
Developing island countries



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UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT
Geneva

Developing island countries

Report of the Panel of Experts



UNITED NATIONS
New York, 1974

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For the resolutions adopted by the United Nations Conference on Trade and Development at its third session, see *Proceedings of the United Nations Conference on Trade and Development, Third Session, vol. I, Report and Annexes* (United Nations publication, Sales No. E.73.II.D.4), annex I, A, pp. 51-114.

TD/B/443/Rev.1

UNITED NATIONS PUBLICATION

Sales No. E.74.II.D.6

Price: \$U.S. 2.50
(or equivalent in other currencies)

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ABBREVIATIONS

ASEAN	Association of South-East Asian Nations
AsDB	Asian Development Bank
CARIFTA	Caribbean Free Trade Association
DAC	Development Assistance Committee (of OECD)
ECA	Economic Commission for Africa
ECAFE	Economic Commission for Asia and the Far East
ECLA	Economic Commission for Latin America
EDF	European Development Fund
EEC	European Economic Community
FAO	Food and Agriculture Organization of the United Nations
GNP	Gross national product
IBRD	International Bank for Reconstruction and Development
IDA	International Development Association
IDB	Inter-American Development Bank
ILO	International Labour Organisation
IMF	International Monetary Fund
ISIC	International Standard Industrial Classification for all Economic Activities
OECD	Organisation for Economic Co-operation and Development
SITC	Standard International Trade Classification
UNDP	United Nations Development Programme
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
WFP	World Food Programme
WMO	World Meteorological Organization

EXPLANATORY NOTES

Reference to "dollars" (\$) indicates United States dollars, unless otherwise stated.

A hyphen (-) between dates representing years, e.g. 1960-1970, is used to signify the full period involved, including the beginning and end years.

The following symbols have been used in the tables of the report:

Two dots (..) indicate that data are not available or are not separately reported.

A dash (-) indicates that the amount is nil or negligible.

A minus sign (-) indicates a deficit or decrease.

Parentheses round a figure, e.g. (25.0), indicate that the figure is an estimate.

Details and percentages in tables do not necessarily add up to totals, because of rounding.

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For a definition of developing countries and territories, see UNCTAD, *Handbook of International Trade and Development Statistics, 1972* (United Nations publication, Sales No. E/F.72.II.D.3), annex table B.

Note of Transmittal from the Secretary-General of UNCTAD to the Trade and Development Board

The present report by the Panel of Experts on Developing Island Countries has been prepared in pursuance of Conference resolution 65 (III). The operative paragraph of that resolution reads:

“Requests that the Secretary-General of UNCTAD, in line with the objectives of the International Development Strategy, and in collaboration with the regional economic commissions and the United Nations Economic and Social Office in Beirut, convene a small panel of experts selected in their personal capacity to identify and study the particular problems of these countries and to make recommendations thereon, giving special attention to the developing island countries which are facing major difficulties in respect of transport and communications with neighbouring countries as well as structural difficulties, and which are remote from major market centres, and also taking into account over-all prospects for, as well as existing levels of, development. The report of the panel should be submitted to the Trade and Development Board for its consideration before the end of 1973.”

After appropriate consultations the following experts were selected in their personal capacity on the basis of their knowledge and experience in the field of economic and social development: Mr. P. Selwyn, Institute of Development Studies, University of Sussex, Brighton, United Kingdom; Mr. O. O. Koht Norbye, Senior Economist, the Chr. Michelson Institute, Bergen, Norway; Mr. V. Paterno, Chairman, Board of Investment, Manila, Philippines; Mrs. C. H. Rabevazaha-Rabekoriana, Directeur du Plan, Tananarive, Madagascar; Mr. A. McIntyre, Director, Institute of Social and Economic Research, University of West Indies, Mona, Jamaica; and the Hon. M. Tupouniua, Director, South Pacific Bureau for Economic Co-operation, Suva, Fiji.

In addition, Mr. G. A. Marzouk, Acting Chief, Research and Planning Division, ECAFE, participated in the meeting of the group as an observer.

I would like to thank the members of the Panel of Experts for their valuable contribution. I wish also to thank the various institutions of which these experts are members for permitting them to serve in their personal capacity on this important assignment. I would also like to express my appreciation of the co-operation of the regional economic commissions. I trust that this report will serve the purpose of assisting the Board and its permanent organs in the further examination of the problems of developing island countries.



M. PEREZ GUERRERO
Secretary-General of UNCTAD

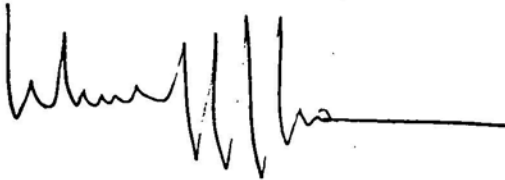
Letter of Transmittal from the Panel of Experts to the
Secretary-General of UNCTAD

We have the honour to submit herewith our report on developing island countries which we were invited to prepare in pursuance of resolution 65 (III) of the third United Nations Conference on Trade and Development.

Meetings were held at the United Nations Office at Geneva from 19 to 27 March 1973. At the request of the panel Mr. P. Selwyn served as chairman.

We wish to express our appreciation and gratitude for the valuable and efficient assistance rendered by the UNCTAD secretariat throughout our meeting.

Respectfully yours,



C. H. RABEVAZAHA-RABEKORIANA



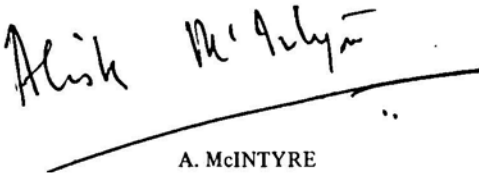
P. SELWYN



O. O. KOHT NORBYE



V. PATERNO



A. McINTYRE



M. TUPOUNIUA

INTRODUCTION

In our terms of reference we were called upon to "identify and study the particular problems" of developing island countries "and to make recommendations thereon . . ."¹ This appears to be the first attempt to examine the particular problems of developing island countries in an international forum. Accordingly, we were faced with certain preliminary issues of definition in the interpretation of our mandate.

We felt that it would be best, in this initial consideration of the question, to use a wider rather than a narrower definition of developing island countries, and therefore the bias was towards the inclusion of borderline cases. In particular we felt that it would not be useful to restrict the discussion to independent island countries. Many dependent territories enjoy varying degrees of self-government, and in several cases full independence is foreseen in the near or not too distant future. It was therefore important to extend the scope of the discussion to include the consideration of the problems faced by these areas as well as those already independent.²

Developing island countries face similar problems to those confronting developing countries as a whole. All the measures in the field of trade and aid which the international community is called upon to implement to improve development prospects are equally important to the developing island countries, and in the present context the need to accelerate the implementation of these measures can only be further stressed.

But, in addition to the general problem of development, we were concerned with the particular problems of the developing island countries as such. There is, however, a wide diversity among developing island countries. These range in size from a large archipelago like Indonesia having over a hundred million inhabitants to very small islands with only a few thousand inhabitants. This has made it necessary to attempt to classify the island countries and territories according to various significant characteristics. Thus, the identification of problems and implications for policy in the various parts of our report do not necessarily apply to all developing island countries and territories.

The overwhelming number of the island countries and territories identified in the discussion are small. A separate section of the report has therefore been devoted to a discussion of the problems of these small countries and territories specifically related to their size. However, while nearly all island countries and territories are small, the large countries contain the bulk of the population in the island countries and territories as a whole. Hence the focus on small countries is not intended to detract from the importance of the large countries in the total picture.

¹ ". . . giving special attention to the developing island countries which are facing major difficulties in respect of transport and communications with neighbouring countries as well as structural difficulties, and which are remote from major market centres, and also taking into account over-all prospects for, as well as existing levels of, development." (Conference resolution 65 (III)).

² For convenience, in this report the term "developing countries" includes developing territories.

