

BIBLIOGRAPHY

- BALASSA, B. "Effects of Commercial Policy on International Trade, the Location of Production, and Factor Movements". The International Allocation of Economic Activity: proceedings of a Nobel Symposium held at Stockholm, edited by B. Ohlin (and others). London: Macmillan, 1977.
- BROWN, C.P. Primary Commodity Control. Kuala Lumpur: Oxford University Press, 1975.
- BRYCE, Murray D. Policies and Methods for Industrial Development. New York: McGraw-Hill Book Co. Inc., 1965.
- BUCHANAN, Norman S., and ELLIS, Howard S. Approaches to Economic Development. New York: The Twentieth Century Fund, 1955.
- DASGUPTA, Biplab; JOHNSON, Brian; and SINGER, Hans. Environment and Development: A Conceptual Overview. IDS, 1978.
- Development and Environment. Report and Working Papers of a Panel of Experts Convened by the Secretary-General of the United Nations Conference on the Human Environment, Founex, Switzerland, June 4-12 1971.
- FAO "Agriculture and Industrialisation", reprinted from The State of Food and Agriculture 1966. FAO, Rome 1966.
- FAO Working Paper. The Patterns and Trends of Trade in Processed Foods, Feedstuffs and Beverages during the 1960's. (ESCR: Misc. 73/1). FAO, Rome April 1973.
- FAO The State of Food and Agriculture. Rome, 1976.
- FOOD AND AGRICULTURE ORGANISATION. Industry Cooperative Programme. The Role of International Agro-Industry in a New International Economic Order (Summary Report of the I.C.P.). FAO/DDI G/76/32. Rome, 1976.
- FORTIN, Carlos. "The State, MNCs and Natural Resources in Latin America". IDS Bulletin. Politics, Class and Development Vol.9 No.1, July 1977.
- GIRVAN, N. Multinational Corporations and Dependent Underdevelopment in Mineral-Export Economies. Yale University, Center Paper No.182, 1972.
- HIRSCHMAN, A.O. The Strategy of Economic Development. New Haven: Yale University Press, 1958.
- HIRSCHMAN, Albert O. "A Generalised Linkage Approach to Development, with Special Reference to Staples". Essays on Economic Development and Cultural Change in Honor of Bert F. Hoselitz, edited by Manning Nash. Chicago: The University of Chicago Press, 1977.

- HUDDLESTEN, B. Commodity Trade Issues in International Negotiations. International Food Policy Research Institute, Occasional Paper No.1. Washington, 1977.
- INTERNATIONAL LABOUR OFFICE. Employment, incomes and equality: a strategy for increasing productive employment in Kenya. ILO, Geneva 1972.
- KAOUNIDES, Lakis C. "Bauxite in the process of industrialisation and economic development of Jamaica, Surinam, Guyana and Brazil 1950-1970's". Research Proposal. 1978.
- LEWIS, W. Arthur. The Evolution of the International Economic Order. Woodrow Wilson School, Princeton University, Discussion Paper No.74. March 1977.
- McHALE, John, and McHALE, Magda Cordell. Basic Human Needs: A Framework for Action. New Jersey: Transaction Books, 1978.
- MEIER, Gerald M. Leading Issues in Economic Development 3rd ed. New York: Oxford University Press, 1976.
- MIKDASHI, Zuhayr. The International Politics of Natural Resources. London: Cornell University Press, 1976.
- NAYYAR, D. "Transnational Corporations and Manufacturing Exports from Poor Countries". Economic Journal, March 1978.
- OECD, Report prepared for Director-General of the FAO, Processed Agricultural Products and Agricultural Adjustment. Paris, July 1973.
- OECD DEVELOPMENT CENTRE. Tropical Fruit Processing Industry by Henri Vandendriessche. Development Centre Studies. Paris, 1976.
- RADETZKI, M. "Where should Developing Countries' Minerals be processed? The country view versus the multinational company view". Institute for International Economic Studies, University of Stockholm Reprint Series No.76. (Reprinted from World Development Vol.5 No.4, 1977).
- RANGARAJAN, L.N. Commodity Conflict: the political economy of international commodity negotiations. London: Croom Helm Ltd., 1978.
- ROEMER, M. Resource-based Industrialization in the Developing Countries, A Survey of the Literature. Harvard Institute for International Development, Development Discussion Paper No.21.
- SARKAR, Goutam. Tea: Some Policy Issues. IDS Discussion Paper 124, Feb. 1978.
- SAUVANT, K.P. "The Poor Countries and the Rich - a Few Steps Forward". Dissent, New York, Winter 1978 issue.
- SCHIAVO-CAMPO, Salvatore, and SINGER, Hans W. Perspectives of Economic Development. Boston: Houghton Mifflin Co., 1970.

