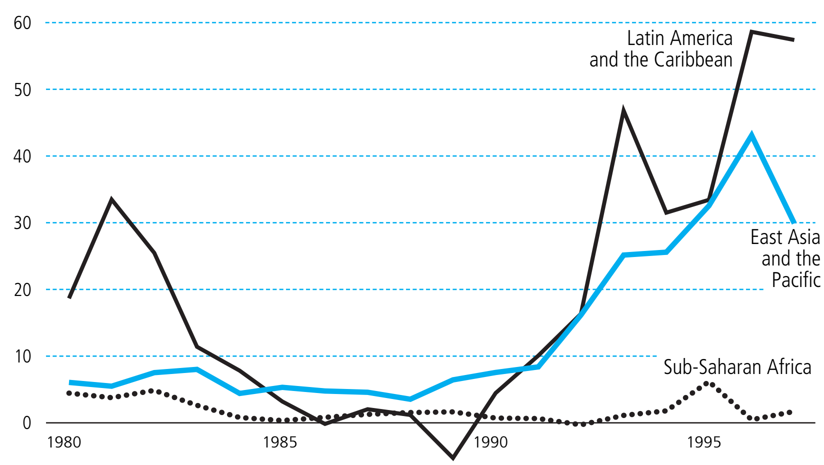
Globalization opens many opportunities for crime, and crime is rapidly becoming global, outpacing international cooperation to fight it. There are now 200 million drug users, threatening neighbourhoods around the world. In the past decade the production of opium more than tripled and that of coca leaf more than doubled. In Belarus drug-related crimes increased from 4 per 100,000 people to 28 in 1990–97, in Estonia from 1.4 per 100,000 to almost 8. The illegal drug trade in 1995 was estimated at $400 billion, about 8% of world trade, more than the share of iron and steel or of motor vehicles, and roughly the same as textiles (7.5%) and gas and oil (8.6%).

Illegal trafficking in weapons is a growing business—destabilizing societies and governments, arming conflicts in Africa and Eastern Europe. Light weapons have the most immediate impact on people's lives. Used in every conflict around the world, they have caused 90% of war casualties since 1945. In El Salvador the homicide rate increased 36% after the end of the civil war. In South Africa machine guns pouring in from Angola and Mozambique are being used in more and more crimes. In Alba-

FIGURE 1.7

Portfolio flows have brought severe volatility to many markets

Net international portfolio investment (US$ billions)[a]



a. Includes bank and trade-related lending

Source: Based on data from World Bank 1999b.

BOX 1.6

Buildup and reversal of short-term capital flows—lessons of East Asia

Capital to East Asia and Latin America increased dramatically in the 1990s. Between 1990 and 1996 financial capital flows to the East Asian countries averaged more than 5% of GDP. The most extreme cases: Thailand and Malaysia. Capital inflows to these two countries averaged more than 10% of GDP during the 1990s, reaching 13% and 17% of GDP in one year. Capital flows then abruptly reversed in 1997. For Thailand capital outflows between 1996 and 1998 amounted to about 20% of GDP. The other countries faced a similar fate.

The large inflows before the reversal had had negative effects, contributing to the appreciation of real exchange rates and delayed devaluation in a time of increasing current account deficits, and reducing international competitiveness. They also expanded domestic bank lending and increased the financial system's vulnerability to reversals of capital flows. An UNCTAD study found no case in any country, developed or developing, where a large increase in liquidity in the banking sector did not lead to overextended lending, a worsening in the quality of assets and laxer risk management.

Not just the amount but the structure of capital inflows determines a country's vulnerability. External borrowings were concentrated in short-term debt. Thailand and Korea had short- to long-term debt ratios of nearly 50% before the crisis. The ratio of short-term debt to GDP was also high in Indonesia, Korea and Thailand, in sharp contrast to China, Malaysia and the Philippines. It is no wonder that the crisis erupted in Thailand and then spread to Indonesia and Korea, leaving the other countries less affected.

Source: Lee and Rhee 1999; UNCTAD 1998b.

nia there were five times as many murders in 1997 as in 1996, a rise attributed to the illegal arming of civilians.

Another thriving industry is the illegal trafficking in women and girls for sexual exploitation, a form of slavery and an inconceivable violation of human rights. In Western Europe alone, about 500,000 women and girls from developing and transition economies are entrapped in this slave trade each year. Women lose not only their freedom, but their dignity and often their health. If they return to their homes, they are often rejected by their families and communities.

At the heart of all this is the growing power and influence of organized crime syndicates, estimated to gross $1.5 trillion a year

At the heart of all this is the growing power and influence of organized crime syndicates, estimated to gross $1.5 trillion a year—a major economic power rivalling multinational corporations. The sheer concentration of their power and money criminalizes business, politics and government. Look at the Six Triads in China, the Medellín and Cali cartels in Colombia, the Mafia in Italy, the Yakuza in Japan, the Juarez, Tijuana and Gulf cartels in Mexico, the Cosa Nostra in the United States and the organizations in Nigeria, Russia and South Africa. All have operations extending beyond national borders, and they are now developing strategic alliances linked in a global network, reaping the benefits of globalization (box 1.7).

The spread of HIV/AIDS

Global travel spreads more than ideas. The latest estimates by UNAIDS and the World Health Organization show that more than 33 million people were living with HIV/AIDS at the end of 1998. The spread of the virus continues unabated, with 11 men, women and children becoming infected each minute—about 6 million in 1998. AIDS causes 2.5 million deaths a year, more than twice as many as the 1 million deaths from malaria. Yet some experts say that we are only a tenth of the way into the epidemic.

AIDS is now a poor people's epidemic, with 95% of all HIV-infected people in developing countries. HIV/AIDS has taken a heavy toll on the life expectancy built up over the past three decades. A loss of 17 years in life expectancy is projected for the nine countries in Africa with an HIV prevalence of 10% or more—Botswana, Kenya, Malawi, Mozambique, Namibia, Rwanda, South Africa, Zambia and Zimbabwe—down to 47 years by 2010, back to the life expectancy of the 1960s.

HIV is also spreading fast in areas thought to be relatively free of the virus—in China and even in the vast rural areas of India, where some studies show higher prevalence rates than in urban areas. Eastern Europe and the CIS had appeared to be spared the worst in the early 1990s, but new surveys show stupendous increases in Belarus, Moldova, Russia and Ukraine. There, too, HIV/AIDS is often associated with poverty, spreading among marginalized people, especially through drug use.

Civil conflict, global unrest

Civil conflicts have been flaring for decades. What's new today is the complex interaction of interests, the blurred line between conflict and business. Defence is becoming privatized, and international private military firms are proliferating. In some countries mercenaries often sell their services for mining and energy concessions and set up affiliates in air transport, road building and trading. And more and more, the clients of mercenaries are multinational corporations seeking to protect their mining interests in conflict-prone countries.

Executive Outcomes, Sandline International and Military Professional Resources Incorporated offer military services and training to governments and large corporations

TABLE 1.3
The Asian crisis hurts distant economies and people
(percent)

Commodity price decline	Country	Fall in export earnings [a] 1998	Fall in GDP [a] 1998
Petroleum—25%	Angola	25	18
	Gabon	21	13
	Kuwait	25	14
	Nigeria	24	4
	Venezuela	20	6
Copper—31%	Zambia	26	9
	Mongolia	10	6
	Chile	10	3

a. Estimated.
Source: UNCTAD 1998b.

and have been particularly active in Africa. The Mobutu government in its final days spent some $50 million in a desperate attempt to stay in power in the Democratic Republic of the Congo. The rise of military companies is linked to the post–cold war power vacuum. Major powers are less inclined to intervene militarily, especially in low-level conflicts.

Accountable only to those who pay, such businesses are hard to regulate. So far, domestic and international laws seeking to limit mercenaries' operations have been ineffective. The annual reports of the UN Human Rights Special Rapporteur on Mercenaries have regularly urged governments to develop legislation that bans the use of mercenaries in their territories.

Environmental degradation—a silent emergency

Environmental degradation is a global problem that surpasses the scope of national governments. Globalization can improve prospects for environmental management—through the spread of environment-friendly technologies, standards and pressures by consumers and activists. It can also add pressures for environmental exploitation—export-led demand for paper leading to deforestation, and demand for fish leading to overfishing.

Environmental degradation is a chronic and "silent emergency" that threatens the livelihoods of some of the poorest people of the world. Scientists predict a steady rise in global temperatures and sea levels, inundating as much as 17% of the land area in Bangladesh, 12% in Egypt and almost all of the Maldives. Renewable resources are being depleted rapidly and unsustainably: fish stocks are three-quarters of what they once were. Water availability today is 60% of 1970 levels, as is forest coverage. All this threatens the economic security, food security and health security of the world's poorest people.

People are also vulnerable to the "loud emergencies" of the environment. In 1997 and 1998 El Niño and La Niña brought wild swings in temperature and rainfall. El Niño is estimated to have displaced nearly 5 million people, injured 118 million and caused almost 22,000 deaths. The worldwide costs of the El Niño disaster were judged to be as high as $33 billion. Many scientists believe that the ferocity of the El Niño storms was due to global warming. The storms ruined harvests and fuelled forest fires from Indonesia to Brazil. La Niña hurricanes and floods killed 9,000 people and left more than a million homeless in Nicaragua and Honduras.

What's to be done?

