

Korean Experiences In International Trade: Some Ideas For Nepal's Economic Growth

Govinda P. Koirala *

Introduction

The objective of this paper is to analyse the Korean and Nepal & international trade activities since last two decades in the context of their efforts towards economic development. Some useful lesson of Korean experience on economic development are also pointed out in the context of Nepalese steps toward economic development.

Korea as a model for developing countries:

The Japanese people who carried the burden of their economic growth believed fully that whatever the Europeans or Americans did they could also do. Japan was embarking upon an effort to catch up with the developed nations when her per capita GNP was barely 1/14 that of the United States in the year 1950, while after two decades (in 1972) per capita GNP reached more than \$ 2,700 just half that of the United States¹.

Korea caught almost the same road as Japan did. During fifties Korea was an extremely poor country in every sense of the term. It was overpopulated, productivity was low, subsistence living standard prevailed, natural resources were meager, the economy was primarily agricultural and illiteracy was still high. In 1960 Korea had per capita GNP of \$ 81. /2

* Mr. Koirala is a lecturer of Statistics, Kirtipur Campus, Tribhuvan University, Kirtipur.

1. Shimomura Osamu: "Prospects of Korean economy in relation to Japanese experience", Conference Report on Korean Futures; Asiatic Research Center, Korea University, Nov (14-17), 1973. p. 64.

2. See table 1.

By the late sixties and onto the seventies Korea had emerged as perhaps the most successful of all developing countries in transforming and modernizing its economy in 1979 the per capita GNP of Korea is estimated to \$ 1550 /3.

Korea is now industrialized developed country. By late 1980's it may well be a modest exporter of capital, will have become a serious middle-sized economic power and some time in the 1990's should enter the ranks of the developed countries. /4 If the deepening and the expansion of the Korean economy continues, even at a rate rather below what circumstances would now seem to warrant Korea will be the first country in the so called Third World to have achieved broad, accelerated, self sustained economic modernization.

However the pivotal questions are how to raise productivity and how rapidly the Korean economy could introduce innovations. The introduction of an already developed technology is always hard. If that were not the case there would be no gap between the developed and the developing countries. In fact, however, the gap is a serious international problem.

Economic Bases: Nepal and Korea.

When someone tries to compare the Korean and Nepalese economy just two decades ago, he may feel that Korea was not very much in better position than Nepal. Korea was largely affected by external and internal wars by being colony of other countries.

Though Nepal never became a colony of any other country in its history, Nepal was largely affected by the autocratic rules of the Rana family. Nepal could never be exposed to the outside world—illiteracy and poverty were always shadowed by the then ruler class. Following this period of isolation, the country adopted an open foreign policy in 1951. As a result, the government structure was reorganized, social and land reforms were introduced, and economic development plans were initiated. The first economic plan was introduced for the period 1956–1961 emphasizing education and health along with economic growth.

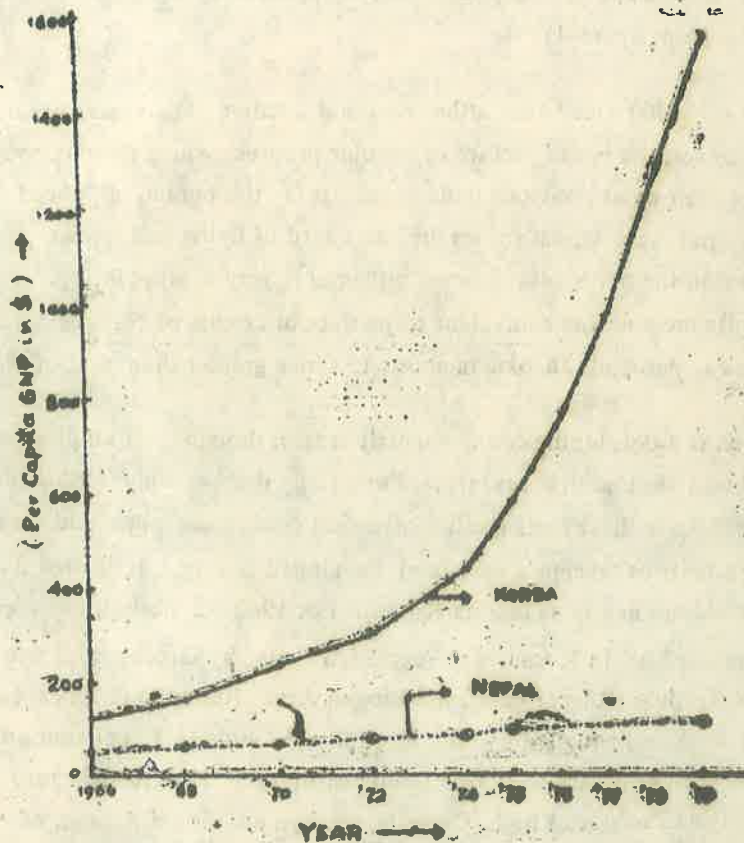
The ancient Tributary and recent colonial status of Korea ended with the establishment of the first Republic under President Syngman Rhee in 1948. Substantial progress was made