- SIMMONS, E.B. "The Small-Scale Rural Food-Processing Industry in Northern Nigeria". Food Research Institute Studies Vol. XIV No.2, 1975.
- SINGER, H.W. The Strategy of International Development: Essays in the Economics of Backwardness. Edited by Sir Alec Cairncross and Mohinder Puri. London: The Macmillan Press Ltd., 1975.
- SINGER, Hans. "Reflections on the Lima (25%) Target". Mimeographed. IDS, July 1976.
- SINGER, Hans, and ANSARI, Javed. Rich and Poor Countries. Studies in Economics: 12, edited by Charles Carter. London: George Allen and Unwin Ltd., 1977.
- THOBURN, John T. Primary Commodity Exports and Economic Development: theory, evidence and a study of Malaysia. London: John Wiley & Sons, 1977.
- UNITED NATIONS, General Assembly. Official Records: Sixth Special Session (Supplement No.1) [A/9559]. New York, May 1974.
- UNITED NATIONS, Statistical Papers. Indexes to the International Industrial Classification of All Economic Activities (ST/STAT/SER.M/4/Rev.1 Add.1). New York, 1959.
- UN Statistical Papers. Classification of Commodities by Industrial Origin: Links between the SITC and the ISIC (ST/STAT/SER.M/43/Rev.1). New York, 1971.
- UN Statistical Papers. Classification by Broad Economic Categories (ST/STA/SER.M/53). New York, 1971.
- UN Statistical Papers. Standard International Trade Classification Revision 2 (ST/STAT/SER.M/34 Rev.2). New York, 1975.
- UNITED NATIONS CENTRE ON TRANSNATIONAL CORPORATIONS. "Linkages" in The CTC Reporter Vol.1 No.3, Dec. 1977.
- UN CENTRE ON TRANSNATIONAL CORPORATIONS. Transnational Corporations and the Processing of Raw Materials: Impact on Developing Countries. New York, Feb. 1978.
- UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT. Report by the Secretary-General of UNCTAD, An Integrated Programme for Commodities: trade measures to expand processing of primary commodities in developing countries. (TD/B/C.1/166/Supp.5). Geneva, Dec. 1974.
- UNCTAD Report by the Secretary-General of UNCTAD, Issues Relating to Trade in Manufactures and Semi-Manufactures for consideration at the Fourth Session of the Conference (TD/B/C.2/153). Geneva, June 1975.
- UNCTAD Report by the UNCTAD Secretariat, An Integrated Programme for Commodities: Measures to expand processing of primary commodities in developing countries (TD/B/C.1/197). Geneva, Oct. 1975.