Globalization expands the opportunities for unprecedented human advance for some but shrinks those opportunities for others and erodes human security. It is integrating economy, culture and governance but fragmenting societies. Driven by commercial market forces, globalization in

BOX 1.7

Why crime syndicates like globalization

Globalization creates new and exciting opportunities, and among the most enterprising and imaginative opportunists are the world's criminals.

Free movement of capital, say private sector investors, is a precondition of increased foreign investment. But the precipitous removal of currency controls, before a proper regulatory environment has been established, is the perfect condition for money laundering. And sure enough, Eastern European banks became a regular transfer point in the flow of dirty money.

Lowering the barriers to international trade and the transit of goods across borders is generally seen as a good thing. But it also helps the luxury car hijacked on a Johannesburg street to reappear for sale in Moscow.

Think of the organization required to effect such a transfer, or to ship illegal Bangladeshi immigrants to England or Ukrainian girls to a life of prostitution in the Netherlands. As the multinational corporations have led the drive to globalize the world's economy, so the "crime multinationals"—the organized crime syndicates—have been quick to exploit it. The Chinese triads are in the restaurant trade in London. The Sicilian Mafia is selling heroin in New York. And the Japanese Yakuza are financing pornography in the Netherlands.

The breakdown of the old order in emerging markets—whether through industrialization, automation and the rise of skill-based economies or through the dislocation of war or economic collapse—creates a burgeoning underclass ripe for exploitation by the crime multinationals. The unemployed in the South African townships make easy recruits for criminal gangs, which have fostered South Africa's rise as a major transshipment point for the worldwide drug trade.

Technological advances create new vulnerabilities. A computer hacker in Russia came close to stealing millions of dollars from Citibank in New York. Nigerian con men take advantage of the semblance of legitimacy that the fax machine gives a forged document. New technology also creates new crimes, such as the piracy of intellectual property—music, films and software.

Paradoxically, the rise of such criminal activities undermines the initiatives that create the opportunity. Who wants to invest in a country where a business partner may turn out to be a gangster who settles arguments with a gun? Who in the international community will want to be seen supporting a government mired in the corruption to which unchecked criminal activity so often leads? The control of organized crime must be ranked high on the international agenda as well as national ones.

Source: Helsby 1999.

this era seeks to promote economic efficiency, generate growth and yield profits. But it misses out on the goals of equity, poverty eradication and enhanced human security.

- First, not just new but stronger policies to protect and promote human development are needed, including policies often called "social protection".
- Second, many problems of human development go beyond what nations can tackle on their own and require more international cooperation.
- Third, action to protect and promote human development must come not only from nations but from communities, NGOs and corporations.

Economic growth, an important input for human development, can translate into human development only if the expansion of private income is equitable and only if growth generates public provisioning that is invested in human development—in schools and health centres, not arms. Human development also depends on unpaid work by men and women in the household or community, providing the "care" so essential to human survival. And it depends on the natural environment, another essential resource for all, particularly for poor people who derive their livelihood from natural resources (figure 1.8).

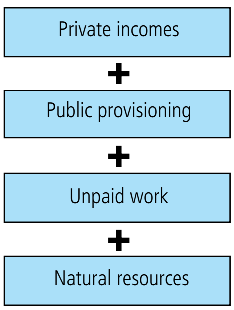
The rapid expansion of global markets—the conditions for people, corporations and nations to compete globally, the urge to privatize and downsize public action in search of economic efficiency—creates an environment in which the needs of human development can be easily neglected, with spending subject to a fiscal squeeze. Reduced public spending weakens institutions of redistribution, leading to inequalities. And as individuals compete in the global economy, they spend time in honing their skills and working at a paid job—putting a time squeeze on caring activities. Care is also squeezed by reductions in public spending. And free market prices do not capture the full environmental costs of production and consumption, putting a squeeze on the natural environment.

Stronger policies for human development—more investment to equip people for the globally competitive economy, and to participate in the global network society—are needed to promote human development. But they are also needed to make globalization work. Ultimately, people and nations will reject global integration and global interdependence if they do not gain from it and if it increases their vulnerability. Pressures will mount to retreat to isolationism in economic policy, culture and political priorities.

To pursue human development, globalization has to mean:

- *Ethics*—less, not more violation of human rights and disregard of human values.
- *Development*—less, not more poverty of countries and people.
- *Equity*—less, not more disparity between and within nations and generations.
- *Inclusion*—less, not more marginalization and exclusion of countries and people.
- *Human security*—less, not more vulnerability of countries and people.
- *Sustainability*—less, not more depletion and degradation of the environment.

FIGURE 1.8
Provisioning for human development



Source: Human Development Report Office.

A1.1 Trade flows

HDI rank	Exports of goods and services: Total (US$ millions) 1997	Exports: As % of GDP 1997	Exports: As % of GDP Index (1985 = 100) 1997	Imports of goods and services: Total (US$ millions) 1997	Imports: As % of GDP 1997	Imports: As % of GDP Index (1985=100) 1997	Manufactures as % of merchandise exports 1997	Manufactures: Index (1985=100) 1997
High human development	4,993,093 T	20	156	4,866,827 T	20	154	80	113
1 Canada	234,297 [a]	40 [a]	162 [a]	211,487 [a]	36 [a]	165 [a]	63	107
2 Norway	64,230 [a]	41 [a]	138 [a]	50,620 [a]	32 [a]	98 [a]	24	81
3 United States	856,000 [a]	12 [a]	200 [a]	965,700 [a]	13 [a]	151 [a]	81	116
4 Japan	456,889 [a]	10 [a]	106 [a]	432,269 [a]	9 [a]	164 [a]	95	98
5 Belgium	183,718 [a]	68 [a]	135 [a]	171,012 [a]	64 [a]	140 [a]	..	..
6 Sweden	100,672 [a]	40 [a]	147 [a]	83,713 [a]	33 [a]	134 [a]	80	100
7 Australia	81,856 [a]	20 [a]	164 [a]	79,579 [a]	20 [a]	154 [a]	29	183
8 Netherlands	212,504 [a]	54 [a]	127 [a]	187,182 [a]	47 [a]	121 [a]	71	139
9 Iceland	2,649 [a]	36 [a]	100 [a]	2,612 [a]	36 [a]	95 [a]	12	129
10 United Kingdom	340,685 [a]	30 [a]	128 [a]	349,600 [a]	30 [a]	136 [a]	83	127
11 France	368,605 [a]	24 [a]	130 [a]	328,652 [a]	21 [a]	132 [a]	78	106
12 Switzerland	106,413 [a]	36 [a]	113 [a]	94,088 [a]	32 [a]	126 [a]	93	101
13 Finland	47,347 [a]	38 [a]	142 [a]	37,251 [a]	30 [a]	129 [a]	83	108
14 Germany	569,614 [a]	24 [a]	..	541,018 [a]	23 [a]	..	83	97
15 Denmark	64,916 [a]	35 [a]	129 [a]	56,229 [a]	31 [a]	123 [a]	63	110
16 Austria	93,400 [a]	41 [a]	133 [a]	94,628 [a]	41 [a]	136 [a]	88 [a]	103 [a]
17 Luxembourg	15,467 [a]	91 [a]	94 [a]	13,729 [a]	81 [a]	85 [a]	..	..
18 New Zealand	18,921 [a]	29 [a]	134 [a]	18,337 [a]	28 [a]	149 [a]	29 [a]	131 [a]
19 Italy	324,046 [a]	27 [a]	149 [a]	260,606 [a]	21 [a]	140 [a]	89	105
20 Ireland	53,981 [a]	76 [a]	166 [a]	43,237 [a]	61 [a]	128 [a]	81	125
21 Spain	148,125 [a]	26 [a]	157 [a]	143,065 [a]	25 [a]	212 [a]	78 [a]	110 [a]
22 Singapore	..	..	..	..	..	..	84	164
23 Israel	31,065	32	113	43,873	45	131	92	111
24 Hong Kong, China (SAR)	225,481	132	218	232,082	135	246	89	103
25 Brunei Darussalam	..	..	..	..	..	..	..	..
26 Cyprus	..	..	..	..	..	..	56	101
27 Greece	18,841 [a]	15 [a]	148 [a]	29,295 [a]	24 [a]	166 [a]	52	106
28 Portugal	33,658 [a]	31 [a]	147 [a]	41,672 [a]	38 [a]	202 [a]	86	113
29 Barbados	..	..	..	..	..	..	54	64
30 Korea, Rep. of	168,683	38	185	171,885	39	192	92 [a]	101 [a]
31 Bahamas	..	..	..	..	..	..	..	..
32 Malta	2,795	84	..	3,117	94	..	97 [a]	106 [a]
33 Slovenia	10,458	57	..	10,635	58	..	89	..
34 Chile	20,716	27	136	22,540	29	206	16	227
35 Kuwait	15,974	53	..	12,407	41	..	14	..
36 Czech Republic	29,950	58	..	32,808	63	..	85	..
37 Bahrain	6,357	104	..	4,370	72	..	12 [a]	257 [a]
38 Antigua and Barbuda	..	..	..	..	..	..	..	..
39 Argentina	29,318	9	148	34,899	11	367	34	160
40 Uruguay	4,511	23	150	4,563	23	251	37	105
41 Qatar	..	..	..	..	..	..	..	..
42 Slovakia	10,976	56	..	12,366	64	..	79	..
43 United Arab Emirates	..	..	..	..	..	..	..	..
44 Poland	35,616	26	220	41,170	30	272	73	116
45 Costa Rica	4,360	46	188	4,529	48	192	25 [a]	113 [a]
Medium human development	1,255,577 T	26	159	1,270,896 T	26	159	58	..
46 Trinidad and Tobago	2,912	49	103	3,316	56	94	44	241
47 Hungary	20,801	45	150	21,013	46	174	77	115
48 Venezuela	25,735	29	152	17,692	20	112	12	120
49 Panama	7,759 [a]	94 [a]	88 [a]	7,520 [a]	91 [a]	99 [a]	17	136
50 Mexico	121,772	30	249	121,896	30	302	81	298