3. See table 1.

4. L. L Wade & B. B. Kim: Economic Development of South Korea, Praeger Publishers, New York 1978. p: 247.

in the immediate post-Liberation years only to be largely destroyed during the Korean war of 1950-53. Some efforts towards economic planning was found to begin as early as the Korean war itself. The first plan, however, was introduced for the period 1954-58 and had the objectives of achieving economic self sufficiency through increases in production in the primary sectors of agriculture, fishing and mining and by import substitution policies.. Although production in these areas did increase to some degree, the plan failed, because it was fundamentally flawed in conception, because Korean comparative advantage consists in manufacturing, not in primary commodities 5.

FIGURE-1. Per capita GNP in Nepal & Korea



In the last month of Rhee administration the government's own economic development council put forward a seven year plan to be pursued in two phases, 1960-62 and 1963-67.

which was aborted by the 1960 revolution. The Chang government initiated a five year plan in early 1961 which again was stymied by the political events and the subsequent rejection of the plan by the military regime.

However, from the introduction of just five year plan, 1962-66 promulgated by the park government, three five years plans are already completed without interruption and the fourth plan is under way at the ending phase.

Compared to two decades ago, the Korean situation of to-day has improved immeasurably, although major economic, political and administrative problems remain.

The increase in per capita GNP in Korea and in Nepal can be clearly seen from table 1. (also from figure-1).

It is said that GNP and other national income aggregates are imperfect measures of welfare, however, the broad picture of secular progress which they convey remains after corrections of their most obvious deficiencies. It is the bundle of goods and services that the money can purchase which shows the standard of living and welfare in a country. But still improvement in the per capita income in Nepal is very disappointing. Two decades ago Korean per capita income was equivalent to just about double of Nepal's per capita income while today Korea's per capita income is about 15 times greater than that of Nepal.

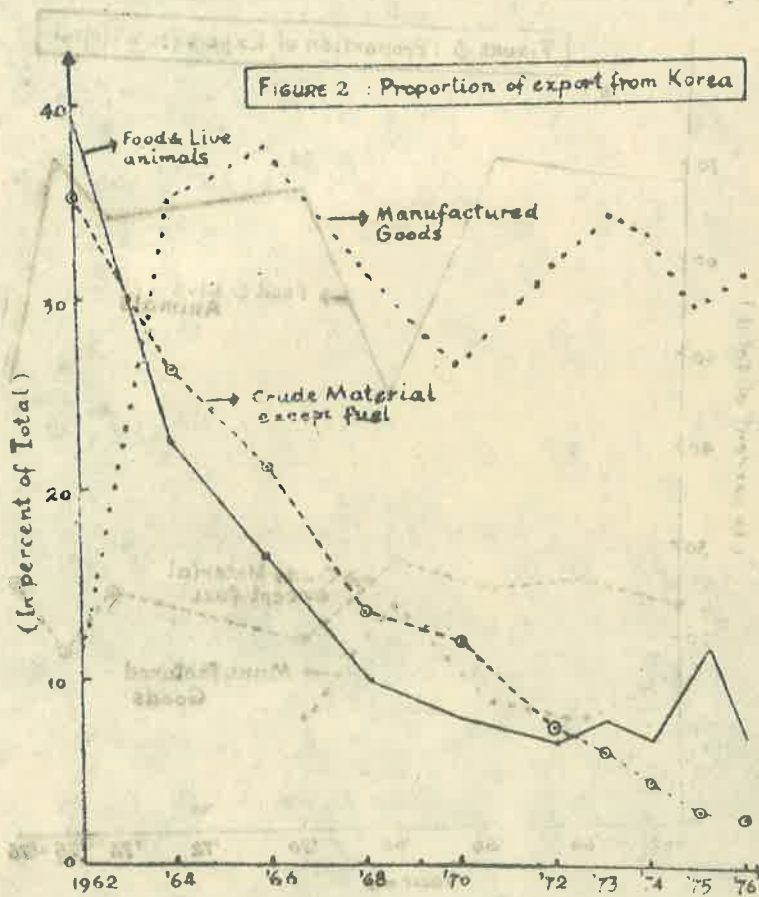
Korea is a developing country, small in size, though not landlocked. It is by no means richly endowed with natural resources. For energy there is only anthracite of low quality. No petroleum. Despite these facts the improvement could take place and very rapidly. No other developing countries (except a very few) developed that fast as Korea did (Tiwán and Singapore also developed nearly as fast as Korea). For 1960-72 period, the average rate of increase in per capita income in Korea was exceeded only by Greece (7.2 per cent), Japan (9.4 per cent), Singapore (7.1 per cent), the Libyan Arab Republic (1.2 per cent) and Saudi Arabia (7.2 per cent) and equalled by the Republic of China (6.8 per cent among the 124 nations of the world with populations of one million or more.⁶ Hon Kong's rate of per capita growth (6.1 per cent) was nearly as high. Growth in Libya and Saudi Arabia, of course, stemmed less from development as commonly understood than from their strategic positions as petroleum exporters. Thus, "it is an intriguing and perhaps important fact that, with the exception of