Chapter I

CHARACTERISTICS OF DEVELOPING ISLAND COUNTRIES

1. The classification of these countries is not without its problems in view of their heterogeneity and the shortcomings in some of the basic statistics.³ A series of four statistical tables appears at the end of this chapter. Table 1 presents a summary classification of developing island countries and territories according to size of population, income level and distance from the nearest continent; table 2 provides more details on the main geographical characteristics and on income level; table 3 summarizes the structure of the economically active population in island developing countries and table 4 the relative importance of foreign trade and foreign exchange flows for these countries. Additional tables are contained in the statistical annex to the report. From the material assembled by the UNCTAD secretariat the following main characteristics have been distinguished.

A. Geographical and demographic characteristics

2. Most of the developing island countries and territories are small in area. Thus, of the 51 islands or archipelagos listed by the secretariat in table 1 below only five are of over 100,000 square kilometres (Indonesia, Madagascar, Papua New Guinea, the Philippines and Cuba); 70 per cent are of less than 10,000 square kilometres.

3. Most of the countries and territories have small populations. Thus, of the 51 islands referred to above, only three have more than 10 million inhabitants and 10, or one-quarter, more than one million inhabitants; the great majority have fewer than 500,000 inhabitants. Most of them are however densely populated. There are more than 100 inhabitants per square kilometre in more than half the islands for which data are available, and more than 500 inhabitants per square kilometre if only arable land is considered.

4. Many of them are isolated: more than a quarter of them are over 1,000 kilometres and three-fifths of them are more than 500 kilometres from the nearest continent. Many are also remote from main shipping routes and from

³ It should be pointed out that this analysis includes all the developing island countries and territories with more than 10,000 inhabitants and forming a single administrative unit and includes independent States and autonomous territories as well as territories associated with or forming part of a developed country – and for which statistics are available. As far as possible data on Nauru (the only independent country with a population of less than 10,000) have also been included.

the large world markets. It would have been desirable to include indicators of economic distance, but in view of the statistical and methodological difficulties involved it has not been possible to do this. We suggest that more work be done on definition and calculation of economic distance for developing island countries as well as for other countries.

5. This summary may however be misleading. Three-quarters of the population of developing island countries is concentrated in only three islands – Indonesia, the Philippines and Sri Lanka. Thirteen countries with more than one million inhabitants have well over nine-tenths of the population.

6. Most of the islands – and especially those in the Caribbean, the Indian Ocean and the Pacific – are very exposed to natural disasters, and in particular to typhoons and hurricanes. (See chapter IV, section A below.)

B. Institutions

7. Most of the developing island countries are colonies or former colonies. Only about a score are fully independent politically, but most of these are more or less dependent in economic terms. This is shown notably by the *de facto* if not *de jure* dependence of their monetary and credit systems.

C. The economy

8. It is probable that the smaller islands, in view of their size, have few natural resources. No definite assessment can however be made because there is no complete inventory of these resources.

9. Many of the island economies are highly specialized, as is reflected in the structure of their exports (see statistical annex, table VIII). These are usually dominated to the extent of more than 50 per cent, and sometimes of up to 80 per cent, by one mineral or agricultural commodity (nickel in New Caledonia; sugar in Réunion, Mauritius and Cuba; coffee in Portuguese Timor; tea in Sri Lanka and copra in several Pacific islands).

10. The economy of a number of these islands is dominated by one or more large foreign companies specializing in export crops, mining or trade. The policies and decisions of these companies have a determining influence on the islands' development.

11. Their economic structure is normally very open, as is illustrated by the volume of their foreign trade (exports and imports) in relation to their GNP. The ratio of exports or imports to GNP is frequently over 40 per cent, and in some cases over 100 per cent or even 200 per cent. (See table 4.)

12. The available statistics suggest that in some of these islands – and in particular the smaller ones – the average income is fairly high when compared with that in other developing countries. These averages however often conceal substantial inequalities of income, sometimes to the benefit of expatriate elements who, as a result of colonization, are in control of the principal economic activities.

13. Some of these islands have during the past decade experienced a relatively high rate of nominal growth. In some cases the real standard of living of the people has not however greatly improved, given the high rate of growth of population and the income inequalities mentioned in the previous paragraph. More generally it has not normally led to structural transformation; the development of the economy still depends heavily on external stimuli.

14. They encounter special difficulties regarding external communications for the reason mentioned in paragraph 4 above, and also because of the organization of air and maritime transport. In countries consisting of a number of islands, such as Indonesia or the Philippines, special difficulties are also encountered in the provision of infrastructures, such as power, communications and land transport; economies of scale otherwise possible in mainland countries of the same population are not attainable owing to the fragmentation of that population among the various islands.

D. Other characteristics

15. Certain social conditions appear more favourable in the island countries than in other developing countries. Thus the level of school attendance is higher, and in the smaller islands is frequently around or above 70 per cent. There are normally more doctors in proportion to the population. There may however be poorer access to higher or specialized education or specialized medical services.

16. Lastly, the importance of unemployment and under-employment should be emphasized. This is aggravated by a level of urbanization which is normally greater than in mainland developing countries.

17. Obviously, not all island countries or territories have these characteristics in the same degree. For example, some island countries are large and consist of many separate islands extending over great distances – thus Indonesia covers an area of 1.5 million square kilometres, extending over 5,700 kilometres, and has more than 121 million inhabitants. This increases the complexity of the problems in regard to communications and national, regional and interregional integration. Again, “relative remoteness” hardly applies to islands such as Singapore, Hong Kong or Macao, which are very near the mainland, the former two indeed being linked to the mainland by a bridge or tunnel.

18. Finally, there is a wide variation in *per capita* incomes among the countries concerned. IBRD estimates of *per capita* income show figures for some countries considerably in excess of \$2,000 (the Bahamas, Guam and New Caledonia) or even \$3,000 (Bermuda and the Virgin Islands), while the lowest do not exceed \$100 (Haiti, Seychelles and the Maldives).

TABLE 1

Classification of developing island countries and territories
by population category, income level and distance from nearest continent

Population category (1970)	Income level: per capita CNP (in dollars) 1970	Distance from nearest continent		
		Near (less than 200 km)	Medium (200 to 1000 km)	Far (more than 1000 km)
Large and medium (over one million inhabitants)	Under 250	Indonesia ^a L Sri Lanka ^a L	Madagascar ^a L Haiti ^a M	
	250 to 399		Philippines ^a L Dominican Republic ^a L Papua, New Guinea L	
	400 to 1000	Hong Kong S Singapore ^a VS Trinidad and Tobago ^a M	Cuba ^a L Jamaica ^a M	
	Over 1000		Puerto Rico M	
Small (150,000 to one million inhabitants)	Under 250	Macao VS	Portuguese Timor M Comoro S Cape Verde islands M	Mauritius ^a S British Solomon Islands M
	400 to 1000		Cyprus ^a M Martinique S Guadeloupe S Malta ^a VS Barbados ^a VS Bahrain ^a VS	Fiji ^a M Reunion S
	Over 1000		Ryukyu Islands S Netherlands Antilles S Bahamas ^a M	
Very small (under 150,000 inhabitants)	Under 250		Maldives ^a VS St. Vincent VS Seychelles VS	Western Samoa ^a S
	250 to 400		St. Lucia VS Grenada VS Dominica VS St. Kitts-Nevis- Anguilla VS São Tomé and Príncipe S Antigua VS	Trust Territory of the Pacific Islands S Tonga ^a VS Gilbert and Ellice Islands VS
	400 to 1000			New Hebrides M American Samoa VS
	Over 1000		Virgin Islands VS	Brunei M French Polynesia M New Caledonia VS Guam VS Bermuda VS

Source: Tables II, III, and VI of the statistical annex to this report.

NOTE. Land area:

VS = very small = below 1000 square kilometres
S = small = 1000 to 3999 square kilometres
M = medium = 4,000 to 39,999 square kilometres
L = large = 40,000 square kilometres and more

^a Independent country.