A1.1 Trade flows

HDI rank	Exports of goods and services			Imports of goods and services			Manufactures as % of merchandise exports	
		As % of GDP			As % of GDP			
	Total (US$ millions) 1997	1997	Index (1985 = 100) 1997	Total (US$ millions) 1997	1997	Index (1985=100) 1997	1997	Index (1985=100) 1997
51 Saint Kitts and Nevis	120 [a]	48 [a]	..	184 [a]	74 [a]	..	34	..
52 Grenada	132 [a]	45 [a]	104 [a]	193 [a]	65 [a]	95 [a]	13 [a]	284 [a]
53 Dominica	125	51	141	155	64	107	49 [a]	140 [a]
54 Estonia	3,614	77	..	4,148	89	..	66	..
55 Croatia	8,014 [a]	42 [a]	..	10,200 [a]	53 [a]	..	69	..
56 Malaysia	92,877	94	193	91,360	93	215	76 [a]	279 [a]
57 Colombia	14,553	15	164	17,422	18	226	31	182
58 Cuba	..	..	..	..	..	..	..	..
59 Mauritius	2,725	62	137	2,879	65	151	71	156
60 Belarus	13,469	60	..	14,386	64	..	..	..
61 Fiji	1,204	57	..	1,240	59	..	..	..
62 Lithuania	5,224	55	..	6,237	65	..	70	..
63 Bulgaria	6,178	61	27	5,619	56	15	..	..
64 Suriname	..	..	..	..	..	..	..	..
65 Libyan Arab Jamahiriya	..	..	..	..	..	..	..	..
66 Seychelles	365	68	185	438	81	238	(.) [a]	5 [a]
67 Thailand	72,382	47	194	71,340	46	182	71	188
68 Romania	10,359	30	..	12,802	37	..	79	..
69 Lebanon	1,558	10	..	8,056	54	..	..	..
70 Samoa (Western)	75 [a]	43 [a]	..	127 [a]	73 [a]	..	..	..
71 Russian Federation	102,196	23	..	90,065	20	..	23	..
72 Ecuador	5,930	30	144	5,734	29	107	9	1,128
73 Macedonia, TFYR	880	40	..	1,232	56	..	..	..
74 Latvia	2,791	50	..	3,352	61	..	58	..
75 Saint Vincent and the Grenadines	144 [a]	52 [a]	72 [a]	176 [a]	64 [a]	81 [a]	13	..
76 Kazakhstan	7,810	35	..	8,280	37	..	..	..
77 Philippines	40,284	49	218	48,777	59	293	45	166
78 Saudi Arabia	62,991	45	..	43,017	31	..	9 [a]	294 [a]
79 Brazil	61,982	8	131	83,556	10	266	54	123
80 Peru	8,182	13	107	10,617	17	179	17	138
81 Saint Lucia	406 [a]	68 [a]	..	417 [a]	70 [a]	..	25 [a]	99 [a]
82 Jamaica	2,109	51	101	2,645	64	144	69 [a]	130 [a]
83 Belize	320	49	83	334	51	86	13	51
84 Paraguay	2,226	22	285	2,477	24	439	15	277
85 Georgia	623	12	..	1,192	23	..	..	..
86 Turkey	46,675	25	..	57,698	30	..	75	123
87 Armenia	330	20	..	952	58	..	..	..
88 Dominican Republic	7,221	48	273	7,595	51	237	..	..
89 Oman	..	..	..	..	..	..	17	26
90 Sri Lanka	5,507	36	155	6,569	44	112	..	..
91 Ukraine	20,126	41	..	22,009	44	..	..	..
92 Uzbekistan	..	..	..	..	..	..	..	..
93 Maldives	..	..	..	..	..	..	..	..
94 Jordan	3,572	51	163	5,186	74	138	..	..
95 Iran, Islamic Rep. of	..	..	..	..	..	..	..	..
96 Turkmenistan	..	..	..	..	..	..	..	..
97 Kyrgyzstan	675	38	..	815	46	..	38 [a]	..
98 China	207,303	23	163	166,759	18	81	85	..
99 Guyana	783	100	..	854	109	..	..	..
100 Albania	292	12	..	915	37	..	65	..

A1.1 Trade flows

HDI rank	Exports of goods and services: Total (US$ millions) 1997	Exports of goods and services: As % of GDP 1997	Exports of goods and services: As % of GDP Index (1985 = 100) 1997	Imports of goods and services: Total (US$ millions) 1997	Imports of goods and services: As % of GDP 1997	Imports of goods and services: As % of GDP Index (1985=100) 1997	Manufactures as % of merchandise exports 1997	Manufactures as % of merchandise exports Index (1985=100) 1997
101 South Africa	35,848	28	130	34,365	27	174	55 [a]	..
102 Tunisia	8,251	44	140	8,719	46	107	78	175
103 Azerbaijan	833	19	..	1,649	37	..	..	..
104 Moldova, Rep. of	984	53	..	1,432	76	..	..	..
105 Indonesia	60,106	28	125	60,700	28	119	42	325
106 Cape Verde	108	25	..	272	64	..	..	..
107 El Salvador	2,741	24	135	3,930	35	194	39	151
108 Tajikistan	..	..	..	..	..	..	..	..
109 Algeria	14,681	31	134	10,534	22	45	3	187
110 Viet Nam	11,480	46	..	13,443	54	..	..	..
111 Syrian Arab Republic	5,343	30	161	7,189	40	61	..	..
112 Bolivia	1,644	21	183	2,334	29	194	16	4,219
113 Swaziland	1,075	82	118	1,265	96	76	..	..
114 Honduras	1,673	37	91	2,131	47	116	27	739
115 Namibia	1,726	53	95	1,908	58	78	..	..
116 Vanuatu	..	..	..	..	..	..	..	..
117 Guatemala	3,186	18	120	4,193	24	173	30	147
118 Solomon Islands	..	..	..	..	..	..	..	..
119 Mongolia	471	55	..	513	60	..	10 [a]	..
120 Egypt	15,251	20	124	18,820	25	58	40	400
121 Nicaragua	803 [a]	41 [a]	197 [a]	1,294 [a]	66 [a]	170 [a]	25	389
122 Botswana	2,857 [a]	56 [a]	87	1,901	38	68 [a]	..	..
123 São Tomé and Principe	12	28	..	41	94	..	..	..
124 Gabon	3,296	64	138	2,165	42	61	2 [a]	..
125 Iraq	..	..	..	..	..	..	..	..
126 Morocco	9,342	28	164	10,622	32	144	49	122
127 Lesotho	309	33	151	1,215	128	62	..	..
128 Myanmar	..	..	..	..	..	..	..	..
129 Papua New Guinea	2,605	56	142	2,782	60	96	..	..
130 Zimbabwe	3,227	36	163	3,829	43	196	32	109
131 Equatorial Guinea	489	101	544	630	129	531	..	..
132 India	44,107	12	171	59,230	16	119	72 [a]	125 [a]
133 Ghana	1,657	24	170	2,640	38	155	..	..
134 Cameroon	2,443	27	89	2,041	22	116	8 [a]	..
135 Congo	1,767	77	146	1,565	68	71	..	..
136 Kenya	2,994	29	110	3,787	37	199	25	222
137 Cambodia	920	30	..	1,281	42	..	..	..
138 Pakistan	10,009	16	137	12,955	21	83	86	139
139 Comoros	30	16	219	76	39	77	..	..
Low human development	49,958 T	28	147	56,692 T	31	105	..	..
140 Lao People's Dem. Rep.	418	24	..	721	41	..	..	..
141 Congo, Dem. Rep. of the	1,463	24	75	1,350	22	57	..	..
142 Sudan	..	..	..	..	..	..	3 [a]	161 [a]
143 Togo	464	31	78	550	37	66	..	..
144 Nepal	1,296	26	228	1,856	38	188	95	161
145 Bhutan	120	31	..	160	42	..	..	..
146 Nigeria	16,286	41	106	13,677	34	57	..	..
147 Madagascar	773	22	125	1,064	30	86	28	271
148 Yemen	2,489	44	..	2,966	52	..	..	..
149 Mauritania	435	40	53	533	49	51	..	..
150 Bangladesh	5,075	12	286	7,656	18	164	87 [a]	133 [a]

A1.1 Trade flows

HDI rank	Exports of goods and services: Total (US$ millions) 1997	Exports: As % of GDP **1997**	Exports: As % of GDP Index (1985 = 100) 1997	Imports of goods and services: Total (US$ millions) 1997	Imports: As % of GDP **1997**	Imports: As % of GDP Index (1985=100) 1997	Manufactures as % of merchandise exports **1997**	Manufactures: Index (1985=100) 1997
151 Zambia	1,276	33	99	1,474	38	93	..	..
152 Haiti	236	8	131	650	23	225	..	..
153 Senegal	1,481	33	106	1,730	38	79	..	..
154 Côte d'Ivoire	4,777	47	131	4,055	40	107	..	..
155 Benin	531	25	58	696	33	62	..	..
156 Tanzania, U. Rep. of	1,259 [a]	22 [a]	..	2,118 [a]	36 [a]	..	..	..
157 Djibouti	207	41	..	285	57	..	..	..
158 Uganda	826	13	163	1,335	20	114	..	..
159 Malawi	613	24	100	870	35	99	..	..
160 Angola	5,196	68	174	5,003	65	183	..	..
161 Guinea	694	18	..	811	21	..	..	..
162 Chad	271	17	102	562	35	60	..	..
163 Gambia	191	47	82	248	61	93	..	..
164 Rwanda	110	6	63	451	24	185	..	..
165 Central African Republic	213	21	119	236	23	82	43 [a]	..
166 Mali	644	25	163	889	35	70	..	..
167 Eritrea	201	31	..	583	89	..	..	..
168 Guinea-Bissau	56	21	384	106	40	44	..	..
169 Mozambique	500	18	216	937	34	59	17 [a]	..
170 Burundi	96	10	97	136	14	63	..	..
171 Burkina Faso	331	14	83	721	30	85	..	..
172 Ethiopia	1,017	16	100	1,682	26	88	..	..
173 Niger	300	16	71	440	24	48	..	..
174 Sierra Leone	116	14	273	140	17	296	..	..

a. Data refer to 1996.
Source: Columns 1–8: World Bank 1999b.