6. Ibid: 44.

Greece, the Sino-cultures of Korea, Japan, the Republic of China, Hon Kong and Singapore have led the entire world in recent years in broadly based rates of economic growth 7."

The Korean economy started out from chaos, therefore, its foundations have many weaknesses, that the economy does not rest on a well balanced stable basis. "It may seem to have many failings, not only of economic potential, scientific level, and the level of the people's adaptation to modern industry but also of overall balance. However, it would be a mistake to overestimate these weaknesses 8."

Korean Performance on Trade:



7. Ibid. p. 44.

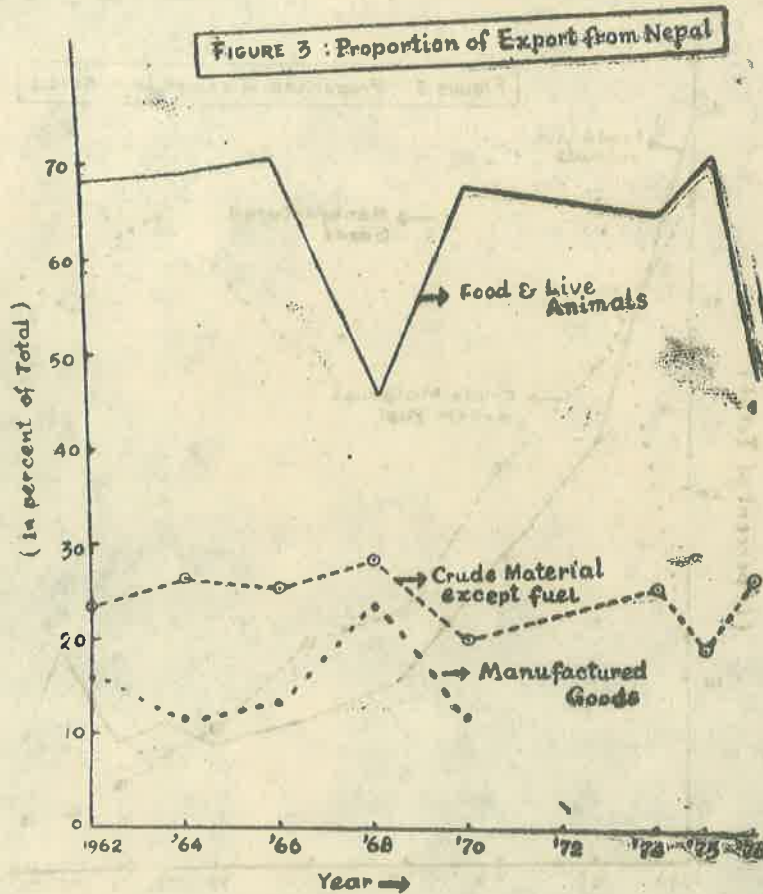
8. Shimomura Osamu: "Prospects of the Korean Economy in relation to the Japanese Experience," *Report on Korean Futures*; Asiatic Research Center, Korea University, Nov (14-17), 1973. p. 65.