TABLE 2

Basic indicators of developing island countries

Countries and territories	Total population (in thousand) 1970	Land territory (in km ²) ^{a, b}	Gross national product			
			Inhabitants per km ²	1970 (millions of dollars)	Per capita 1970	Growth 1960-1970
<i>Population one million and over</i>						
Indonesia	121,198	1,491,564	81	12,600	105	3.3
Philippines	36,849	300,000	123	10,230	266	5.7
Sri Lanka	12,514	65,610	191	2,117	169	4.9
Cuba	8,392	114,524	73	4,440	530	(1.5)
Madagascar	6,750	587,041	11	878	120	2.8
Haiti	4,867	27,750	175	440	90	1.3
Dominican Republic ^c	4,060	48,734	89	1,395	343	3.6
Hong Kong	3,959	1,034 ^d	3,829	3,620	885	10.0
Puerto Rico	2,722	8,897	306	4,607	1,648	8.1
Papua-New Guinea	2,420	461,691 ^d	(5)	720	300	5.4 ^e
Singapore	2,075	581	3,571	1,970	960	7.6
Jamaica	1,869	10,962	171	1,178	592	4.7
Trinidad and Tobago ^c	1,030	5,128	184	836	800	5.1
<i>Population under one million</i>						
Ryukyu Islands	942	2,196	429	980	(1,050)	(11.4)
Mauritius	836	1,865	409	189	226	3.0 ^f
Cyprus	633	9,251	68	540	844	6.1
Portuguese Timor	602	14,925	40	60	(110)	(2.8)
Fiji	520	18,272	28	230	(430)	(5.4)
Réunion	446	2,510	177	360	(800)	(7.6)
Martinique	338	1,102	307	310	(910)	(11.9)
Guadeloupe	327	1,779	184	250	(760)	(10.4)
Malta	326	316	1,030	270	694	5.7
Macao	314	16	19,625	50	(150)	(1.6)
Comoro Islands	271	2,171	125	30	(140)	(5.9)
Barbados	256	430	595	160	618	3.4
Cape Verde Islands	246	4,033	61	40	(160)	(3.4)
Netherlands Antilles	222	961	231	310	1,380	0.1 ^e
Bahrain	215	598	360	120	(550)	(6.4)
Bahamas	171	11,405	12	390	(2,300)	(7.6)
British Solomon Islands	163	28,446	6	30	(180)	(1.9)
Western Samoa	143	2,842	50	20	(140)	(1.5)
Brunei	121	5,765	21	150	(1,220)	(3.2)
St. Lucia	115	616	187	40	(940)	(11.0)
French Polynesia	109	4,000	27	210	(1,890)	(11.7)
New Caledonia	109	19,000	6	260	(2,430)	(6.6)
Maldives	108	298	362	10	(100)	(2.8)
Grenada	103	344 ^d	299	30	(300)	(7.2)
Trust Territory of the Pacific Islands						
Guam	102	1,779 ^d	57	40	(360)	(6.3)
St. Vincent	100	549	182	250	(2,840)	(9.0)
Tonga	96	388	247	20	(240)	(5.4)
New Hebrides	86	549	123	30	(290)	(0.3)
Dominica	84	14,763	6	40	(430)	(7.4)
St. Kitts-Nevis-Anguilla	74	751	99	20	(280)	(6.0)
São Tomé and Príncipe	62	357	174	20	(320)	(5.1)
Antigua	61	964	63	20	(390)	(2.4)
Virgin Islands	60	422	136	20	(370)	(6.8)
Gilbert and Ellice Islands	59	344	172	230	(3,050)	(15.8)
Bermuda	56	886	64	20	(390)	(0.5)
Seychelles	54	53	1,019	190	(3,540)	(9.5)
American Samoa	52	376	138	(10)	(70)	(1.8)
	29	197	147	20	(780)	(11.4)

Sources: United Nations, *Demographic Yearbook, 1970* (United Nations publication, Sales No. E/F.71.XIII.1), *United Nations, Monthly Bulletin of Statistics*, vol. XXVII, No. 2, February 1973, and *Statistical Yearbook, 1971* (United Nations publication, Sales No. E/F.72.XVII.1); IBRD, *World Bank Atlas: population, per capita product and growth rates* (Washington, D.C., 1972), *World wide marine distance tables* (London, B.P. Tanker Company, Ltd., 1958).

^a For island countries, land territory includes inter-island waters.

^b Unless otherwise specified, area estimates include inland waters.

^c Preliminary figures.

^d Inhabited dry land area only.

^e 1960-1968.

^f 1960-1969.

TABLE 3

Structure of the economically active population in developing island countries^a

(By percentages)

Countries and territories	Agriculture, forestry, hunting and fishing (0)	Mining and quarrying (1)	Manufacturing (2-3)	Other branches of activity ^b (4-7)	Services (8)	Activities not adequately described and/or persons seeking work for the first time or unemployed (9)
<i>Population of one million and over</i>						
Indonesia	67.2	0.2	5.6	12.7	10.9	3.4
Philippines	52.7	0.2	10.6	15.8	12.4	8.3
Sri Lanka	48.6	0.3	9.1	15.0	14.3	12.7
Cuba	41.5	0.5	16.6	20.8	20.1	0.5
Haiti	83.2	—	4.9	4.6	4.6	2.7
Dominican Republic	61.4	0.3	8.2	12.2	11.1	6.8
Hong Kong	5.0	0.3	38.0	29.8	23.3	3.6
Puerto Rico	23.0	0.3	17.2	31.2	25.0 ^c	3.3
New Guinea	(63.6)	(1.2)	(3.5)	(11.6)	(19.6)	(0.5)
Papua	(34.4)	(1.2)	(5.6)	(24.0)	(34.2)	(0.6)
Singapore	8.4	0.3	13.9	42.1	33.2	2.1
Jamaica	36.1	0.7	13.7	20.3	20.3	8.9
Trinidad and Tobago	19.9	4.6	14.7	31.1	24.0	5.7
<i>Population under one million</i>						
Ryukyu Islands	27.3	..	8.4	35.8	28.0 ^d	0.5
Mauritius	37.9	0.1	14.6	28.1	18.7	0.6
Cyprus	40.3	2.3	13.7 ^d	19.7	14.7	9.3
Fiji	53.6	1.5	7.0	18.4	4.5	15.0
Réunion	42.5	0.1	9.3	26.4	20.3	1.4
Martinique	28.1	0.2	8.8	29.0	32.5 ^d	1.4
Malta	6.1	0.5	23.9	30.4	12.9	26.2
Macao	(5.3)	..	(30.1)	(39.3)	(23.5)	(1.8)
Barbados	24.5	0.1	9.4	30.3	22.6	13.1
Cape Verde Islands	40.2	0.2	1.0	6.5	51.9	0.2
Netherlands Antilles	1.7	1.1	25.8	28.7	23.8	18.9
Bahrain	8.7	0.3	0.8	60.0	17.2	13.0
Bahamas	15.5	.. ^e	7.6	33.1	39.7	4.1
Western Samoa	74.1	..	3.9	7.4	2.2	12.4
Brunei	33.5	15.1	5.7	26.5	19.2	..
St. Lucia	48.3	—	11.0	18.9	12.7	9.1
New Caledonia	38.0	3.9	10.2	25.9	20.9	1.1
Grenada	39.9	0.2	9.5	25.3	17.1	8.0
St. Vincent	40.1	0.5	11.0	27.2	14.9	6.3
Dominica	50.0	0.1	10.8	21.5	13.6	4.0
St. Kitts-Nevis Anguilla	46.0	0.1	10.6	21.9	18.1	3.3
Virgin Islands (U.S.)	5.4	0.2	7.7	39.1	43.9 ^c	3.7

Source: ILO, *Yearbook of Labour Statistics*, 1970, table 2.A.^a Based on the International Standard Industrial Classification of all Economic Activities (ISIC).^b Construction, electricity, gas, water, sanitary services, commerce, transport, storage and communication (ISIC, divisions 4-7).^c Including armed forces.^d Including electricity, gas, water and sanitary services.^e Included in agriculture (ISIC, division 0).