- UNCTAD Trade in Manufactures of developing countries and territories 1974 review (TD/B/C.2/161). New York, 1976.
- UNITED NATIONS DEVELOPMENT PROGRAMME: Global-1 - changing factors in world development. Development Issue Paper 6, "Industrialization and Dependence of the Developing Countries", prepared by Lucy L. Webster. New York, 1975.
- UNDP Global-1 - changing factors in world development. Development Issue Paper 9, "Tariff and Non-Tariff Barriers to Trade", prepared by R.N. MacVicar. New York, 1975.
- UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANISATION. Industrial Development Survey, Special issue for the Second General Conference of UNIDO (ID/CONF.3/2).
- UNIDO Note prepared by the Secretariat of UNIDO for the Second General Conference of UNIDO (Peru): Industrialisation of the Developing Countries: Basic Problems and Issues for Action (ID/CONF.3/5). Oct. 1974.
- UNIDO Note prepared by the Secretariat of UNIDO for the Second General Conference of UNIDO (Peru): Natural Resources of the Developing Countries and their relationship to problems of industrialization (ID/CONF.3/6). Nov. 1974.
- UNIDO Note prepared by the Secretariat of UNCTAD for the Second General Conference of UNIDO (Peru): The Role of UNCTAD in Expanding Exports of Manufactures and Semi-Manufactures from Developing Countries (ID/CONF.3/10). Nov. 1974.
- UNIDO Joint Paper by Secretariats of UNCTAD and UNIDO, prepared for Second General Conference of UNIDO (Peru): Industrialisation and Trade in the Process of Development (ID/CONF.3/19). Feb. 1975.
- UNIDO Report of the Secretary-General, The United Nations System: Industry and the New International Economic Order. Second General Conference (ID/CONF.3/21) Peru, March 1975.
- UNIDO Lima Declaration and Plan of Action on Industrial Development and Co-operation, Second General Conference, UNIDO/P1/38. Peru, March 1975.
- UNIDO Report of the Intergovernmental Export Group Meeting. Industrialisation of the Least Developed Countries (ID/WG.234/13). Vienna, Jan. 1977.
- UNIDO Note by Secretariat, The Redeployment of Industries from Developed to Developing Countries (ID/B/190). Vienna, April 1977.
- UNIDO Joint UNEP/UNIDO Seminar on The Implications of Technology Choice in the African Sugar Industry. Possibilities for the further processing of Sugar-Industry By-products, prepared by F. Duguid and R. Alpine (ID/WG.247/16). Nairobi, May 1977.
- UNIDO Expert Group Meeting on Industrialization in Relation to Integrated Rural Development. Basic Issues, Macro Policies and Components of a Programme of Development, prepared by P.K. Das (ID/WG.257/12). Vienna, Nov. 1977.

UNIDO A sectoral study prepared by the International Centre for Industrial Studies, Draft World-Wide Study on Agro-Industries: 1975-2000 (UNIDO/ICIS.65). Vienna, Dec. 1977.

UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANISATION. Industrial Board 12th Session (ID/B/182/Add.3). Vienna, Dec. 1977.

VERNON, Raymond. "The location of economic activity", in Economic Analysis and the Multinational Enterprise, edited by John H. Dunning. London: George Allen and Unwin Ltd., 1974.

WORLD BANK, Measuring Industrial Exports: A comparative statistical study of variations arising from differences of definition, prepared by V. Prakash (Staff Working Paper No. 255) 1976.

WORLD BANK, Some Effects of Commercial Policy on International Trade, the Location of Production, and Factor Movements, prepared by B. Balassa (Staff Working Paper No.236) 1976.

APPENDIX 1

PROCESSED RAW MATERIALS - APPROPRIATE SITC HEADINGS

SITC (Rev. 2) HEADING

A - FOODS, FEEDSTUFFS & BEVERAGES

- 011 - Meat (fresh, frozen)⁽¹⁾
- 012 - Meat (salted, dried, smoked)
- 013 - Meat (preserved)
- 022 - Milk & Cream (fresh, concentrate, sweetened, powdered - including yoghurt, sourmilk, skimmed milk etc.)⁽¹⁾
- 023 - Butter
- 024 - Cheese & Curd
- 025.2 - Eggs (not in shell)
- 035 - Fish (dried, salted, smoked)
- 036 - Crustaceans & Molluscs (fresh, frozen, salted)
- 037 - Fish & Crustaceans (preserved, prepared) n.e.s.
- 046 - Meal & flour of wheat & meslin
- 047 - Other cereal meals & flours
- 048 - Cereal preparations (including breakfast foods, malt & malt extract, pasta, bakery products)⁽²⁾
- 054.6 - Vegetables (frozen, preserved)
- 054.8 - Vegetable products (fresh, dried)
- 056 - Vegetables, roots & tubers (prepared, preserved)n.e.s.
- 058 - Fruit (preserved, prepared - including jams, fruit juices etc.)
- 061.2 - Refined sugars
- 061.9 - Other sugars (including syrups, artificial honey, caramel)
- 062 - Sugar confectionery⁽²⁾
- 071.2 - Coffee (extracts, essences, concentrates - includes chicory & other substitutes)
- 072.2 - Cocoa (powder)
- 072.3 - Cocoa (butter, paste)