In 1961 the share of export in national income of Korea was only about 2 % of GNP while it was about 26 % and in 1978 it was 27 % (GNP in 1961 was 2,124 million dollars and the export was 43.8 million dollars. In 1973 GNP rose to 12,374 millions and export to 3,225 millions of dollars,⁹ While in 1978, GNP reached to \$ 47,350.4 million and export to 12,710.6 million dollars¹⁰.

What is the secret for such a fast growth in Korea ?

Table-2 tells us a brief story of the export and import trend in the Korean economy.

Given the dominant position of manufacturing for export in the economy, it is natural



9. Korea Development Institute: Korea's Economy; 1975. (GNP in , p. 44 dollars and Export in p. 352) dollars

10. Quarterly Economic Review of Japan, South Korea; Annual Supplement 1979, The Economist Intelligence Unit Ltd. London

to expect, even in the long term, that international demand for Korean exports will be fundamental in determining the feasibility of continuing high growth. The continual decline in raw material export in proportion to the total export and the continual increase in machinery and transport equipments export in the proportion of the total export shows the clear direction of modernization of Korea. (See fig-2). While the proportion of export of food to the total has declined rapidly during the sixties from about 40 % in 1962 and has remained around 7¹/₂ % during seventies. The proportion of manufactured goods has jumped from about 11 % in 1962 to 38 % in 1966 and afterwards slightly declined to remain more or less of 30 % of the total export during late sixties and seventies.

Turning to the import side, however, there is not any steady growth or decline in any sector. But the fundamental factors for the growth of industries, machinery and transportation equipments, has increased in total value terms (from 69.8 million dollars to 2,386.5 million dollars) as well as proportion of total imports (from about 17 % to 27 % during 1962 to 1976, however, it reached to about 36 % in 1968). Import of raw materials has been increased in value terms, but in proportion to the total imports, it remained almost constant. It is interesting to note that the import of beverage and tobacco is increasing not only in value terms but also in relative terms. "It is observed that personal household expenditure show a trend toward greater consumption of more luxuries and amenities (tobacco, beverages, household furnishing, personal and health care, recreations and entertainment) and less on necessities (household operation, rent and water charges). The relative reduction on food expenditures indicates that basic food needs are now being met in average households, a vast improvement in a once chronic social problem 11."

Nepal's Performance on Trade:

Turning back to the export-import situation in Nepal during the same period one can clearly find what was lacking there if closely analysed. Table-3 summarizes the situation of trade prevailing in Nepal during 1961 to 1976.

There is no any smooth trend in any sector of export or import that can be observed clearly. (See Fig-2). Food item is the most significant the export side which constitutes about

60 % (roughly) of the total export and remained almost constant throughout the period. Next to food items other crude materials are being exported significantly. There is no exact trend of export in this country indicating its direction.

On the import side manufacturing goods constitute the significant item (about 40 % of total import). Though in terms of value, for almost every item, export and import both are increasing (which is not unusual), while considering the increase in international market price one cannot find any significant change. Obviously, thus, Nepal is almost at the same level as it was two decades ago. In 1964 total export was 440.6 million of rupees which is about 8 % of GNP while in 1974 it was 889.6 million of rupees which is about 6 % of GNP. At the same time total import was 14 % and 12 % of GNP respectively.

However, it is also true that by itself the share of foreign trade in national income does not indicate the degree of economic development of a particular country.

Trade diversification.

When exports involve primary products, the familiar problems of market instability and limited demand often ensue. There are two important reasons for the efforts among many developing countries to diversify their exports. Diversification in most circumstances is possible only by adding value by manufacturing finished or more highly finished products.

In Korea, the leading edge of the extraordinary expansion was the manufactured export. "In 1965 commodity exports were \$ 175 million of which \$ 144 million consisted of manufactured goods. By 1976 exports had risen to nearly \$ 8 billion having grown at an average rate of nearly 40 % a year in current prices and 32 % a year in constant prices. As a proportion of GNP, exports of goods and services rose in current prices from 8.5 % in 1965 to 16 % in 1970 and 36 % in 1976."¹²

Diversification of exports must turn on the expansion of manufacturers. In this area of performance as well, Korean experience fits the model of how economic development might often best proceed. A 1969 comparison of the value of manufactured exports as a percentage

12. A world Bank Country Report: Korea, policy issues for long term development, 1979, pp 16-17.

of total exports made for twenty-five LDCs revealed that Korea, with 77.1 per cent of its exports consisting of manufactured goods, ranked first, far away the highest proportion for any country. ¹³ The 1973 UN study of industrialization and development examined concentration in exports for some 35 LDCs.