A1.2 Resource flows

HDI rank	Net foreign direct investment flows (US$ millions) 1985	1997	Net portfolio investment flows [a] (US$ millions) 1985	1997	Net bank and trade-related lending [b] (US$ millions) 1985	1997	Net official development assistance (ODA) disbursed or received [c] (net disbursements) Total (US$ millions) 1997	As % of GNP 1997	Per capita (US$) 1997	External debt Total (US$ millions) 1997	As % of GNP 1997	Debt service ratio [d] (%) 1997	Sovereign long-term debt rating [e] 1998
High human development	44,388 T	266,225 T	..	..	..	..	*48,324 T*	*0.2*	*66* [f]	..	..	..	..
1 Canada	1,357	8,246	..	..	..	..	*2,045*	*0.3*	*64* [f]	..	..	..	AA+
2 Norway	–426	3,181	..	..	..	..	*1,306*	*0.9*	*308* [f]	..	..	..	AAA
3 United States	20,010	90,748	..	..	..	..	*6,878*	*0.1*	*30* [f]	..	..	..	AAA
4 Japan	642	3,224	..	..	..	..	*9,358*	*0.2*	*79* [f]	..	..	..	AAA
5 Belgium	1,051 [g]	12,550 [g]	..	..	..	..	*764*	*0.3*	*88* [f]	..	..	..	AA+
6 Sweden	393	9,659	..	..	..	..	*1,731*	*0.8*	*222* [f]	..	..	..	AA+
7 Australia	2,063	9,584	..	..	..	..	*1,061*	*0.3*	*59* [f]	..	..	..	AA
8 Netherlands	1,505	8,725	..	..	..	..	*2,947*	*0.8*	*212* [f]	..	..	..	AAA
9 Iceland	24	3	..	..	..	..	..	..	..	..	..	..	A+
10 United Kingdom	5,480	36,897	..	..	..	..	*3,433*	*0.3*	*55* [f]	..	..	..	AAA
11 France	2,595	18,280	..	..	..	..	*6,307*	*0.5*	*125* [f]	..	..	..	AAA
12 Switzerland	1,267	3,500	..	..	..	..	*911*	*0.3*	*148* [f]	..	..	..	AAA
13 Finland	110	1,543	..	..	..	..	*379*	*0.3*	*81* [f]	..	..	..	AA
14 Germany	490	–195	..	..	..	..	*5,857*	*0.3*	*87* [f]	..	..	..	AAA
15 Denmark	111	2,570	..	..	..	..	*1,637*	*1.0*	*342* [f]	..	..	..	AA+
16 Austria	173	1,700	..	..	..	..	*527*	*0.3*	*72* [f]	..	..	..	AAA
17 Luxembourg	..	..	..	..	..	..	*95*	*0.6*	*226* [f]	..	..	..	AAA
18 New Zealand	1,266	1,343	..	..	..	..	*154*	*0.3*	*38* [f]	..	..	..	AA+
19 Italy	1,072	3,523	..	..	..	..	*1,266*	*0.1*	*33* [f]	..	..	..	AA
20 Ireland	164	4,152	..	..	..	..	*187*	*0.3*	*51* [f]	..	..	..	AA+
21 Spain	1,968	5,556	..	..	..	..	*1,234*	*0.2*	*34* [f]	..	..	..	AA
22 Singapore	1,047	10,000	..	..	..	..	1 [h]	(.)	0	..	..	..	AAA
23 Israel	99	3,407	..	..	..	..	1,192 [h]	1.2	241	..	..	..	A–
24 Hong Kong, China (SAR)	–142	2,600	..	..	..	..	8 [h]	(.)	1	..	..	..	A
25 Brunei Darussalam	4	5	..	..	..	..	(.) [h]	..	1	..	..	..	..
26 Cyprus	58	175	..	..	..	..	49 [h]	0.6	71	..	..	..	A+
27 Greece	447	1,500	..	..	..	..	..	..	..	..	..	..	BBB
28 Portugal	274	1,713	..	..	..	..	*250*	*0.3*	*25* [f]	..	..	..	AA
29 Barbados	5	18	21	84	17	–20	3	..	12	644.3	..	7.5 [i]	..
30 Korea, Rep. of	234	2,341	1,271	2,704	1,388	6,264	–160 [j]	(.)	–4	143,372.5	32.8	8.6	BB+
31 Bahamas	–30	89	..	..	..	..	3 [h]	..	12	..	..	..	..
32 Malta	19	110	..	..	(.)	93	22	0.7	62	1,033.9	30.6	2.1	A+
33 Slovenia	..	321	..	–37	..	–69	97	0.5	49	4,762.1	26.0	3.9	A
34 Chile	144	5,417	..	1,525	684	2,695	136	0.2	10	31,440.1	42.4	20.4	A–
35 Kuwait	7	45	..	..	..	..	2 [h]	(.)	2	..	..	..	A
36 Czech Republic	..	1,301	..	221	–118	311	107 [h]	0.2	10	21,456.3	41.8	14.1	A–
37 Bahrain	101	15	205	..	28	..	84	1.6	165	7,084.0 [i]	138.4 [i]	..	..
38 Antigua and Barbuda	16	28	..	..	..	..	4	0.8	62	280.0 [i]	59.7 [i]	..	..
39 Argentina	919	6,327	–151	11,250	2,501	1,939	222	0.1	7	123,221.4	38.7	58.7	BB
40 Uruguay	1	200	89	451	–72	22	57	0.3	18	6,652.0	33.6	15.4	BBB–
41 Qatar	8	55	..	..	..	..	1 [h]	..	2	..	..	..	BBB
42 Slovakia	..	170	..	37	–171	872	67 [h]	0.3	13	9,989.0	51.7	12.2	BB+
43 United Arab Emirates	–221	100	..	..	..	..	4 [h]	..	2	..	..	..	..
44 Poland	15	5,000	–15	1,748	–178	131	641 [h]	0.5	17	39,889.5	29.5	6.1	BBB–
45 Costa Rica	70	500	..	41	45	7	..	..	..	3,548.4	38.1	11.8	BB
Medium human development	10,311 T	126,766 T	3,916 T	53,433 T	11,076 T	51,478 T	24,130 T	0.6	6	1,720,856.1 T	32.9	18.0	..
46 Trinidad and Tobago	1	340	56	–150	96	–94	33	0.6	27	2,161.5	38.8	19.6	BB+
47 Hungary	..	2,085	495	598	1,212	–72	152 [h]	0.3	15	24,373.4	55.0	29.7	BBB
48 Venezuela	68	4,893	–65	256	–517	938	28	(.)	1	35,541.5	41.6	31.3	B+
49 Panama	67	340	–20	461	26	–48	124	1.5	51	6,338.0	75.4	16.4	BB+
50 Mexico	1,984	12,101	–477	2,526	–341	5,530	108	(.)	1	149,689.9	38.4	32.4	BB

