

restructuring of the industry world-wide has been carried out not only through the closure of obsolete plants, upgrading capacity, trimming the work-force, increased research and development expenditures and a shift in production toward higher-value-added output, but also through mergers, take-over bids and acquisitions. 5

This analysis of the manufacturing sector during the first half of the 1980s is consistent with growth rates in construction activity world-wide for that period. Appendix IV demonstrates that the European Community (EC), Japan and North America experienced rates of growth, respectively, of -1.7 percent, -4.0 percent, and 1.2 percent of the period 1980-1985.

The 1980s has been a difficult decade for many developing countries and economic prospects contrast sharply with the developed nations of the world. The recession of the early 1980s was followed by a continued slide in the terms of trade for much of the developing world, dramatically lower oil export revenues for many countries, and, of greatest concern, a paralyzing debt service burden.

Most observers agree that, as a result of this economic malaise, investment activity has declined substantially in the 1980s compared to previous decades. Appendix IV demonstrates that growth rates in construction activity among developing countries have declined

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5. Ibid: page 133. Industries examined were: (1) textiles and apparel; (2) leather and fur products; (3) paper and paper products; (4) chemical industries; (5) petrochemical industries; (6) pharmaceutical products; (7) petroleum refineries; (8) iron and steel; and (9) the automobile industry.