It may first be noted again that Korea had the highest proportion of manufactured products in its total export of all countries surveyed. The number of Korean manufactured exports in 1969 numbered 71, a product exceeded only by Mexico (81) and approached by Brazil (68) ¹⁴.

Much commodity diversification took place in the 1967-73 period, particularly after 1970. ¹⁵ The experience in the US and Japanese markets illustrates the trends, (See table-4); Korea made determined attempts to diversify out of the US and Japanese markets, particularly after 1973. The decline of the share of the United States and Japan was accompanied by significant export thrusts in Europe and the Middle East Europe's share of Korean exports expanded from about 9 percent in 1972 to 18 percent in 1975 ¹⁶.

In case of Nepal, because it is landlocked with virtually open boarder with India, she finds it difficult to diversify her external trade. At present more than 60 percent of Nepal's trade is with India (1976/77 export was 67 % and import 67 % while in 1977/78 export was 47 % and import 63 %).¹⁷ Exports consist mostly of agricultural foods (mainly rice) to India and imports consist of manufactures, consumer goods (mainly textiles and industrial materials such as cement iron and steel. Despite the slow process of diversification of trade achieved so far, trade, not only between Nepal and India but also between Nepal and other countries is increasing annually both in volume and value (table-5).

The modern industrial sector in Nepal is tiny. According to 1972-73 census of manufacturing establishments, there were 2,400 manufacturing establishments, employing 50,000 workers, ¹⁸ The average employment per establishment was about 20 workers. The majority,

13. L. L. Ward & B. S. Kim; op. cit p. 121.

14. Ibid. pp. 122-24.

15. A World Bank Economic Report: Korea, policy issues for long term development, 1979. p. 437.

16. Ibid. p. 437.

17. Calculated from Quarterly Economic Review of India, Nepal; 1979 The Economist Intelligence Unit Ltd. London.

18 Central Bureau of Statistics: Census of the manufacturing establishments, Nepal.

however, were considerably smaller than this. 80 % of them employed less than 10 workers. Only 65 of these establishments employed 100 or more workers. Most of them were highly labor intensive and the productivity was low with the over all value added per worker at US \$ 560. ¹⁹ The modern sector consists mainly of export oriented industries and it is estimated that 48 % of the industrial production is being exported, mainly to India ²⁰.

The term modern industrial sector in Nepal only denotes an extension of agriculture. Rice and oil mills account for 76 % of the total number of establishments and 50 % of the value added. ²¹ The main items constitute food products (paddy, wheat and maize) followed by cash crops (jute, oil seeds). However, the exports of these agricultural products as percentage of total production was 3.4 in 1965/66 which went up to 5.03 percent in 1966/67 and 7.5 percent in 1969/70 ²².

Some trade barriers of Nepal

Many of Nepal's problems can be traced to its exceptionally unfavourable geographical position and topographical constraints, which demand unusual efforts whether they be in agricultural expansion or intensification, industrial development or in the development of a transportation and communication net work. Nearly 2/3 of the total 14 million people live in Hills where the villages are linked only by footpaths. However, the Kathmandu Valley as well as other smaller valleys, and towns in Terai (plains) are linked by motorable roads along with limited air transport.

Economic theories of international trade tell us that a country must concentrate more on the production of such goods and services for which it has abundant natural resources. By exploiting such natural endowments to the optimal extent, the country will reap the benefits of comparative cost in relation to other goods and services. By maximizing the use of such abundant lowcost goods and services in the domestic market as well as abroad the development process in other directions gets encouraged. It is in this background government of Nepal has visualized strengthening national economy through appropriate utilization

¹⁹ P. S. Bhooshan; The development experience of Nepal; Concept publishing company, New Delhi, 1979. p. 31-

²⁰ Ibid. p. 34.

²¹ Ibid p. 34.