A1.2 Resource flows

HDI rank	Net foreign direct investment flows (US$ millions) 1985	Net foreign direct investment flows (US$ millions) 1997	Net portfolio investment flows [a] (US$ millions) 1985	Net portfolio investment flows [a] (US$ millions) 1997	Net bank and trade-related lending [b] (US$ millions) 1985	Net bank and trade-related lending [b] (US$ millions) 1997	Net official development assistance (ODA) disbursed or received [c] (net disbursements): Total (US$ millions) 1997	ODA: As % of GNP 1997	ODA: Per capita (US$) 1997	External debt: Total (US$ millions) 1997	External debt: As % of GNP 1997	Debt service ratio [d] (%) 1997	Sovereign long-term debt rating [e] 1998
51 Saint Kitts and Nevis	8	25	..	..	..	−1	7	2.7	168	62.0	24.3	3.9	..
52 Grenada	4	22	..	..	−1	−1	8	2.7	86	105.3	34.9	5.7 [i]	..
53 Dominica	3	20	..	..	..	..	14	6.2	194	161.4	43.5	8.2	..
54 Estonia	..	262	..	82	..	−2	65 [h]	1.4	42	658.4	14.5	1.4	BBB+
55 Croatia	..	348	..	485	..	1,524	44	0.2	9	6,841.5	35.2	11.9	BBB–
56 Malaysia	695	3,754	2,253	2,014	−2,162	2,192	−241 [j]	−0.3	−13	47,228.2	50.5	7.5	BBB–
57 Colombia	1,023	2,447	−1	1,184	392	2,984	274	0.3	8	31,777.4	34.4	26.6	BBB–
58 Cuba	(.)	13	..	..	212	..	67	..	6	35,344.0 [i]	..	..	..
59 Mauritius	8	38	..	624	−19	94	42	1.0	39	2,471.6	56.7	10.9	..
60 Belarus	..	163	..	..	..	−31	43 [h]	0.2	4	1,161.5	5.2	1.8	..
61 Fiji	22	12	..	..	11	−12	44	2.2	59	213.4	10.5	3.0	..
62 Lithuania	..	355	..	90	..	193	102 [h]	1.1	27	1,540.5	16.4	6.0	BBB–
63 Bulgaria	..	497	..	69	887	3	206 [h]	2.1	24	9,858.3	101.3	14.4	B
64 Suriname	21	12	..	..	9	..	77	11.4	191	118.0 [i]	17.5 [i]	..	..
65 Libyan Arab Jamahiriya	119	110	..	..	271	..	9	..	2	3,363.0 [i]	..	..	..
66 Seychelles	12	49	..	..	5	−3	15	2.8	212	149.1	28.2	4.0	..
67 Thailand	163	3,600	179	1,418	794	−1,719	626	0.4	11	93,415.7	62.6	15.4	BBB–
68 Romania	..	1,224	..	422	−645	637	197 [h]	0.6	9	10,442.1	30.2	15.7	B–
69 Lebanon	7	150	..	808	−30	112	239	1.6	65	5,036.2	32.8	14.4	BB–
70 Samoa (Western)	(.)	1	−1	..	(.)	..	28	14.4	173	156.3	80.1	3.8	..
71 Russian Federation	..	6,241	..	6,666	1,564	−454	718 [h]	0.2	5	125,645.2	28.7	6.5	CCC–
72 Ecuador	62	577	−2	−135	203	387	172	0.9	16	14,918.4	79.4	31.0	..
73 Macedonia, TFYR	..	16	..	..	..	−7	149	6.8	78	1,542.5	70.8	8.8	..
74 Latvia	..	418	..	23	..	15	81 [h]	1.5	30	503.3	9.0	4.4	BBB
75 Saint Vincent and the Grenadines	2	42	..	..	(.)	−2	6	2.2	56	257.8	94.8	8.3 [i]	..
76 Kazakhstan	..	1,320	..	400	..	436	131	0.6	8	4,278.0	19.5	6.5	B+
77 Philippines	12	1,253	−71	2,704	868	238	689	0.8	11	45,433.3	53.0	9.2	BB+
78 Saudi Arabia	491	400	150	..	564	..	15	(.)	1	19,222.0 [i]	13.5 [i]	..	..
79 Brazil	1,441	16,330	−215	5,056	365	18,669	487	0.1	3	193,662.8	24.1	57.4	BB–
80 Peru	1	2,000	..	−110	81	1,175	488	0.8	22	30,495.7	48.8	30.9	BB
81 Saint Lucia	17	45	..	..	..	..	24	4.1	160	151.7	25.7	3.3 [i]	..
82 Jamaica	−9	180	..	200	41	40	71	1.8	29	3,912.9	97.7	16.2	..
83 Belize	4	23	..	..	−3	−7	14	2.3	72	383.4	62.2	9.2	..
84 Paraguay	1	200	..	..	−5	23	116	1.2	27	2,052.5	20.8	5.0	BB–
85 Georgia	..	100	..	..	..	(.)	246	4.7	45	1,445.5	27.4	6.4	..
86 Turkey	99	606	−6	2,552	6	8,864	−1 [j]	(.)	(.)	91,205.4	47.1	18.4	B
87 Armenia	..	43	..	..	..	..	168	9.6	47	665.5	38.0	5.8	..
88 Dominican Republic	36	250	..	−2	20	−2	76	0.5	11	4,238.7	29.0	6.2	B+
89 Oman	161	90	..	263	501	−234	20	..	11	3,601.7	..	5.9	BBB–
90 Sri Lanka	26	140	..	148	44	−4	345	2.3	20	7,638.1	51.2	6.4	..
91 Ukraine	..	623	..	..	..	796	176 [h]	0.4	3	10,901.3	22.2	6.6	..
92 Uzbekistan	..	85	..	..	..	150	130	0.5	6	2,760.5	11.2	12.9	..
93 Maldives	1	10	..	..	−3	5	26	8.4	119	160.3	51.8	6.7	..
94 Jordan	25	70	..	160	190	−122	462	6.8	130	8,234.1	121.0	11.1	BB–
95 Iran, Islamic Rep. of	−38	50	..	..	−200	−353	196	0.2	4	11,816.4	9.6	32.2	..
96 Turkmenistan	..	121	..	..	..	762	11	0.4	3	1,771.2	62.5	34.7	..
97 Kyrgyzstan	..	83	..	..	..	..	240	14.1	54	928.2	54.4	6.3	..
98 China	1,659	45,300	971	11,787	1,895	4,805	2,040	0.2	2	146,697.0	16.6	8.6	BBB+
99 Guyana	2	90	..	..	−5	−5	272	39.9	340	1,610.6	236.0	17.6	..
100 Albania	..	48	..	..	..	−1	155	6.2	48	706.0	28.1	7.1	..

A1.2 Resource flows

HDI rank	Net foreign direct investment flows (US$ millions) 1985	Net foreign direct investment flows (US$ millions) 1997	Net portfolio investment flows [a] (US$ millions) 1985	Net portfolio investment flows [a] (US$ millions) 1997	Net bank and trade-related lending [b] (US$ millions) 1985	Net bank and trade-related lending [b] (US$ millions) 1997	Net official development assistance (ODA) disbursed or received [c] (net disbursements): Total (US$ millions) 1997	Net ODA: As % of GNP 1997	Net ODA: Per capita (US$) 1997	External debt: Total (US$ millions) 1997	External debt: As % of GNP 1997	Debt service ratio [d] (%) 1997	Sovereign long-term debt rating [e] 1998
101 South Africa	–449	1,705	..	2,016	..	–131	497	0.4	14	25,221.6	20.0	12.8	BB+
102 Tunisia	108	360	..	586	109	1	194	1.1	23	11,322.7	62.8	16.0	BBB–
103 Azerbaijan	..	872	..	..	..	8	182	4.2	25	503.7	11.7	6.8	..
104 Moldova, Rep. of	..	43	..	75	..	121	63	3.5	15	1,039.8	57.4	10.9	..
105 Indonesia	310	5,350	–40	3,417	195	2,769	832	0.4	5	136,173.5	65.3	30.0	CCC+
106 Cape Verde	..	13	..	..	1	1	110	26.2	317	220.0	52.5	5.5	..
107 El Salvador	12	41	–9	..	–42	50	294	2.6	57	3,281.8	29.4	7.0	BB
108 Tajikistan	..	4	..	..	..	(.)	101	5.0	19	901.1	44.6	4.6	..
109 Algeria	(.)	7	429	8	111	–557	248	0.6	10	30,920.6	69.0	27.2	..
110 Viet Nam	(.)	1,200	..	–94	..	287	997	4.1	15	21,629.3	89.4	7.8	..
111 Syrian Arab Republic	37	80	..	..	85	–11	199	1.2	16	20,864.7	126.4	9.3	..
112 Bolivia	10	500	–1	–3	–35	213	717	9.2	107	5,247.5	67.6	32.5	BB–
113 Swaziland	12	75	..	..	9	..	27	1.9	34	368.2	25.4	2.5	..
114 Honduras	28	80	..	–30	36	33	308	6.7	61	4,697.8	102.8	20.9	..
115 Namibia	16	131	..	..	..	..	166	5.0	120	85.0 [i]	2.6 [i]	..	..
116 Vanuatu	5	30	..	..	(.)	(.)	27	11.6	178	47.9	20.5	1.5	..
117 Guatemala	62	130	–10	106	19	–30	302	1.7	34	4,085.7	23.2	9.9	..
118 Solomon Islands	1	22	..	..	6	–4	42	11.4	126	135.4	36.9	2.4	..
119 Mongolia	..	7	..	..	..	9	248	25.2	110	717.9	72.9	11.7	..
120 Egypt	1,178	834	10	1,813	550	–109	1,947	2.5	36	29,849.1	39.0	9.0	BBB–
121 Nicaragua	..	92	..	..	13	–16	421	..	..	5,677.4	305.6	31.7	..
122 Botswana	54	100	..	..	–12	–5	125	2.6	95	562.0	11.5	5.2 [i]	..
123 São Tomé and Principe	..	..	..	..	(.)	..	34	87.5	287	260.7	671.2	52.0	..
124 Gabon	15	–100	(.)	..	96	–5	40	0.9	40	4,284.5	95.7	13.1	..
125 Iraq	(.)	..	..	..	1,627	..	281	..	15	21,912.0 [i]	..	..	..
126 Morocco	20	500	–21	243	237	–140	462	1.4	19	19,320.8	59.5	26.6	BB
127 Lesotho	5	29	..	..	–6	13	93	7.3	53	659.8	51.9	6.4	..
128 Myanmar	..	80	..	–2	–56	102	45	..	1	5,074.1	..	8.0	..
129 Papua New Guinea	83	300	19	..	167	–57	349	8.6	89	2,272.5	56.3	15.0	..
130 Zimbabwe	4	70	–29	–20	–40	–18	327	3.9	33	4,961.3	58.5	22.0	..
131 Equatorial Guinea	2	40	..	..	1	..	24	4.9	67	283.2	57.8	1.4	..
132 India	106	3,264	320	4,035	1,954	920	1,678	0.4	2	94,404.2	24.9	19.6	BB
133 Ghana	6	200	..	46	35	27	493	7.3	32	5,982.0	88.6	29.5	..
134 Cameroon	316	45	..	..	–241	–29	501	5.9	43	9,292.9	109.2	20.4	..
135 Congo	13	9	..	..	97	..	268	14.7	117	5,070.8	278.4	6.2	..
136 Kenya	29	40	..	12	8	–119	457	4.6	19	6,485.8	64.7	21.5	..
137 Cambodia	..	200	..	..	..	–3	372	12.2	42	2,128.7	69.9	1.1	..
138 Pakistan	131	800	..	627	–170	757	597	1.0	5	29,664.5	47.5	35.2	CC
139 Comoros	..	2	..	..	(.)	..	28	14.5	63	197.4	101.9	3.9	..
Low human development	980 T	2,449 T	..	..	178 T	–1,125 T	13,285 T	10.5	28	173,123.7 T	93.4	13.1	..
140 Lao People's Dem. Rep.	..	90	..	..	..	..	341	19.5	82	2,319.9	132.4	6.5	..
141 Congo, Dem. Rep. of the	69	1	(.)	..	–35	..	168	3.2	4	12,329.6	232.3	0.9	..
142 Sudan	–3	(.)	..	..	..	..	187	2.1	8	16,326.1	182.4	9.2	..
143 Togo	16	1	..	..	–14	–6	124	8.6	34	1,339.0	92.6	8.1	..
144 Nepal	1	20	..	..	5	–11	414	8.4	22	2,397.7	48.6	6.9	..
145 Bhutan	..	..	..	..	..	–2	70	21.3	113	89.3	27.2	5.1	..
146 Nigeria	486	1,000	..	4	–955	–258	202	11.0	25	28,455.1	75.6	7.8	..
147 Madagascar	(.)	17	..	..	5	–1	838	24.3	71	4,104.7	119.2	27.0	..
148 Yemen	3	50	..	..	6	..	366	7.3	27	3,856.3	76.7	2.6	..
149 Mauritania	7	3	..	..	2	–2	250	23.9	120	2,453.2	234.7	24.2	..
150 Bangladesh	1	145	..	11	–3	–28	1,009	2.3	9	15,125.3	35.1	10.6	..