- 073 - Chocolate⁽²⁾
- 081 - Animal feeds (includes bran, oil cakes, other food wastes & by-products - excluding 081.1)
- 091 - Margarine & shortening
- 098 - Food preparations, n.e.s. (includes sauces, tea concentrates, vinegar etc.)⁽²⁾
- 111 - Non-alcoholic beverages, n.e.s.
- 112 - Alcoholic beverages
- 223.9 - Flour & meals of oilseeds & oleaginous fruit
- 411 - Animal oils & fats
- 423 - Fixed vegetable oils, soft
- 424 - Other fixed vegetable oils
- 43 - Animal & vegetable oils & fats (processed) - excluding 431.4

B - NON-FOOD PRODUCTS

- 122 - Tobacco (processed)
- 431.4 - Waxes of animal & vegetable origin
- 611 - Leather
- 613 - Furskins(tanned, dressed)
- 621 - Rubber materials (pastes, plates, sheets etc.)
- 248 - Wood (simply worked - including railway sleepers)
- 634 - Veneers, plywood, reconstituted wood (worked) n.e.s.
- 244.02 - Cork, natural (blocks, plates, sheets, strips)
- 641 - Paper & paperboard
- 651 - Textile yarn (including jute & other vegetable textile fibres)
- 652 - Woven cotton fabrics
- 654 - Other textile fabrics (excluding man-made fibres)
- 291.1 - Bone, horn, ivory, tortoise-shell, coral (simply worked)

C - NON-AGRICULTURAL PRODUCTS⁽³⁾

- 67 - Iron & steel (bars, plates, hoops, wire, pipes etc., - excluding 671 & 672)

- 681.14 - Silver (bars, rods, sheets, wire etc.)
- 681.25 - Platinum (" ")
- 682.2 - Copper & copper alloys (worked)
- 683.2 - Nickel & nickel alloys (worked)
- 684.2 - Aluminium & aluminium alloys (worked)
- 685.2 - Lead & lead alloys (worked)
- 686.3 - Zinc & zinc alloys (worked)
- 687.2 - Tin & tin alloys (worked)
- 691 - Iron, steel & aluminium structures, n.e.s. ⁽⁴⁾
- 692 - Metal containers for storage & transport ⁽⁴⁾
- 693 - Wire products ⁽⁴⁾

NOTES

- (1) SITC does not provide a separate category for 'fresh', although some commodities better classified as unprocessed.
- (2) These commodities might arguably be better classified as manufactures.
- (3) Excludes fuel minerals and other non-metallic minerals.
- (4) Recommended for inclusion as processed in UNCTAD, An Integrated Programme for Commodities, (TD/B/C.1/197)

ENVIRONMENT AND PROCESSING INDUSTRIES

It has been suggested that LDCs "... should explore the possibilities of increased specialisation in certain industrial fields, both for home market production and export purposes, which are going to become more costly for the developed world because of their growing concern with environmental standards. Such efforts should not, however, lead to an indiscriminate export of pollution by developed countries or to a discarding of environmental standards adopted by the developing countries."⁽¹⁾

Whilst this line of argument is frequently being taken, the whole question bristles with controversy: Positions range from those "who argue vigorously that there should be no export of pollutive industries"⁽²⁾ to those who see the increasing rigorous pollution standards in industrialised nations as providing a unique opportunity for a redistribution of global industrial capacity, which should be willingly undertaken.