TABLE 4
Relative importance of foreign trade and foreign exchange flows, 1970

Island countries and territories	Exports	Imports	Share in exports		Net loans and grants	Tourist income (1969)
	As percentage of GNP		Of one commodity	Of three commodities	As percentage of imports	
<i>Population of one million and over</i>						
Indonesia	8.0	7.1	44.6	70.5	50.3	1.8
Philippines	10.9	11.8	24.7	48.7	3.4	7.8
Sri Lanka	16.0	18.4	55.5	86.3	11.1	1.0
Cuba	23.5	29.3	78.0	88.0	0.0	..
Madagascar	16.5	19.4	27.2	57.4	16.3	..
Dominican Republic	15.8	19.9	47.1	67.5	11.6	6.1
Haiti	9.1	12.5	35.3	62.1	9.5	12.7
Hong Kong	69.4	80.2	..	..	0.0	10.1
Puerto Rico	—	—	..	..	..	..
Papua-New Guinea	14.3	37.2	21.9	55.5	54.6	..
Singapore	78.9	124.9	24.4	43.5	1.1	3.7
Jamaica	21.9	44.3	39.2	54.5	1.7	19.7
Trinidad and Tobago	57.4	64.8	77.4	83.2	1.0	4.5
<i>Population under one million</i>						
Ryukyu Islands	10.6	50.7	42.1	42.1	2.8	..
Mauritius	36.5	40.2	88.7	92.3	6.5	6.6
Cyprus	20.0	44.1	24.8	61.9	1.5	8.4
Portuguese Timor	6.7	16.7	89.0	94.9	28.0	..
Fiji	27.8	45.2	51.6	66.6	6.2	26.9
Réunion	14.2	44.7	88.0	92.1	57.4	..
Martinique	9.7	47.1	49.7	76.7	47.1	..
Guadeloupe	15.2	51.2	76.7	93.7	42.1	..
Malta	14.4	59.6	23.8	47.5	11.5	14.3
Macao	115.0	130.0	13.0	43.0	1.9	..
Comoro Islands	10.0	30.0	41.7	84.0	75.6	..
Barbados	24.4	73.8	37.7	51.8	1.8	24.1
Cape Verde Islands	42.5	22.5	38.7	66.1	10.9	..
Netherlands Antilles	218.1	257.1	96.0	96.0	3.0	..
Bahrain	240.0	219.2	95.0	95.0	..	..
Bahamas	23.1	86.4	..	..	..	65.6
British Solomon Islands	26.7	36.7	51.2	86.2	70.3	..
Western Samoa	25.0	70.0	38.0	80.0	2.2	..
Brunei	61.3	56.0	96.0	96.0	0.0	..
St. Lucia ^a	..	..	..	..	..	..
French Polynesia	8.6	64.3	37.9	42.9	14.4	6.7
New Caledonia	73.8	88.5	97.6	97.6	9.3	..
Maldives	20.0	10.0	43.2	64.0	11.0	..
Grenada ^a	..	..	..	..	..	..
Trust Territory of the Pacific Islands	10.0	50.0	67.5	67.5	236.4	..
Guam	..	..	..	..	..	5.0
St. Vincent ^a	..	..	..	..	..	..
Tonga	13.3	20.0	70.0	100.0	21.0	..
New Hebrides	32.5	37.5	41.5	76.3	21.4	..
Dominica ^a	..	..	..	..	..	..
St. Kitts-Nevis-Anguilla	..	..	..	..	..	..
São Tomé and Príncipe	40.0	45.0	82.5	97.5	7.6	..
Antigua ^a	..	..	..	..	..	..
Virgin Islands (U.S.)	113.9	178.7	..	..	..	24.3
Gilbert and Ellice Islands	40.0	20.0	17.5	17.5	47.3	..
Bermuda	44.7	55.3	3.7	3.7	0.1	62.9
Seychelles	30.0	60.0	33.3	83.3	..	..
American Samoa	175.0	75.0	95.0	95.0	..	..
Leeward Islands	22.5	117.5	46.7	46.7	..	..
Windward Islands	23.6	58.2	53.5	53.5	..	..
Cook and Niue Islands	..	..	66.4	89.2	..	..
St. Pierre and Miquelon	..	..	95.0	95.0	..	..

Sources: UNCTAD secretariat and United Nations Headquarters Secretariat statistics; United Nations, *Statistical Yearbook, 1971*...; United Nations/UNCTAD, "South Pacific Regional Transport Survey: Interim Report", November 1971 (restricted document); IMF statistics; OECD/DAC statistics; Portugal, *Annuaire statistique, 1970*, vol. II, *Provinces d'outre-mer*, Lisbon, 1972

^a West Indies, total: exports as percentage of GNP, 35; imports as percentage of GNP, 111.

Chapter II

PROBLEMS OF SMALL DEVELOPING ISLAND COUNTRIES

19. The analysis in chapter I shows that developing island countries are of many kinds — large and small, with high and low incomes, rich and poor in resources, remote and near to continental masses or other islands, and with more or less control over their own resources. But in spite of this variety there is, as we have seen, a common factor among most of the countries with which we are concerned; most of the islands are small in terms of population, area, GNP, or all three. Many of the characteristics noted earlier are the consequence of their small size:

(a) Small countries tend to be more dependent on foreign trade than large countries; many of them are price takers rather than price makers in the markets for their exports and imports.

(b) The smaller a country in terms of physical area, the narrower is its range of resources and, generally, the more specialized its economy.

(c) A small country is more likely than a large country to be heavily dependent on one external company, which may not only monopolize its trade but may have control over its resources.

(d) A small country normally has a narrower range of institutions than a large country, and often is significantly dependent for certain services on institutions outside its borders. Thus monetary arrangements or educational and health services may be dependent on institutions and systems outside the country.

(e) A small country is likely to have a narrower range of skilled manpower than a large country and may experience particular difficulties in providing necessary skills, or in providing jobs for those skills which are available.

(f) There may be diseconomies of small scale in the provision of infrastructure or administrative services, and there is a critical minimum size below which certain services cannot be provided at all.

(g) A country which is small in terms of GNP will have a narrow local market, and will normally experience particular difficulties in the development of import substitution manufacturing industries. Statistical evidence suggests that small countries are likely to be less industrialized than large countries at equivalent levels of income, although there are important exceptions.

20. Much of this is a matter of degree, and we would in any event not wish to exaggerate the problems created by small size. There is little evidence that small countries are in general any poorer than large ones, that they have a slower rate of growth, or that their people suffer from over-all net disadvantages. But the small size of a country and its

consequences may be a major constraint on the range of options available to meet problems such as backwardness, poverty, and remoteness. We have therefore laid some emphasis on problems related to size, not so much because of any inherent disadvantages of smallness as such, as because of the constraints which it imposes on possible solutions to specific problems. We have identified two areas where small size imposes particular constraints. These are in relation to problems of specialization and dependence, and manpower and migration. We have also considered the problem of viability of small islands. Some of the island territories in the Caribbean, Atlantic, Indian Ocean and the Pacific are not fully independent. It is a matter of concern to know what measures the international community can take to maintain the viability of such islands as independent countries — either separately or as part of a group.

21. This emphasis on small islands does not reflect any opinion that their problems are any more serious than those of large developing islands. They are however to some extent more specific: many of the problems of large developing islands are not dissimilar from those of large developing mainland countries, and in this respect they do not require separate consideration in their situation as islands.

A. Specialization and dependence

22. As indicated in paragraph 9, small islands tend to be highly specialized economies. They are therefore dependent upon foreign trade for generating higher levels of output and employment. Moreover, movements in the terms of trade tend to have major implications for growth and internal price stability.

23. The problem of specialization arises less from the shares of exports and imports in total demand and supply than from the high degree of commodity concentration in the export trade. This highlights the essentially precarious basis of present patterns of specialization, since world market conditions for a mere handful of commodities can make the difference between relative prosperity and disaster. Thus international commodity agreements are of particular importance to the small island economies.

