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Huge capital inflow required to off-set depressive trend

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THE economic depression still continues during 2010 in the whole world. The pessimistic environment exists in economic sector worldwide. The activeness of investment, production and business sector decreases. For the time being, the world economy, industry and trade are lagging behind being affected by depression. We have been frustrated to some extent for the stagnant economic condition of the world. Such conditions are the decrease of income, development and economic growth of the most of countries, lack of creating employments, retiring peoples, increase of the complexity of unemployment problem, scarcity of the facility for loan and investment, lack of reliability in investment, instability of the price of commodities, downward movement of price of few commodities etc.

The government expenditure has decreased. Investment has decreased in private sector, business, different organisations like companies, banks, insurance, industries, and in service oriented institutions. The government investment has also decreased in the field of production under nationalised organisation. The demand of our exportable goods has also decreased because of international slump. The overall demand of our commodities has decreased for the decrease of export, income, investment and earning foreign currencies. Similarly, the supply of the goods has decreased for lack of interest in the investment and production sector. The demand and supply of the goods in most of the countries have decreased for the world economy being affected. At the same time the Gross National Product (GNP) and the rate of pro-

duction both have decreased. The unemployment problem has also increased. The market value has become frustratingly unstable. In brief, this is the definition of world economic depression.

The world depression and related economy is a concern of many people. Taking the chance of economic weakness many of them blame capitalism, which is not right. What we want to say keeping in consistency with many economists that the

opment, economic growth in oil importing countries is hampered extensively for the increase of production cost. That is, the overall production of supply of the goods in most of the countries decreases. On the other hand, for the increased production cost and for double digit inflation during 2008-2009 the buying capacity of the common people has decreased world wide and the demand for goods decreased extensively in most of the countries. The

2009, the production decreased the most in 2009. According to a very recent of the government of the U.S.A. the production of the world industries decreased about 15% in the middle of 2009. This rate of decrease was much more than that of 2008.

The export sectors of low priced standard commodities of different East Asian countries have specially been hampered. Because the import demands of the concerned countries including

the developing countries, the capital inflow have to be increased in a body on an urgent basis. The export sector has to be expedited by increasing production and demand to face the world depression. The freedom in business and investment has to be increased to increase and protect the native and international trade and commerce. In this regard the commercial banks will quickly extend the cooperative hand on an urgent basis. In brief, effective coopera-

sector, fuel, mineral resources and industrial sectors are significantly affected. It is necessary that the people of the whole world and each and every developed and developing country as a whole should carry on their jobs in order to remove the world depression in cooperation with the international financial organisation. The infrastructural development of the developing countries to keep hold of it is necessary to achieve economic investment and growth facilities for increasing of loan and investment. The World Bank sanctions loan with very less interest. IMF is a very big creditor in the world. It is doubtful if the World Bank and IMF giving loan in concession rate will be able to compensate 129 countries or not. Along with the World Bank and IMF, more economic organisations world-wide have to extend their economic helping and cooperative hand. The number of members in the World Bank and IMF has to be increased. The developed countries of the world for instance, the U.S.A, Japan, Germany and European Union will sanction grant significantly on an urgent basis to IMF and other international economic organisations with a view to increasing its capacity of sanctioning loan. Their own power of sanctioning loan has to be increased. In this situation of world depression, the concerned organisations have to come forward with active participation and genuine mentality of helping and cooperation whole heartedly to face the economic crisis of these developing countries.

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The export sector has to be expedited by increasing production and demand to face the world depression. The freedom in business and investment has to be increased to increase and protect the native and international trade and commerce. In this regard the commercial banks will quickly extend the cooperative hand on an urgent basis, In brief, effective cooperation will be rendered by increasing the facilities of loan and investment in order to face the depression.

Iraq war, its oil as well as fuel crisis are the reasons for the international depression. Iraq is the second largest oil lifting country in the world. Iraq has been producing 5 lack barrels oil less everyday since the day of war in Iraq for the last half-an-era till today. As a result, this economic world is deprived of more than about 100 crore barrels of oil from these largest sources of fuel of Iraq. So there appears crisis of supply of one of the prime ingredients in the production sector like oil and fuel. Therefore the price of oil and fuel increases gradually worldwide. A barrel of oil which cost 10 to 12 dollar during the Seventy's decade, is being bought about by \$150-200 during the last decade. The production cost of the goods increased world wide. The inflation increases day-by-day for increased production cost. The production of goods, income, devel-

consistency and balance of the decreased overall supply and demand of the goods become fixed automatically at the very lower equilibrium level. We suppose that it is a great cause behind the economic depression world wide.

For the last sixty years from the Second World War or from the middle of the forty's decade, this is the first time we have faced the world depression. It needs about thousand billion of dollars for facing this economic crisis and for the purpose of emancipation from it.

Oil and fuel crisis, the upward movement of the production cost and resulting in inflation which decreases the buying capacity and demand and for such different other reasons the economic downfall occurs. The products and goods and services sector began to increase their frustration significantly. From 2007 to

the countries of the western world has decreased. The market price of everyday essentials and primary commodities has decreased in the developing countries. As a result, the developing countries are facing economic crisis in the trade sectors home and abroad. There are no alternative to increase the enhance facilities of loan and investment in the developing countries in order to remove the economic crisis and accelerate the trade and commerce. Only the developing countries alone cannot take such initiatives. It needs help and active participation of foreign economic organisations including the World Bank, IMF, IFC, ADB, IDB and the related others. It is stated that the developing countries are going to loose the abilities of taking loans and other facilities in this environment of world depression. Again it is stated that the economic growth of

tion will be rendered by increasing the facilities of loan and investment in order to face the depression.

According to available data only one-fourth of the developing countries is capable of facing this world depression by creating employment and self-employment in different ways and increasing the investment facilities and undertaking different programmes for humanitarian and social security. According to the World Bank, in 94 countries or 81% developing countries out of 116, the economic growth seems to be in downward movement. Unfortunately, 43% or 46% of these developing countries out of 94 are the victim of immense poverty. Besides, the World Bank also said that the dynamic sector in these developing countries is specially affected. For instance, the city-based export sector, construction