Indeed it is the case that anti-pollution measures in developed countries might well provide a stimulus to increasing processing of raw materials in LDCs. This is especially likely with metal extracting and processing industries, and the paper and pulp industries which are highly polluting; similarly with the petro-chemical industries. Developed countries anxious to ensure supplies and avoid polluting effects, are increasingly likely to invest in processing industries located in LDCs. Japan, for example, has invested in oil-refining plants in the Middle East, Indonesia and elsewhere.⁽³⁾

Whilst there is some evidence that the costs involved in meeting environmental standards may be less for LDCs⁽⁴⁾ - e.g. cheaper to incorporate controls in new plants than to adapt old - the magnitude is still substantial. It has been estimated that compliance with both adopted and pending environmental standards would mean a 5-10% rise in production costs.⁽⁵⁾ Costs vary according to the production stage; compliance with regulations in the transformation stage of copper into blister copper where sulphur emissions are especially high, would mean nearly a doubling of smelting costs.⁽⁶⁾

It is suggested that LDCs have an advantage whereby, in many instances, they have not reached the threshold after which pollution has rapidly increasing serious effects. However, arguably, "... smaller amounts of pollution have greater impact on the peoples of developing countries, where streams are used as principal sources of water supply and

(1) Development and Environment, Report of the Panel (Founex, Switzerland, June 4-12 1971), pp.41-42.

(2) Ibid., pp.35-36.

(3) UNIDO, Industrial Development Survey, p.148.

(4) UNCTAD, "The Implications of Environmental Measures for International Trade and Development", in Development and Environment, p.196.

(5) UNCTAD, "The Implications of Environmental Measures for International Trade and Development", in Development and Environment, p.190.

(6) UNIDO, Industrial Development Survey, p.149.

where the mobility to escape from pockets of air pollution is less."⁽⁷⁾ Furthermore, one likely long-run effect of more stringent environmental measures is the development of new, less-polluting technologies with perhaps significant quality advantages. Therefore LDCs must assess carefully the costs and benefits of investment in capacities which might soon be rendered obsolete or inadequate.

A further impact that environmental measures have on world trade is the application of various health controls, standards, import regulations and other NTBs (non-tariff barriers). For these are primarily on processed food imports (carrying DDT traces, etc.), and whilst not directly restricting trade practices they have the same effect.

Furthermore, developed countries are demanding import restrictions against LDC products where they do not take account of environmental regulations. This argument of 'sweated environment' in order to protect domestic industries is similar to 'sweated labour' : "... equally fallacious but even harder to beat".⁽⁸⁾

A number of policies proposed to deal with both increased costs and more stringent import regulations have been suggested and demands made that "... action should be taken to cushion their [import-restricting] disruptive effect through a system of prior consultations and warnings by developed countries of contemplated environmental actions."⁽⁹⁾ Further, where appropriate, aid should be channelled to LDCs to adapt their processing industries so affected. One suggestion is the setting up of a 'Special Fund' to cover increases in costs of development programmes due to higher environmental standards.

The Founex Report⁽¹⁰⁾ concludes that as long as certain safeguards are provided - i.e. that foreign investment adds to the net transfer of resources to LDCs, is on favourable terms and conditions, and conforms to LDCs' own environmental standards - there is no reason why LDCs should not therefore specialise accordingly.

Ultimately priorities regarding the relationship between development and environment must be established by LDCs on their own terms, with a consequent enumeration of the possible costs and benefits. In other words, this "... is a policy decision to be taken by each country with due regard to the concrete situation in the country and its strategy of development."⁽¹¹⁾

(7) United Nations Conference on the Human Environment (UNCHE), "Environmental Costs and Priorities: A Study at Different Locations and Stages of Development", in Development and Environment, p.155.

(8) Development and Environment, Report of the Panel, p.30.

(9) UNCTAD, "The Implications of Environmental Measures", in Development and Environment, p.191.

(10) Development and Environment (Founex, Switzerland, June 4-12 1971).

(11) UNCTAD, "The Implications of Environmental Measures", in Development and Environment, p.198.