24. Sufficient information is not available for assessment of the experience of small developing islands with commodity agreements. In addition to the advantages secured under international agreements for products such as coffee and sugar, many small islands have benefited from special

bilateral arrangements with individual developed countries or with groupings of developed countries. It would be useful to review this experience to ascertain whether sufficient account was taken of the special needs of the small islands during commodity negotiations, and whether specific measures should be introduced for strengthening the bargaining power of these islands. Likewise, care must be taken to ensure that the small developing islands, which are currently receiving special access terms under bilateral arrangements, are accorded equivalent advantages should there be any dilution of the benefits which they now receive. This might be of some importance following the United Kingdom's accession to the EEC, since in respect of certain commodities such as bananas, small islands in the Commonwealth might face new competition from States that are at present associated with the Community.

25. On a static view, it might be argued that the optimal strategy for small islands is to continue present patterns of specialization, provided that stable marketing arrangements can be secured for their staple commodities. With limited natural resources and tiny domestic markets, the orthodox prescription is to specialize on a few lines of production, the output of which can be exchanged for a wide variety of consumer and capital goods. However, this view ignores dynamic considerations, such as the need for an economy to be able to adjust readily to changes taking place over time in the demand for its exports.

26. Thus the case for diversification arises as much from the need to reduce risks, so that the economy can follow a more stable path of growth, as from the necessity to sustain reasonable rates of growth in output and employment in the face of a slow rate of growth in traditional export earnings. In common with other developing countries, island economies have therefore a major interest in trying to secure a more balanced structure of production, and where possible of exports.

27. Because of resources and market constraints, small islands may find the costs of diversification excessive, in that high rates of protection may be required in order to get certain lines of production started. Such costs can, however, be lowered if the island obtains access to other markets within its region and/or outside it. Indeed, it could be generally agreed that, where feasible, the countries and territories concerned should adopt outward-looking strategies of development which give emphasis to the expansion and diversification of exports. Thus, small islands can benefit substantially from regional integration (see chapter V), and have a vital interest in international action to improve access to markets.

28. In this connexion, the international community can seek to persuade the developed countries concerned to widen the present coverage of existing schemes of generalized preferences, so that more favourable treatment can be extended to exports of processed products and semi-manufactures. Furthermore, some relaxation of the rules of origin applicable to these schemes may be called for in order to take due account of the limited opportunities that

are open for adding value in small islands. For instance, it might be agreed that cumulative treatment might be granted to regional groupings of developing countries, or even that such treatment would be applied across-the-board to all developing countries.

29. Diversification strategies will naturally vary from island to island, depending on individual circumstances. Most island countries will, however, wish to diversify their agricultural production so as to achieve greater self-sufficiency in food supply. Several island countries are also trying to diversify agricultural exports by developing the production of exotic fruits and vegetables and other products with a high-income elasticity of demand in the developed countries.

30. As far as the manufacturing sector is concerned, development programmes in many of the island economies – notably those in the Caribbean and the Indian Ocean – already emphasize not only the possibilities for import substitution, but also those for developing exports of labour-intensive manufactures. The scope for export development has stimulated interest in some countries in the prospects of establishing industrial *entrepôts*. A clear role can be seen here for international technical assistance in building up an adequate institutional framework for the export trade, including marketing skills. Success in the development of an export trade in manufactures will however vary between individual islands. In a few islands which already have an industrial base, it might be feasible to contemplate the development of certain sophisticated types of industry; but very small islands might find the task of export development more difficult. In such islands, it is especially important that the scope for small-scale industry is not ignored. Such industries might have a particular role to play in rural development, and in increasing the local benefit from the tourist trade. Here again, international technical assistance can be of value.

31. Tourism has become important in the diversification programmes of several islands, and in some of them it has become the single most important source of foreign exchange. There can be little doubt that because of the buoyancy of world demand for tourism, it is sensible for island countries and territories to take steps to exploit their tourist potential. Through careful planning, the industry can have an important impact on the domestic economy if its development is linked to increased production of local inputs, such as food, furniture, construction materials, and so on. Moreover, some of the environmental costs (such as beach erosion) and social disadvantages can also be avoided through well-defined development projects. Many of the small islands lack planning expertise in this area, particularly in up-grading planning legislation so that environmental problems can be controlled. This is also a strong candidate for international technical assistance.

32. Small island economies exhibit not only a high degree of specialization, but also a substantial degree of economic dependence. The two things are not the same. Specialization implies a situation of interdependence;

although the local economy is influenced by changes taking place in the rest of the world, it retains an internal capacity for adjustment and change. Dependence describes a condition where the sustenance and growth of the local economy are predominantly influenced by decisions taken by non-residents. In other words, the dependent economy lacks the internal dynamic found in the interdependent one. Economic dependence in the small island economy tends to manifest itself in several ways. The first is trade dependence, reflected in a high geographical concentration of foreign trade. Practically all of the small island countries have been historically linked to a metropolitan power and have, in one form or another, received shelter for their commodity exports in the metropolitan market. Where, as is the case in much of the British Commonwealth and in ex-French colonies, islands were required to reciprocate by extending reverse preferences in the form of tariff (and, in some cases, quota) concessions to the metropolitan country, this conferred a degree of monopoly power on the latter country in both the export and the import trade.

33. Reverse preferences are particularly disadvantageous for small open economies, since any adverse effects on the costs of imports are likely to be of greater significance for them than for larger economies that are generally less dependent on imports. Thus, some concern must be attached to the intentions of the enlarged EEC to extend its association arrangements to embrace possibly as many as 38 developing countries. Among other things, this can have the effect of increasing the cost of reverse preferences to present and prospective associated States, thereby giving additional advantages to the EEC in some instances at the expense of third developing countries. The parties involved should be encouraged to pay greater adherence to the principle of non-reciprocity in negotiating new or renewed association agreements.

34. Secondly, several small islands exhibit monetary dependence in the sense that they do not have an independent currency and/or do not follow autonomous monetary policies. Non-independent islands normally have a currency board or its equivalent, which gives very limited scope for autonomous management of the money supply or of the balance of payments. Thus, the first institutional step away from monetary dependence is usually the establishment of a central bank. Apart from management of the domestic money supply and of the balance of payments, the central bank can play a critical role in the development of the local capital market, particularly in filling credit gaps which might exist in sectors such as agriculture, industry and real estate. Whatever approach is adopted in meeting these credit needs, there are clear advantages in developing a relatively simple institutional structure which can, as far as possible, exploit available economies of scale, especially in management. A central bank need not necessarily be an expensive institution. Experience in some small countries has shown that a central bank can pay its way when the profits from the note issue are taken into account. This is the more likely, the less complicated is the structure of the bank and of the financial system which it is designed to serve.

35. Although a central bank can serve to reduce monetary dependence, there is no guarantee that it will do so. The central bank might find it expedient to follow passive policies dictated by changes occurring in the metropolitan country, and to hold the bulk of the foreign exchange reserves in the metropolitan currency. For instance, it is argued that the absolute size of the reserves of small-island economies is too small to warrant much reserve diversification. This makes the small island particularly vulnerable to periodic devaluations of the metropolitan currency to which it is tied. Thus, small islands might have a special interest in the early creation of a new international reserve asset, which would eliminate present exchange risks.

36. A third form of dependence is financial dependence. At the fiscal level, this manifests itself in grants-in-aid from metropolitan countries in support of the recurrent budgets of some small islands. More generally, foreign aid and private capital inflows may finance the bulk of domestic capital formation. Private capital inflows tend to take the form of direct investment as opposed to portfolio investment, partly because of the narrowness of local capital markets. In many instances, especially where medium and small scale operations are involved, direct investors tend to be of the settler variety, but for larger enterprises the typical investor is the multinational corporation.

37. The entry of international firms into small islands can have a pervasive influence upon the local economy. A representative situation might show international firms engaged in the production of the staple commodity exports; in new export activities, such as tourism; in sectors linked to foreign trade such as banking and finance; and even in some of the more important import substituting activities. In such a situation, the local island economy can scarcely be described as an economy in its own right. It might more properly be regarded as part of an overseas economy, since most economic decisions are in the hands of non-nationals. In this connexion, questions have been raised concerning the developmental impact of the multinational corporation on developing countries.