²² Y. P. Pant: Planning experiences in Nepal; Sahayogi Prakashan, Kathmandu, 1975.

of Nature's gift. Although hydro-power potentiality of Nepal is 83,000 MW, at present electricity constitutes less than 10 % of total energy consumption .²³ In fact, the hydro-electric potential of Nepal is what oil is to the middle-east countries. However, hydro-power plant requires huge amount of capital investment in the begining. This is the major tradeoff between today and tomorrow. If Nepal does not invest now (by any means: opening to foreign investors, or using foreign aid or loan, or using its own resources curtailing some of the today's goods and services) there is little hope for tomorrow. Nepal is poorly endowed in any other natural resources. With the view of mobilizing the existing natural resources, government has planned to install small sized micro-hydroelectric plants in rural areas throughout the country through peoples participation in order to meet the power requirements of the small industries.²⁴ However, development of large scale hydroelectric projects to meet the long-term energy needs for the country and for the large scale industries, Nepal has to rely on foreign investment.

One possible way may be to open to the foreign entrepreneurs to invest in the large scale industries that requres large amount of energy, so that the investment can be justified and attract foreign investment. Though looking at the trend of energy crisis and erratic behavior of oil price and its supply in the world, some of the foreign entrepreneurs and multinational corporations may think this kind of alternatives; the cost of transportation and communication may zeopardise their interest. However, government can think of the use of hydro-electricity in transportation rather than imported oil.

CONCLUSION;

Since the Korean case demonstrates that rapid economic development is possible it would seem worth while for developmentalists to examine the Korean case in considerably greater depth, as well as few other third world countries that are now well on their way economic advancement. Nepal also can learn very well from the success of these countries. A greater scholarly attention to the successful examples in the developing would be a commendable development in itself. If the ingredients of success were known and understood more precisely, not only the Nepalese policy-makers but also the policy-makers around the world

23. Ministry of finance; Economic Survey; Fiscal year 1979-80 HMG/Nepal. 1980.

24. National Planning Commission; Basic Principle of the sixth Plan (1980-85) HMG/Nepal. 1979.

could conduct their activities with both greater conviction and effect.

Of course, there is no way to guarantee that every effort made by the countries which were successful in implimentation and had worthy results will be suitable to any other country. Due to the variety of dissimilarities and their own nature of problems and constraints, the follower countries cannot follow exactly the same path. They have to build the road themselves in their own boundry; but the knowledge of engineering to borrow is always helpful.

Table 1

Per capita GNP in Nepal and Korea

Year	In US \$	
	Korea	Nepal
1960	81	na
1962	87	na
1964	102	46
1966	126	51
1968	168	61
1970	242	67
1972	304	79
1974	436	89
1975	574	98
1976	765	na
1977	965	na
1978	1279	na
1979	1550	110

Source: For Korea

1. Korea development institute; *Korean's Economy past and present*, Seoul, 1975.
2. Quarterly Economic Review; *The economist Intelligence Unit Ltd. London. (Various issues)*
3. Statistics on the Korean Economy; *Economic Planning Board, 1979.*

For Nepal

1. B. S. Bhooshan: The development experience of Nepal; *Concept publishing Company, New Delhi, 1979.*
2. Quarterly economic Review of India, Nepal; *The Economist Intelligence Unit Ltd. London. (Various issues)*

Table-2

Year	Export from Korea							Total
	Food & Beverage Live animals & Tobacco	Crude Material Except Fuel	Chemicals	Mfgd. Goods	Machinery & Transport Equipment	Others		
1962	21.8	0.1	19.4	1.0	6.2	1.4	4.9	54.8
1964	26.4	0.3	31.4	0.6	42.1	2.2	16.1	119.4
1966	28.2	0.9	37.0	0.4	66.4	5.5	36.6	175.1
1968	44.5	8.6	61.5	3.1	143.6	24.5	169.6	455.4
1970	65.6	14.2	100.0	11.4	220.9	61.5	361.6	835.2
1972	107.0	14.0	119.2	36.1	541.2	171.6	662.0	1624.1
1973	245.6	22.9	196.1	48.5	1102.9	395.9	1213.1	3225.0
1974	299.7	47.5	198.4	91.8	1475.5	672.3	1675.2	4460.4
1975	602.3	67.6	150.5	74.8	1484.6	702.1	1999.1	5081.0
1976	508.3	78.3	195.8	119.5	2336.4	1280.4	3196.4	7715.1

Source: A World Bank Country Report: Korea, policy issues for long-term development. 1979.

