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Seaga honoured by World Bank affiliate

PRIME Minister Edward Seaga was yesterday made honorary chairman of the Multilateral Investment Guarantee Agency (MIGA), the newest World Bank affiliate. It had its inaugural meeting in Washington, D.C.

Mr. Seaga's election was in recognition of the role he has played in helping to correct some of the imbalances in international financing adversely affecting developing countries. Mr. Seaga presided over the inaugural meeting, after which

the Governor for Sweden, who is chairman of the World Bank and IMF for this year, will assume the chairmanship until the end of the first annual meeting of the Council.

MIGA will offer investment guarantees to international investors and this will aid the flow of investment to countries as a means of providing additional access to capital for investment.

According to a Jamaica House statement originating in Washington, 42 countries had so far satis-

fied the convention establishing MIGA, and 27 more countries had taken steps preliminary to attaining membership.

In his opening remarks Mr. Seaga said: "Never before have so many developing countries experienced such prolonged curtailment of their access to external capital."

"Commercial bank loans, export credits and foreign direct investment remain, for most countries, far below their levels at the beginning of the 1980s, and only a few

developing countries have received significant increases in concessional development finance."

He argued that the need for foreign investment flows was growing in importance. "Post-independence suspicion of foreign investment no longer distorts policy-making at the highest political levels of developing countries. Many of those here today are engaged in trying to attract the capital, technology and entrepreneurship of foreign investment," Mr. Seaga said.

Mr. Seaga returns to Jamaica today.

JAMAICA