38. Multinational corporations are, by their very nature, interested in maximizing their global profit after tax, and there may be conflicts between this objective and those of the local economy. The multinational corporation may not be interested in developing horizontal and vertical linkages through purchases from and sales to other firms in the economy and/or through the development of linked activities at different stages of the production process. The lack of interest may arise because the corporation has already installed capacity in other countries, and it can secure economies of scale by centralizing its processing of raw materials and its procurement of inputs. Thus the local economy is deprived of additional income and employment.

39. Another major criticism of the multinational corporation is its capacity for tax avoidance. Where the enterprise is vertically integrated, transactions tend to be between branches and subsidiaries of the same company. Accord-

ingly the local tax authorities experience difficulty in checking the values assigned to major cost and revenue items in tax declarations. The corporation will normally endeavour to minimize all of its costs, including taxes. This could lead to a loss of tax revenue for an individual country, especially where its tax rates are higher than those of other countries where the corporation is operating. Other criticisms of the multinational corporation include its tendency to concentrate its research and development work in the parent country, its apparent reluctance to recruit nationals of the host country for top management positions, and the control that it maintains over exports by its satellite companies.

40. It is difficult to substantiate these allegations. The effects of the multinational corporation may vary from activity to activity and from company to company. Moreover it brings benefits by way of capital, technical know-how, and access to markets. The net benefits which a country receives from direct investment via the multinational corporation may well depend on its capacity to negotiate a good bargain. This is where small-island economies tend to be in a disadvantageous position. They often lack adequate information on the company concerned, on the activity involved, and on alternatives. Moreover, they lack basic expertise in fields such as taxation and company law. The international community can be of considerable assistance to small-island economies, if it can find ways of providing technical assistance to them in negotiating terms of entry with multinational corporations.

41. The international community has recently been giving increasing attention to the problems faced by the developing countries in the field of transfer of technology.

This has now become a major new area of activity in UNCTAD, where an Intergovernmental Group on Transfer of Technology has been established. We feel that the assistance that the international community can provide here can be extremely important in helping to reduce the cost of dependence on foreign technology, and that such assistance can be especially valuable to the small developing island countries, where such dependence is usually so much in evidence.

B. Population, manpower, unemployment and migration

42. As we have already pointed out in paragraph 3, most island countries have a fairly high density of population, and many are very densely populated. Fifteen out of the 51 developing island countries for which data are available have a population density of 200 or more per square kilometre, as compared with 18 out of 144 developing countries. Sixty per cent of all developing island countries have population densities in excess of 100 per square kilometre, as compared with 27 per cent of non-island developing countries. Moreover, many small island countries have a high ratio of population to arable land; thus, out of 46 island countries and territories for which data are available, 31 have more than 500 inhabitants per square kilometre of arable land; out of 38 island countries and territories with population under one million, 20 have more than 500 inhabitants per square kilometre of arable land. Table 5 below provides an approximate picture of the relation of density of population to availability of agricultural land in island countries.

43. This high ratio of population to land resources has several implications. On the one hand, in small islands with

TABLE 5
Relation of population to total land area and arable land

Developing island countries and territories	No information on arable land	Less than 500 inhabitants		Total
		500 inhabitants and over		
		Per km ² arable land		
<i>Large countries (population of one million and over):</i>				
Less than 200 inhabitants per km ²		2 countries	8 countries	10 countries
200 inhabitants and over per km ²		—	3 countries	3 countries
Total	—	2 countries	11 countries	13 countries
<i>Small countries (population under one million):</i>				
Less than 200 inhabitants per km ²	2 countries	13 countries	11 countries	26 countries
200 inhabitants and over per km ²	3 countries	—	9 countries	12 countries
Total	5 countries	13 countries	20 countries	38 countries
<i>All countries:</i>				
Less than 200 inhabitants per km ²	2 countries	15 countries	19 countries	36 countries
200 inhabitants and over per km ²	3 countries	—	12 countries	15 countries
Total	5 countries	15 countries	31 countries	51 countries

a very heavy dependence on agriculture, it is closely associated with growing unemployment and underemployment. On the other hand, a large population in relation to land area may be needed to reach a population high enough to permit the provision of economic and social overheads at reasonable costs. Very small island countries or territories cannot indeed afford a diversified structure of overheads; at the same time a substantial reduction in population will increase the burden of existing overheads and further limit the scope for improved services.

44. Natural population increase is high in most of the developing islands. In nine out of the 47 countries and territories for which such information is available, the excess of births over deaths corresponds to 3 per cent or more of the population, in 20 the figure is between 2 and 2.9 per cent, in 17 between 1 and 1.9 per cent and in one (Malta) below 1 per cent.⁴ The actual population increase is in some islands substantially lower due to emigration, and in a few others higher as a result of immigration. Rapid population increase will create the same basic problems in island countries, large or small, as in other developing countries, viz., a heavy burden of investments in schools, hospitals, urban development and social services in general, difficulties in finding jobs for a rapidly growing labour force, and an unfavourable ratio between the working population and dependents. The case for family planning is the same in developing islands with rapidly growing population as in other developing countries in the same situation.

45. As with other developing countries, most island countries — and especially those with a low *per capita* income — have a substantial proportion of their population occupied in agriculture. In about two-thirds of the islands for which information is available over 30 per cent of the employed population is recorded as being in agriculture. In the smaller islands, however, higher *per capita* incomes are not associated with a larger proportion of employment in manufacturing industry. As we have already noted (para. 19 (g)), there is a tendency for smaller countries to be less highly industrialized than large ones at equivalent levels of income.

46. The smaller island countries face serious difficulties in assuring a balanced supply of skilled manpower. For many skills it is not feasible to create local training institutions; the needed throughput would be far too small to maintain a reasonable level of capacity utilization, even in small institutions with high unit costs. Small countries must therefore train people for many types of jobs in foreign institutions. There is a strong case for regional co-operation in this field. Regional training and educational institutions would be able to offer curricula and facilities far better adapted to local needs than institutions outside the region, often in highly industrialized countries. Secondly, a regional programme would make it possible to locate some institutions in small countries which otherwise

might not be able to develop specialized or higher units of learning. However, even if suitable educational opportunities were opened up for the people in small island countries, the supply of national manpower with different skills would not match the demand pattern for skilled manpower. Intra-regional migration of skilled manpower may be desirable in order to create larger labour markets with a higher degree of flexibility (see para. 53 below).

47. Unemployment statistics are available for only a few of the island countries and are often difficult to interpret because of inadequate coverage. But there is ample evidence of a serious unemployment problem in most developing island countries. Apart from rural under-employment and the problem of the "working poor" noted in other developing countries, there are special difficulties in small island countries heavily dominated by one capital intensive industry, where the wage level established by that industry adds to the inflexibility of the economy by increasing the local level of labour costs. Such small islands may thus have a high level of *per capita* GNP combined with a high level of unemployment. In such circumstances, there is urgent need for a national incomes policy combined with measures designed to ensure that the benefit of such a policy does not accrue to the foreign firms involved.

48. It is generally recognized that rural development policies are an important element in employment policies, both in order to increase rural incomes and employment and to slow down the rate of rural/urban migration. We have already referred (paras. 30-31) to the need to develop potential linkages among industries, and in particular the possibility of expanding food production for the local tourist industry. We also consider rural works programmes as an important element in such policies. Such programmes can help to build up the rural infrastructure and improve local amenities, and could usefully be combined with other parts of rural programmes such as the development of rural industries. They will *inter alia* create additional purchasing power which would encourage diversification and expansion of economic activities in rural areas. Many of the smaller island developing countries receive significant amounts of foreign aid, and both recipient countries and donors should examine the possibility of using some foreign aid resources for rural works programmes on a sufficient scale to have a considerable impact on rural development.

49. Migration is very important for a large number of the smaller island countries. Unfortunately, migration statistics are scarce; it is known that net emigration has been important in the Caribbean area, whereas the picture is much more mixed in other regions. Migration is particularly important in island countries or territories with a population below 150,000 inhabitants, but some of these countries receive immigrants.