Table-2

Export from Korea

(B). (in per cent)

Year	Food & Live Animals	Beverage & Tobacco	Crude Material Except Fuel	Chemicals & Fuels Lubricants	Mfgd. Goods	Machinery & Transport Equipment	Others	Total
1962	39.78	00.18	35.40	01.82	11.31	02.55	08.94	100.00
1964	22.17	00.25	26.36	00.50	35.35	01.85	13.51	100.00
1966	16.10	00.51	21.13	00.23	37.92	03.14	20.90	100.00
1968	09.77	01.89	13.50	00.68	31.53	05.38	37.24	100.00
1970	07.85	01.70	11.97	01.36	26.45	07.36	43.30	100.00
1972	06.59	00.86	07.33	02.22	31.66	10.56	40.76	100.00
1973	07.61	00.71	06.08	01.50	34.20	12.28	37.62	100.00
1974	06.72	01.06	04.45	02.06	33.08	15.07	37.56	100.00
1975	11.85	01.33	02.96	01.47	29.22	13.82	39.34	100.00
1976	06.59	01.01	02.54	01.55	30.80	16.60	41.03	100.00

Source: Table-2. (A)

Table 2

Imports of Korea

(C). (In mn \$)

Year	Food & Live Animals	Beverage & Tobacco	Crude Material Except Fuel	Mineral Fuels & Lubricants	Chemicals	Mfgd. Goods	Machinery & Transport Equipment	Others	Total
1962	48.6	0.1	89.7	30.6	94.3	73.1	69.8		421.8
1964	68.2	0.1	97.1	28.5	84.3	46.1	68.5		404.4

1966	72.4	0.3	153.9	42.4	134.5	125.2	171.7	716.4
1968	167.5	1.4	267.1	75.5	128.5	242.2	533.0	1462.9
1970	319.4	1.6	404.5	136.0	163.8	305.9	589.5	1984.0
1972	357.5	7.9	454.5	218.9	223.5	396.1	761.8	2522.0
1973	569.6	6.3	910.5	312.5	343.9	772.9	1156.8	4240.3
1974	818.2	10.7	1249.9	1054.5	630.9	1000.2	1848.6	6851.8
1975	946.6	12.8	1118.1	1387.1	790.4	865.5	1909.2	7274.4
1976	627.1	30.4	1564.8	1747.4	865.7	1146.1	2386.5	8773.6

Source: A World Bank Country Report: Korea, policy issues for long-term development, 1979

Table-2

Imports of Korea

(D). (In per cent)

Year	Food & Beverage Live & Animals Tobacco	Crude Material Except Fuel	Mineral Fuels & Lubricants	Chemicals	Mfgd. Goods	Machinery & Transport Equipment	Others	Total
1962	11.52	0.02	21.27	7.25	22.36	17.33	16.55	100.00
1964	16.86	0.01	24.01	7.05	20.85	11.40	17.19	100.00
1966	10.11	0.04	21.48	5.92	18.77	17.48	23.97	100.00
1968	11.45	0.10	18.26	5.16	8.78	16.56	36.43	100.00
1970	16.10	0.08	20.39	6.85	8.26	15.42	29.71	100.00
1972	14.18	0.31	18.02	8.68	8.86	15.74	30.21	100.00
1973	13.43	0.15	21.47	7.37	8.11	18.23	27.28	100.00
1974	11.94	0.16	18.24	15.39	9.21	14.60	26.98	100.00
1975	13.01	0.18	15.37	19.07	10.87	11.90	26.25	100.00
1977	7.15	0.35	17.84	19.92	9.87	13.06	27.20	100.00

Source: Table-2. (C).

Table 3

Exports from Nepal

(A): (in mn Rs)

Year	Food & Live Animals	Beverge & Tobacco	Crude Material Except Fuel	Manufactured Goods	Others	Total
1962/63	166.8	1.9	67.3	46.6		287.6
64/65	258.8	1.1	115.9	50.4		440.6
66/67	256.1	0.5	109.1	55.8		426.3
68/69	252.8	3.1	162.8	135.8		576.8
70/71	264.2	0.8	80.3	46.3		400.7
72/73	na	na	na	na		na
74/75	na	na	na	na		889.6
75/76	804.0	na	226.3	na		1185.8
76/77	516.0	na	308.5	na		1164.8
77/78	na	na	na	na		1046.2
78/79	na	na	na	na		1296.8

Source: 1. Y. P. Pant; Planning experiences in Nepal, Sahayogi Prakashan, Kathmandu. 1975.

2. Quarterly Economic Review of India; Nepal; Economist Intelligence Unit Ltd. (various issues).

3. Economic Survey 1979-80. HMG/Nepal.

\$ 1 = Rs 12 (approx)

na = not available.