A1.2 Resource flows

HDI rank	Net foreign direct investment flows (US$ millions) 1985	Net foreign direct investment flows (US$ millions) 1997	Net portfolio investment flows [a] (US$ millions) 1985	Net portfolio investment flows [a] (US$ millions) 1997	Net bank and trade-related lending [b] (US$ millions) 1985	Net bank and trade-related lending [b] (US$ millions) 1997	Net ODA disbursed or received [c] (net disbursements) Total (US$ millions) 1997	Net ODA As % of GNP 1997	Net ODA Per capita (US$) 1997	External debt Total (US$ millions) 1997	External debt As % of GNP 1997	Debt service ratio [d] (%) 1997	Sovereign long-term debt rating [e] 1998
151 Zambia	52	70	..	..	12	9	618	16.9	77	6,757.8	184.6	19.9	..
152 Haiti	5	3	..	..	−4	..	332	11.8	50	1,057.2	37.7	15.9	..
153 Senegal	−16	30	..	..	−5	14	427	9.6	57	3,670.6	82.9	15.3	..
154 Côte d'Ivoire	29	50	(.)	18	(.)	−436	444	4.7	37	15,608.6	165.3	27.4	..
155 Benin	(.)	3	..	..	−18	..	225	10.7	46	1,624.3	76.9	9.1	..
156 Tanzania, U. Rep. of	15	250	..	..	46	−15	963	13.0	37	7,177.1	97.2	12.9	..
157 Djibouti	(.)	5	..	..	(.)	..	87	17.5	163	283.6	57.1	3.1	..
158 Uganda	−4	250	..	..	6	−1	840	12.8	50	3,707.9	56.5	22.1	..
159 Malawi	6	2	..	..	−29	−1	350	14.1	40	2,206.0	89.0	12.4	..
160 Angola	278	350	..	..	1,042	−374	436	9.9	46	10,159.8	231.8	15.9	..
161 Guinea	1	1	..	..	18	−24	382	10.3	65	3,520.4	95.3	21.5	..
162 Chad	54	15	..	..	−6	..	225	14.3	38	1,026.5	65.2	12.5	..
163 Gambia	−1	13	..	..	(.)	..	40	10.0	42	430.1	107.6	11.6	..
164 Rwanda	15	1	..	..	−3	..	592	32.0	83	1,110.9	60.0	13.3	..
165 Central African Republic	3	6	..	..	−1	..	92	9.2	31	885.3	88.2	6.2	..
166 Mali	3	15	..	..	−2	..	455	18.4	52	2,945.1	119.2	10.5	..
167 Eritrea	..	..	..	..	..	..	123	14.8	38	75.5	9.1	0.1	..
168 Guinea-Bissau	1	2	..	..	20	..	125	49.7	126	921.3	366.5	17.3	..
169 Mozambique	(.)	35	..	..	54	2	963	37.4	67	5,990.6	232.9	18.6	..
170 Burundi	1	1	..	..	−3	..	119	12.6	21	1,065.5	112.6	29.0	..
171 Burkina Faso	−1	1	..	..	−9	..	370	15.5	41	1,297.1	54.3	11.8	..
172 Ethiopia	(.)	15	..	..	59	23	637	10.1	12	10,078.5	159.0	9.5	..
173 Niger	−9	1	..	..	−7	−14	341	18.4	87	1,579.1	86.3	19.5	..
174 Sierra Leone	−31	4	..	..	−4	..	130	16.0	32	1,148.7	141.4	21.2	..

a. Portfolio investment flows (net) include non-debt-creating portfolio equity flows (the sum of country funds, depository receipts and direct purchases of shares by foreign investors) and portfolio debt flows (bond issues purchased by foreign investors).
b. Bank and trade-related lending covers commercial bank lending and other private credits.
c. Data in italics refer to net ODA disbursed by Development Assistance Committee member countries.
d. Total debt service as a percentage of exports of goods and services.
e. Ratings cover foreign currency debt and refer to the fourth quarter of the year specified.
f. Data refer to an average for 1996 and 1997, per capita of the donor country.
g. Data refer to Belgium and Luxembourg.
h. Data refer to net official aid.
i. Data refer to 1996.
j. Data refer to net ODA receipts.

Source: Columns 1 and 2: calculated on the basis of data from UNCTAD 1999; *columns 3–6:* World Bank 1999b; *column 7:* OECD 1999a and 1999b; *columns 8 and 9:* calculated on the basis of data from OECD 1999a and 1999b, UN 1998h and World Bank 1999b; *columns 10-12:* World Bank 1999b; *column 13:* Standard & Poor's 1999.