50. Many small island countries lose a relatively large number of skilled workers through emigration. Statistics from Jamaica seem to confirm this:

⁴ See United Nations, *Demographic Yearbook*, table 3.

Occupational classification of emigrating Jamaican workers

(By percentages)

	1967	1968	1969
Professional, technical and related occupations	17.2	13.4	14.3
Administrative, executive and managerial	1.4	1.1	1.5
Clerical	12.1	11.3	13.4
Sales	1.3	1.2	1.9
Craftsmen	8.6	9.3	14.3
Other skilled	12.7	14.4	15.3
Semi-skilled and unskilled	44.4	48.2	38.3
Unclassified	2.3	1.1	1.0
Total	100.0	100.0	100.0

Source: Jamaica Central Planning Unit, *Economic Survey Jamaica, 1970*, p. 48.

51. The Jamaican experience is significant, since emigration of workers alone in the years 1967 to 1969 represented as much as 0.6 to 0.8 per cent of the total population, and a far larger percentage of the labour force. These data may be relevant for other small islands where the loss of skills may be very significant. It is normally easier for skilled and educated people to emigrate from island countries than for unskilled workers with small financial resources and uncertain job prospects. This may explain why a relatively large number of emigrants from island countries are skilled. They also may be more acceptable immigrants from the host countries' point of view.

52. We raised the question whether host countries could help the emigrant countries by returning skilled immigrants to their home countries after a given period of stay, but this may be difficult to implement and could set undesirable precedents for immigration policy in industrialized countries. The home countries may, however, be able to apply administrative measures, notably through their control over the passports of their citizens, or by offering special incentives to returning skilled emigrants. But skilled persons often emigrate although they hold a suitable job at home — the earnings gap and wider job prospects constitute strong incentives for emigration. It is difficult for a country that loses valuable skills in this way to provide sufficient incentives without further widening the wage gaps at home and rendering its wage policy inoperative. There is no evident solution to this dilemma, and we have no firm proposals to put forward on this point.

53. The migration of skilled workers to and from smaller island countries may sometimes be unavoidable in order to enable those countries to meet their needs for specialized labour, and to deal with the problem of unemployment amongst people with special skills. While intra-regional migration is preferable, manpower movements out of and into the region may be needed, and the developed countries should take this fully into account in designing their immigration policies.

C. The viability of very small islands

54. We have noted that many of the very small island territories are still dependent, though their actual constitutional status varies from near-independence (such as associate status or internal self-government) to complete control by the metropolitan power. We assume that many existing dependencies will become independent in the future, either separately or as members of groups. In these circumstances the international community will be concerned about the potential viability of such States, and what measures can be taken to reinforce it.

55. Viability is an unclear and elusive concept, and possibly the only test of a country's viability is that it continues to survive as a separate entity, and that its people are able to make a living which they consider acceptable — or at least not so unacceptable as to compel them to go elsewhere. But whatever viability may mean, it is clear that very small islands will be unable to provide from their own resources the range of services that can be provided by larger countries. Many infrastructure and social services have a critical minimum size below which they can hardly be provided at all. Economic activities depending on such infrastructure services will not be developed, and the range of opportunities open to the people (apart from emigration) will be very narrow.

56. Some of these countries may decide that certain services (such as foreign representation or defence) need not be provided at all, and other services may be provided regionally (see chapter V below). But there may be a choice facing the international community between allowing small island communities to disappear through emigration or taking steps to ensure their survival through aid of one kind or another. It can be argued that emigration in such circumstances is beneficial both to the migrants themselves (by enabling them to make a better living) and to the countries receiving them (by providing more manpower and wider potential markets). But such migration has another aspect. It may be part of a process of regional polarisation whose long-term effects are harmful to both the areas of immigration and those of emigration. Moreover, barriers may (and frequently are) placed in the way of potential immigrants from outer islands. In such circumstances the international community should support local initiative to utilize all opportunities that exist for economic development and to give assistance (where appropriate on a regional basis) with minimum infrastructure and social services and necessary skills. In certain extreme cases it might be sensible (if the local people so desired) for help to be given to the islanders to move elsewhere. The problem however is not solely economic; there may also be a need for an examination of alternative political arrangements under which very small islands can achieve independence. However, we wish to emphasize that there should be no compromising of the legitimate desire of peoples for political independence. The viability of small islands is an area in which very little thinking has been done and further examination of the question should not proceed on the assumption that of necessity small islands are not viable.

Chapter III

TRANSPORT

57. Sea transport is very important for island economies. They depend entirely on shipping (or, for high-value cargo, on air transport) for external trade. The very high ratios of exports and especially imports to GNP of the small and medium-sized developing island economies underscore the vital importance of sea transport. In addition, for archipelago economies, the exchange of goods among the component islands has to be carried out by sea, and in some cases also by air. Ports, inter-island shipping, and overseas shipping therefore are of much greater importance to the welfare and progress of developing island economies than to mainland countries. The costs of overseas shipping affect not only the export earnings of the island economy, but also, particularly in islands highly dependent on imports for consumption goods, the cost of living of the people, to a much greater extent than in many mainland countries.

58. There is no direct relationship between freight costs and freight rates, but reduction of the former might help developing island countries to bargain for lower freight rates. Accordingly, continuing efforts must be made by developing island countries to increase efficiency of use and reduce costs, especially of overseas shipping. These costs have four major elements: the actual cost of transporting the goods from port of shipment to port of destination (line-haul cost); insurance of the carried goods; the cost of ship's time in the ports, and the cost of actually handling the cargo. Much can be done by the island countries to reduce the freight costs on their exports by giving attention to the two last-mentioned elements. Goods should be presented for shipment in forms enabling speedy loading in the developing country port so as to reduce both the vessel's in-port time and the high costs of unloading in the developed country port of destination. Where port congestion is experienced, consideration should be given not only to increasing berth space and improving cargo-handling facilities, but also to rationalizing shipping schedules.

59. In this connexion, it may be helpful to consider measures to enable export traders to obtain their money from banks upon presentation of "received for shipment" bills of lading, rather than to have to await the actual loading of the export goods aboard ship. Adoption of such a banking practice could reduce the demand for vessel frequencies, and fewer ships would have to call at each port for the same volume of cargo, with favourable effects on operating costs. In archipelago economies, especially, examination should also be made of the possibilities of avoiding multiple port bulk loadings of export commodities by the more extensive exchange of relevant information among shippers and/or by consolidation of individual shipments

into a full load at a single port, making use of vessels in the domestic inter-island trade to effect such consolidation rather than incurring the foreign exchange cost of undue port time by the larger overseas ship. For some commodities exported in sufficiently large quantities but now travelling as break-bulk cargo, shipments could be economically consolidated as bulk loads in liners at lower rates, or in full loads on chartered vessels. These observations about increasing the efficiency of use of overseas vessels in archipelago countries could also well apply to developing island regions adequately served by intra-regional shipping. Bringing about such desired changes may require restructuring of the export trades, and the initiative for such restructuring will need to be taken by the public authorities. It has been estimated that the changed organization of export trade to bring about these economies could yield savings of about one-third of existing transport costs.

60. The machinery of consultation with the shipping conferences in developing countries can be made more effective in obtaining more equitable freight rates and conditions of shipment if the interests of the small shippers are properly represented. Only the Government can represent these interests adequately, either by being a full member of the consultation machinery, or by having a representative to attend the discussions and ensure that a matter is referred to the appropriate governmental department before decisions can be implemented.

61. Steps should be taken by developing countries to improve the bargaining position of their shippers vis-à-vis the shipping conferences by organizing national shippers' councils, and by co-operation with other developing countries in the region so that common negotiations with shipping conferences may be carried out with the combined bargaining power of the several countries. It would be desirable if the developing island economies could exercise some control over the shipping conferences which serve them, and in this connexion studies might be made of the strategies successfully employed by various countries, among them Australia, Brazil, Canada and New Zealand, in achieving some measure of such control. An ongoing series of discussions is being sponsored by UNCTAD so as to produce a code of conduct for liner conferences; it is hoped that the code, when evolved and adopted, will improve the situation of developing countries. Some developing countries have entered into co-operation with other countries of the region in establishing a regional shipping line in order to improve their bargaining position with the shipping conferences and obtain other benefits as well. This step, however, has various pitfalls, and we suggest that as a help in avoiding

such problems serious study be made of the experience of regional shipping lines established in other developing regions.