Table 3

Export from Nepal

B. in per cent

Year	Food & Live Animals	Beverage & Tobacco	Crude Material Except Fuel	Manufactured Goods	Others	Total
1962/63	57.98	0.65	23.40	16.01		100.00
64/65	58.77	0.25	26.32	11.43		100.00
66/67	60.06	0.12	25.59	13.09		100.00
68/69	44.51	0.54	28.67	23.92		100.00
70/71	65.93	0.20	20.04	11.55		100.00
72/73	-	-	-	-		-
74/75	61.85	-	25.49	-		100.00
75/76	67.80	-	19.08	-		100.00
76/77	44.14	-	26.39	-		100.00

Source: Table-3. (A).

Table-3

Imports of Nepal

C. in mn Rs)

Year	Food & Live Animals	Beverage & Tobacco	Crude Material Except Fuel	Manufactured Goods	Mineral	Chemical	Other	Total
1962/63	92.7	40.1	32.8	296.4	46.2	23.6		604.0

64/65	102.2	58.3	82.3	357.6	72.3	37.9	812.9
66/67	93.1	11.7	64.8	165.9	73.0	28.9	499.6
68/69	109.3	8.1	50.8	336.2	72.9	60.7	699.0
70/71	133.0	7.9	29.0	267.0	71.7	60.7	699.0
72/73	na	na	na	na	na	na	na
74/75	na	na	na	na	na	na	1814.6
75/76	291.1	na	na	na	211.7	190.1	1981.8
76/77	183.2	na	na	na	234.7	180.6	1987.2
77/78	na	na	na	na	na	na	2470.4
78/79	na	na	na	na	na	na	2884.7

Source: 1. Y. P. Pant; Planning experiences in Nepal, Sahayogi Prakashan, Kathmandu, 1975.

2. Quarterly Economic Survey of Nepal and India; Economist Intelligence Unit Ltd. (various issues).

3. Economic Survey 1979-80. HMG/Nepal.

\$ 1=Rs 12 (approx.)

na=not available.

Table 3

Imports of Nepal

(D). (in per cent)

Year	Food & Live Animals	average & Tobacco	Crude Material Except Fuel	Manufactured Goods	Mineral	Chemical	Others	Total
1962/63	15.34	6.64	5.43	49.67	7.65	3.90		100.00
64/65	12.58	7.23	10.12	43.38	8.90	4.66		100.00
66/67	18.63	2.35	12.96	33.20	14.61	5.77		100.00

68/69	14.69	1.09	6.83	45.18	9.79	7.03	100.00
70/71	19.03	1.13	4.15	38.19	10.26	8.68	100.00
72/73	-	-	-	-	-	-	-
74/75	14.19	-	-	-	10.74	10.55	100.00
75/76	14.69	-	-	-	10.68	9.59	100.00
76/77	9.22	-	-	-	11.81	9.09	100.00

Source: Table-3 (C).

Table 4

Market Shares in Total Korean Exports

(in per cent)

Market	1965	.67	.69	.71	.73	.75
US	35.2	42.9	50.7	49.8	31.7	30.2
Japan	25.1	26.5	21.4	24.5	38.5	25.5
US & Japan	60.3	69.4	72.1	74.3	70.2	55.7
Europe	12.2	10.4	8.9	8.2	11.8	18.4
Others	27.5	20.2	19.0	17.5	18.0	25.9

Source: A World Bank Country Economic Report; Korea, policy issues for long-term development. 1979.

Table-5

Nepal's trade by region

EXPORT

(in mn Rs)

Year	To India	To other countries	Total
1974/75	746.8 (83.9 %)	142.8 (16.1 %)	889.6
75/76	893.7 (75.4 %)	292.1 (24.6 %)	1185.8
76/77	779.6 (66.6 %)	385.2 (33.1 %)	1164.8
77/78	483.3 (47.4 %)	536.9 (52.6 %)	1020.2

IMPORT

Year	From India	Other countries	Total
1974/75	1475.7 (81.3 %)	338.9 (18.7 %)	1814.6
75/76	1227.1 (61.9 %)	754.6 (38.1 %)	1981.7
76/77	1343.5 (66.9 %)	664.5 (33.1 %)	2008.0
79/78	1560.6 (63.2 %)	908.6 (36.8 %)	2469.1

Source: Quarterly Economic Review of India, Nepal. Economist Intelligence Unit Ltd.
London. (Various issues)