A1.3 Information flows

HDI rank	International tourism departures		Main telephone lines		Televisions		Fax machines		Personal computers		Internet hosts
	Thousands	Index (1985 = 100)	Per 1,000 people	Index (1990 = 100) [a]	Per 1,000 people	Index (1990 = 100) [a]	Per 1,000 people	Index (1990 = 100) [a]	Per 1,000 people	Index (1990 = 100) [a]	per 1,000 people
	1996	1996	1996	1996	1996	1996	1996	1996	1996	1996	1998
High human development	433,035 T	284	502	132	595	123	44.6	395	204.5	254	34.50
1 Canada	18,973	144	602	118	709 [b]	124 [b]	26.7	267	243.6	270	53.50
2 Norway	3,085	517	555	114	569	140	..	..	284.5	..	71.80
3 United States	50,763 [b]	146 [b]	640	125	806 [b]	110 [b]	64.6 [b]	334 [b]	362.4	178	88.90
4 Japan	16,695	337	489	113	700	117	113.7	210	128.0	221	11.00
5 Belgium	5,645	85	465	121	464 [b]	106 [b]	18.7	271	167.3	194	16.00
6 Sweden	6,582	120	682	103	476 [b]	105 [b]	50.9	265	214.9	193	35.10
7 Australia	2,732	181	519	122	666	137	26.3 [b]	170 [b]	311.3	223	42.70
8 Netherlands	10,261 [b]	153 [b]	543	121	495 [b]	106 [b]	32.3 [b]	200 [b]	232.0	257	34.60
9 Iceland	190	198	576	119	447 [b]	148 [b]	..	..	205.4 [b]	550 [b]	78.70
10 United Kingdom	41,873 [b]	194 [b]	528	121	612 [b]	144 [b]	30.8 [b]	240 [b]	192.6	238	23.30
11 France	18,151	206	564	117	598 [b]	114 [b]	32.7 [b]	328 [b]	150.7	220	7.87
12 Switzerland	10,860	128	640	115	493	128	29.2	249	408.5	..	27.90
13 Finland	4,918	1,002	549	105	605	126	34.9	239	195.2	200	108.00
14 Germany	76,100	169	538	138	493	106	22.0	259	233.2	292	14.90
15 Denmark	4,955 [b]	155 [b]	618	112	533 [b]	102 [b]	47.6 [b]	250 [b]	304.1	271	17.90
16 Austria	12,683 [b]	255 [b]	469	117	496	110	35.4 [b]	335 [b]	148.9	251	18.40
17 Luxembourg	..	..	592	133	628	196	36.3	429	..	..	16.60
18 New Zealand	920 [b]	243 [b]	499	121	517	123	18.1 [b]	232 [b]	266.1	..	49.70
19 Italy	15,991 [b]	173 [b]	440	113	436 [b]	103 [b]	31.4 [b]	1,056 [b]	92.3	252	5.75
20 Ireland	2,000 [b]	..	395	141	469	161	..	..	170.4	161	12.80
21 Spain	12,644 [b]	222 [b]	392	122	509	129	17.8	485	94.2	336	6.26
22 Singapore	3,305	628	513	148	361	107	29.6	271	216.8	..	15.10
23 Israel	2,259 [b]	408 [b]	441	156	300 [b]	139 [b]	24.7 [b]	400 [b]	116.3	..	14.20
24 Hong Kong, China (SAR)	3,445	304	547	139	388	158	49.8	283	150.5	..	20.50
25 Brunei Darussalam	300	333	263	225	417	202	7.0 [b]	175 [b]	..	..	2.41
26 Cyprus	360 [b]	243 [b]	485	149	146	105	..	..	40.9 [b]	600 [b]	5.89
27 Greece	1,620 [b]	147 [b]	509	135	442 [b]	235 [b]	3.8	435	35.3	211	3.89
28 Portugal	2,358	1,275	375	157	367	201	5.0 [b]	476 [b]	67.4	261	4.74
29 Barbados	..	..	370	134	287 [b]	110 [b]	6.8 [b]	137 [b]	57.5 [b]	..	5.44
30 Korea, Rep. of	4,649	961	430	148	326	165	8.9 [b]	174 [b]	131.7	376	4.27
31 Bahamas	..	..	315	128	233 [b]	114 [b]	..	..	..	..	1.96
32 Malta	180	170	483	141	497	71	16.0	412	80.6 [b]	600 [b]	3.00
33 Slovenia	..	..	333	157	375 [b]	..	8.9	452	47.8 [b]	..	9.85
34 Chile	1,070 [b]	193 [b]	156	261	277	148	1.8 [b]	439 [b]	45.1	433	2.07
35 Kuwait	..	..	232	118	373 [b]	109 [b]	23.7	..	74.1	1,389	3.98
36 Czech Republic	48,614	..	273	174	406 [b]	..	7.7	1,746	67.9	..	6.73
37 Bahrain	..	..	241	154	429	124	10.6	226	66.8	..	0.62
38 Antigua and Barbuda	..	..	423	175	412 [b]	117 [b]	12.9	243	..	..	3.69
39 Argentina	3,550 [b]	203 [b]	174	198	345 [b]	148 [b]	1.7	400	34.1	..	1.75
40 Uruguay	..	..	209	161	305 [b]	81 [b]	3.5 [b]	..	22.0 [b]	..	5.02
41 Qatar	..	..	239	145	538	158	18.6	1,095	62.7	..	0.09
42 Slovakia	318	..	232	175	384	..	10.3	2,203	186.1	..	2.65
43 United Arab Emirates	..	..	308	186	282	386	18.8	289	66.7	..	6.07
44 Poland	44,713	1,070	169	198	418	144	1.4 [b]	944 [b]	36.2	560	2.57
45 Costa Rica	273 [b]	165 [b]	155	187	221	121	..	..	..	..	0.85
Medium human development	120,037 T	..	54	432	182	200	0.7	1,167	7.2	..	0.24
46 Trinidad and Tobago	261 [b]	97 [b]	168	133	318 [b]	107 [b]	1.6	116	19.2 [b]	..	3.13
47 Hungary	12,064	218	261	267	442 [b]	105 [b]	4.4 [b]	464 [b]	44.1	..	8.20
48 Venezuela	534 [b]	154 [b]	117	179	180 [b]	125 [b]	1.1 [b]	..	21.1	..	0.63
49 Panama	188	186	122	151	229 [b]	153 [b]	..	..	..	..	0.86
50 Mexico	9,001	330	95	165	193 [b]	143 [b]	2.4 [b]	367 [b]	29.0	..	0.92

A1.3 Information flows

HDI rank		International tourism departures		Main telephone lines		Televisions		Fax machines		Personal computers		Internet hosts
		Thousands	Index (1985 = 100)	Per 1,000 people	Index (1990 = 100) [a]	Per 1,000 people	Index (1990 = 100) [a]	Per 1,000 people	Index (1990 = 100) [a]	Per 1,000 people	Index (1990 = 100) [a]	per 1,000 people
		1996	1996	1996	1996	1996	1996	1996	1996	1996	1996	1998
51	Saint Kitts and Nevis	..	..	382	161	244 [b]	111 [b]	11.0	..	..	..	0.17
52	Grenada	..	..	243	159	..	..	2.7	180	..	..	0.14
53	Dominica	..	..	264	161	183	260	5.6	180	..	..	1.23
54	Estonia	217	..	299	137	449	122	8.8 [b]	..	6.7 [b]	..	13.20
55	Croatia	..	..	309	169	267	117	10.1	1,363	20.9	..	1.34
56	Malaysia	20,642 [b]	1,124 [b]	183	238	228	178	5.0 [b]	250 [b]	42.8	..	2.09
57	Colombia	1,073	164	118	192	185	192	3.6	402	23.3	..	0.52
58	Cuba	55	550	32	106	199	100	..	..	..	..	0.01
59	Mauritius	120	..	162	331	219 [b]	138 [b]	22.0	..	31.9 [b]	900 [b]	0.34
60	Belarus	703	..	208	135	292 [b]	109 [b]	0.9 [b]	..	..	..	0.07
61	Fiji	67	558	88	165	94	682	3.8 [b]	198 [b]	..	..	0.17
62	Lithuania	2,864	..	268	127	376	107	1.5	..	6.5 [b]	..	2.87
63	Bulgaria	3,006	564	313	122	361	136	1.8 [b]	..	29.8 [b]	..	0.81
64	Suriname	90 [b]	170 [b]	132	155	208	164	1.9	400	..	..	0.34
65	Libyan Arab Jamahiriya	185 [b]	..	68	173	143	178	..	..	..	..	(.)
66	Seychelles	31 [b]	344 [b]	196	171	191	290	8.5	235	..	..	0.60
67	Thailand	1,845	339	70	317	167	169	2.1	1,977	16.7	..	0.03
68	Romania	5,737 [b]	499 [b]	140	134	226	113	0.9 [b]	519 [b]	5.3 [b]	1,200 [b]	0.62
69	Lebanon	..	..	149	154	355	123	..	..	24.3	..	0.46
70	Samoa (Western)	..	..	50	201	45	121	..	..	..	..	..
71	Russian Federation	21,331 [b]	..	175	125	386	106	0.4	..	23.7	..	1.05
72	Ecuador	279	208	73	175	148 [b]	193 [b]	..	..	3.9 [b]	..	0.21
73	Macedonia, TFYR	..	..	170	129	170 [b]	..	1.2	..	..	..	0.21
74	Latvia	1,798	..	298	119	598	151	0.3 [b]	..	7.9 [b]	..	3.40
75	Saint Vincent and the Grenadines	..	..	171	148	234 [b]	173 [b]	13.3	..	..	..	0.03
76	Kazakhstan	..	..	116	144	275 [b]	97 [b]	0.2	..	..	..	0.14
77	Philippines	1,400 [b]	185 [b]	25	293	125	300	0.7 [b]	500 [b]	9.3	670	0.21
78	Saudi Arabia	..	..	106	162	263 [b]	118 [b]	8.4 [b]	556 [b]	37.2	184	0.01
79	Brazil	2,943	308	96	161	289	148	2.2	389	18.4	..	1.04
80	Peru	508 [b]	360 [b]	60	254	142	163	0.6 [b]	827 [b]	5.9 [b]	..	0.15
81	Saint Lucia	..	..	235	199	301 [b]	200 [b]	..	..	..	..	0.25
82	Jamaica	..	..	142	335	326	254	..	..	4.6	..	0.67
83	Belize	..	..	133	171	180	129	..	..	27.8 [b]	..	2.26
84	Paraguay	418	..	36	157	144 [b]	323 [b]	..	..	..	..	0.15
85	Georgia	..	..	105	105	474 [b]	232 [b]	..	..	..	..	0.26
86	Turkey	4,261	236	224	208	309	152	1.6	311	13.8	440	0.54
87	Armenia	..	..	154	103	217 [b]	109 [b]	..	..	..	..	0.16
88	Dominican Republic	175	..	83	195	84	113	0.3	..	..	..	0.63
89	Oman	..	..	86	189	591	118	2.5	419	10.9	833	0.30
90	Sri Lanka	494	207	14	210	82	250	..	..	3.3	2,000	0.04
91	Ukraine	..	..	181	131	341	103	(.)	..	5.6 [b]	..	0.43
92	Uzbekistan	..	..	67	109	190 [b]	118 [b]	..	..	..	..	0.01
93	Maldives	32	457	63	265	39	197	14.3 [b]	1,489 [b]	12.3 [b]	..	0.34
94	Jordan	1,141	141	60	136	..	..	7.3 [b]	..	7.2	..	0.10
95	Iran, Islamic Rep. of	1,000	102	95	265	164	276	..	..	32.7	..	(.)
96	Turkmenistan	..	..	74	154	163 [b]	105 [b]	..	..	..	..	0.07
97	Kyrgyzstan	42 [b]	..	75	109	..	..	..	..	..	..	0.04
98	China	5,061	..	45	802	252	172	0.2 [b]	688 [b]	3.0	..	0.02
99	Guyana	..	..	60	386	42 [b]	117 [b]	..	..	..	..	0.09
100	Albania	16	..	17	160	161	211	..	..	..	..	0.03

A1.3 Information flows

HDI rank	International tourism departures		Main telephone lines		Televisions		Fax machines		Personal computers		Internet hosts
	Thousands	Index (1985 = 100)	Per 1,000 people	Index (1990 = 100) [a]	Per 1,000 people	Index (1990 = 100) [a]	Per 1,000 people	Index (1990 = 100) [a]	Per 1,000 people	Index (1990 = 100) [a]	per 1,000 people
	1996	1996	1996	1996	1996	1996	1996	1996	1996	1996	1998
101 South Africa	2,775	544	100	128	123	141	2.4 [b]	..	37.7	..	3.82
102 Tunisia	1,778 [b]	247 [b]	64	193	156 [b]	215 [b]	3.1	1,120	6.7 [b]	286 [b]	0.01
103 Azerbaijan	..	..	85	104	212	114	..	..	..	..	0.04
104 Moldova, Rep. of	71 [b]	..	140	128	307	100	0.1	1,620	2.6	..	0.15
105 Indonesia	1,782 [b]	470 [b]	21	393	232	435	0.4 [b]	567 [b]	4.8	..	0.10
106 Cape Verde	..	..	64	306	45	1,800	2.5	..	..	..	(.)
107 El Salvador	348 [b]	93 [b]	56	260	250	305	..	..	..	..	0.02
108 Tajikistan	..	..	42	103	279	165	0.3	..	..	..	0.01
109 Algeria	1,810 [b]	63 [b]	44	161	68	115	0.2	388	3.4	400	(.)
110 Viet Nam	..	..	16	1,204	180	519	0.3	3,960	3.3	..	(.)
111 Syrian Arab Republic	2,485 [b]	390 [b]	82	242	91 [b]	176 [b]	1.4	..	1.4	..	(.)
112 Bolivia	258 [b]	..	43	178	202 [b]	200 [b]	..	..	..	..	0.09
113 Swaziland	..	..	22	151	96 [b]	600 [b]	1.3	352	..	..	0.47
114 Honduras	150 [b]	115 [b]	31	216	80 [b]	122 [b]	..	..	..	..	0.04
115 Namibia	..	..	54	161	29 [b]	150 [b]	..	..	12.7	..	0.39
116 Vanuatu	10 [b]	333 [b]	26	172	13	169	3.3 [b]	..	..	..	0.27
117 Guatemala	333	218	31	180	122 [b]	274 [b]	..	..	2.8 [b]	..	0.92
118 Solomon Islands	..	..	18	165	7 [b]	..	2.1 [b]	626 [b]	..	..	0.06
119 Mongolia	..	..	39	139	63	108	2.3	..	..	..	0.01
120 Egypt	2,812	167	50	189	126 [b]	130 [b]	..	..	5.8	..	0.05
121 Nicaragua	282	..	26	240	170 [b]	292 [b]	..	..	..	..	0.17
122 Botswana	460	767	48	274	27	201	2.3	416	6.7	..	0.41
123 São Tomé and Principe	..	..	20 [b]	114 [b]	165 [b]	..	1.3 [b]	..	..	..	..
124 Gabon	..	..	32	169	76 [b]	233 [b]	0.5	263	6.3	..	0.02
125 Iraq	200 [b]	125 [b]	33	100	78 [b]	123 [b]	..	..	..	..	..
126 Morocco	1,212	221	46	310	..	..	..	..	1.7 [b]	..	0.02
127 Lesotho	..	..	9 [b]	144 [b]	13 [b]	250 [b]	0.3 [b]	228 [b]	..	..	0.01
128 Myanmar	..	..	4	255	7	270	(.)	1,006	..	..	..
129 Papua New Guinea	51 [b]	..	11	156	4	183	..	..	..	..	0.01
130 Zimbabwe	256 [b]	111 [b]	15	141	29 [b]	107 [b]	0.4 [b]	276 [b]	6.7	4,000	0.07
131 Equatorial Guinea	..	..	9	282	98	1,333	0.2 [b]	..	..	..	..
132 India	3,056 [b]	154 [b]	15	287	64	222	0.1 [b]	1,400 [b]	1.5	..	0.01
133 Ghana	..	..	4	176	41 [b]	311 [b]	0.3 [b]	260 [b]	1.2 [b]	2,747 [b]	0.02
134 Cameroon	..	..	5	175	..	..	..	..	1.5 [b]	..	(.)
135 Congo	..	..	8	135	7	154	..	..	..	..	(.)
136 Kenya	295 [b]	..	8	149	19 [b]	141 [b]	0.1 [b]	190 [b]	1.6	625	0.04
137 Cambodia	31	..	1	161	9	132	0.0	..	..	..	0.01
138 Pakistan	..	..	18	282	24	156	1.2 [b]	6,913 [b]	1.2 [b]	1,033 [b]	0.02
139 Comoros	..	..	8	153	4	231	..	..	..	..	0.02
Low human development	..	..	4	144	36	538	0.2	..	..	..	(.)
140 Lao People's Dem. Rep.	..	..	6	380	10	162	..	..	1.1	..	(.)
141 Congo, Dem. Rep. of the	..	..	1	106	41 [b]	4,500 [b]	0.1 [b]	..	..	..	..
142 Sudan	..	..	4	160	80 [b]	124 [b]	0.3	..	0.7	..	(.)
143 Togo	..	..	6	229	14	273	3.8	4,776	..	..	0.02
144 Nepal	70 [b]	103 [b]	5	197	4	226	..	..	..	..	0.01
145 Bhutan	..	..	10	325	19	..	1.7	..	..	..	(.)
146 Nigeria	50 [b]	59 [b]	4 [b]	140 [b]	55 [b]	174 [b]	..	..	..	..	(.)
147 Madagascar	38	158	3	125	..	..	..	..	..	..	(.)
148 Yemen	..	..	13	164	278 [b]	135 [b]	0.2 [b]	358 [b]	..	..	(.)
149 Mauritania	..	..	4	174	82	664	1.7	1,343	5.3	..	0.01
150 Bangladesh	935	537	3	131	7	160	(.) [b]	..	..	..	(.)

A1.3 Information flows

HDI rank	International tourism departures: Thousands 1996	International tourism departures: Index (1985 = 100) 1996	Main telephone lines: Per 1,000 people 1996	Main telephone lines: Index (1990 = 100) [a] 1996	Televisions: Per 1,000 people 1996	Televisions: Index (1990 = 100) [a] 1996	Fax machines: Per 1,000 people 1996	Fax machines: Index (1990 = 100) [a] 1996	Personal computers: Per 1,000 people 1996	Personal computers: Index (1990 = 100) [a] 1996	Internet hosts per 1,000 people 1998
151 Zambia	..	..	9	120	80	264	0.1	141	..	..	0.03
152 Haiti	..	..	8 [b]	133 [b]	5 [b]	117 [b]	..	..	..	..	0.02
153 Senegal	..	..	11	214	38 [b]	121 [b]	..	..	7.2 [b]	333 [b]	0.04
154 Côte d'Ivoire	5	..	9	178	58	117	..	..	1.4	..	0.02
155 Benin	415 [b]	..	6	221	73 [b]	533 [b]	0.2	739	..	..	(.)
156 Tanzania, U. Rep. of	148	463	3	127	..	..	..	..	..	..	0.02
157 Djibouti	..	..	13	143	73	196	0.1	69	6.9 [b]	..	..
158 Uganda	..	..	2	172	26	292	0.1	430	0.5	..	0.01
159 Malawi	..	..	4	133	..	..	0.1	349	..	..	..
160 Angola	..	..	5	75	51 [b]	965 [b]	..	..	..	..	(.)
161 Guinea	..	..	2	143	8 [b]	133 [b]	0.1	125	0.3	..	(.)
162 Chad	11	42	1	149	2	150	0.0	243	..	..	..
163 Gambia	..	..	19	346	..	..	1.0	577	..	..	(.)
164 Rwanda	..	..	..	..	..	..	..	..	..	..	..
165 Central African Republic	..	..	3	194	5	131	0.1	..	..	..	..
166 Mali	..	..	2	191	11	150	..	..	0.3 [b]	..	(.)
167 Eritrea	..	..	5	..	7	..	0.3	..	..	..	..
168 Guinea-Bissau	..	..	7	133	..	..	0.5 [b]	..	..	..	(.)
169 Mozambique	..	..	3	126	3 [b]	150 [b]	..	..	0.8	..	(.)
170 Burundi	35	..	2	191	2	240	0.7	667	..	..	..
171 Burkina Faso	..	..	3	210	6	138	..	..	..	..	0.01
172 Ethiopia	133	..	3	119	4 [b]	217 [b]	(.)	663	..	..	(.)
173 Niger	10 [b]	29 [b]	2	166	..	..	(.) [b]	218 [b]	..	..	(.)
174 Sierra Leone	..	..	4	129	17	177	0.4	..	..	..	(.)

a. Data refer to change in total value.
b. Data refer to 1995.
Source: Columns 1 and 2: World Bank 1998c; *columns 3–10:* ITU 1997; *column 11:* Network Wizards 1998a.