62. Important technological developments are occurring in the shipping of general cargo. These are taking place in response to the need in the developed countries to employ forms of transport which minimize the amount of labour required per ton of cargo handled in their ports. All the types of ships being evolved are highly capital intensive, and will require adaptation of the ports at which the ships call. Cargo may be unitized in pallets, by pre-slinging, by roll-on/roll-off methods, or by use of standard large containers (8 ft x 8 ft by 20, 30 or 40 ft). Heavy traffic trade routes to and from Western Europe, the United States, Japan and Australia now substantially employ container and roll-on/roll-off vessels. The form of cargo unitization that will be employed for routes serving the various island developing countries is not yet clear. The pattern that will be followed by container ship services to developing countries, especially the island economies, still has to be established. It is apparent, however, that the ships to transport unitized cargoes will be larger, and in the case of container ships and roll-on/roll-off ships will require new ports of call (or increased facilities in existing ports) to be built in the developing country regions. Each berth built for these ships in the developing country needs a much larger amount of minimum cargo throughput than a general cargo berth, to justify the large investments in equipment, wide supporting land area (for container storage and handling) and other facilities for its proper operation.

63. The larger capital investment in the ships carrying containers and roll-on/roll-off cargo, the ships' larger sizes compared with break-bulk liners, and the high cargo throughput requirements of the ports to serve these ships may mean that many of the ports now served by break-bulk liners would become uneconomic for direct service from developed countries. This is of particular concern to island economies. It has been suggested that developing economies may continue throughout this decade to secure significant cost savings, compared with break-bulk methods, by the use of pre-slinging and pallet methods of cargo presentation. On the other hand, in the longer term "it is possible to envisage a situation in which inter-island and feeder services within regions are handled by roll-on/roll-off vessels carrying both laden vehicles, containers and pallets. The containers and pallets would be trans-shipped for ocean transport at a major port within the region, while intra-regional services would be provided mainly by the roll-on/roll-off capacity. The economics of such a system are not known, but it has a logic which makes it potentially extremely attractive".⁵

64. It is also observed that "National shipping lines of developing countries in particular should give consideration to this question in considering their fleet expansion and replacement plans, as they may find that the shipowners of developed countries move out of trades unsuitable for the

use of containers, and the national lines, to an increasing extent, will have to carry their own countries' trades".⁶ Advance thinking should thus now be going on, especially in the smaller island economies, of the consequences to their overseas trade of these possible future developments, so that planning may proceed in the best way to meet these developments as they occur, or better still, to prepare for them as much in advance as is practicable.

65. The adoption of container shipping to serve developing island regions may require the establishment of intra-regional feeder routes to bring containers to and from the various islands and the major container port or ports of the region.⁷ This will require regional co-operation in order to integrate successfully the inter-island and intra-regional services.

66. Although the shipping companies are carrying out development of the new shipping technologies, very few parallel efforts are known to be undertaken by private initiative on feeder vessels. We suggest that there should be collaboration of the respective Governments in the investigation of this matter in the various island regions, so that the type of feeder vessel most adapted to shipping conditions in the region may be developed. Technical assistance from international agencies will be required in this work. To illustrate, the feeder vessels may be smaller container ships with their own container handling facilities or they may be even smaller break-bulk vessels serving the various islands from the container port, where the containers are emptied of their contents, segregated according to destination and transported on the break-bulk vessels. The latter alternative could be feasible if the container port is located in a developing country, with its lower labour costs and generally greater flexibility in use of labour as compared with a developed country.

67. We have already mentioned the possibilities of improved linkages of overseas transport with inter-island shipping, whether within archipelago countries or to serve the different island countries of a developing region. We must, however, recognize the difficulties that are faced in initiating shipping among the island countries of a developing region to carry inter-island country trade and/or to effect consolidation of the region's export cargoes to extra-regional ports. Existing inter-island country flows of cargo in the developing region are likely to be small, and the inter-island shipping service would need to be established on the prospect of enough future cargo flows to support the service. On the other hand, these cargo flows will not materialize unless the inter-island shipping service becomes available at reasonable cost and in satisfactory frequency among the various island ports. International assistance may be required, both for the establishment of the regional shipping service and to subsidize the operation during its initial years, until sufficient revenues from cargo

⁶ *Ibid.*, para. 70.

⁷ This and other technological developments in sea and air transport will affect the economic distance of the developing island country from its external markets and supply sources.

⁵ *Shipping in the seventies: report by the secretariat of UNCTAD* (United Nations publication, Sales No. E.72.II.D.15), para. 22.

are generated to meet the costs of operating the service. Technical assistance may also be needed to develop optimum designs for ships to serve these inter-island trades. The experience of developed countries, like Norway, which have to serve remote small population centres along their coast by coastal steamers, may be useful in providing such assistance.

68. The possibilities of cargo shipment by air should not be overlooked. The rates of air cargo on chartered planes are declining and could, in the foreseeable future, become competitive with break-bulk shipments for types of general cargo which do not lend themselves to containerization or other forms of cargo unitization. Increasing air cargo shipments should be based on the use of chartered aircraft operating on a reasonably regular frequency. For use to best advantage, both inward and outward flights should carry full loads. Planning and organization are needed to consolidate air cargo and generate full loads on each flight. The smaller volumes involved make cargo consolidation and filling the plane much easier than for break-bulk liners. Even small island countries could probably muster the cargoes required, provided that air cargo rates are competitive with break-bulk shipments. Finally, we have taken

note of the ongoing research on development of airships as a means of cargo transport, although commercial operation of airships is probably ten or more years away.

69. The launching of the tourist industry in a developing island country requires, *inter alia*, the construction of suitable airports to accept the aircraft which bring the "package tours" now making up the bulk of the tourist business either direct from the tourists' home region or after change of plane in an international airport. Thus, development of the tourist industry and of export possibilities in the economical shipping of chartered air cargo may be mutually reinforcing activities.

70. In view of the technological development currently proceeding, the changes taking place in shipping costs, and the vital importance of shipping to most developing island economies, we propose that every developing island country, either itself or in co-operation with other countries in the region, establish freight study units to keep under constant study the matters affecting costs of shipping, and to advise the Governments concerned of appropriate action to be taken.

Chapter IV

MISCELLANEOUS SUBJECTS

A. Natural disasters

71. Many of the developing islands lie in the path of tropical storms of great intensity, and suffer periodically from consequential disasters. We were unable to obtain statistical information on the relative frequency of such disasters in islands as compared with mainland countries, but we understand that the probability of such events is especially great in the Caribbean, Indian Ocean and Pacific Ocean areas. We therefore consider that any policies specially concerned with developing island countries should pay regard to the possibility of natural disasters, and should include measures designed to mitigate the damage caused by them.

72. Planning to meet disasters involves several elements:

(a) Taking account of the probability of disasters in over-all planning and in project preparation and evaluation;

(b) Systems of early warning of the prospects of a disaster;

(c) The organization of any necessary measures for reducing loss of life from an expected disaster;

(d) Immediate relief after a disaster;

(e) Action to mitigate the loss and economic damage resulting from disasters.

73. International agencies, as well as national Governments and voluntary agencies, have all been active in these areas. The United Nations has appointed a Disaster Relief Co-ordinator. WMO has a tropical cyclones section. It has helped individual country meteorological offices to build up a body of knowledge on the frequency and relative impact of such events, as well as early warning systems. Regional typhoon committees have been established in certain areas by WMO and United Nations regional agencies. Relief work is organized by the International Red Cross, as well as by national Governments.

74. This is an area in which we have no particular expertise. The following aspects, however, seemed to us to be worth further examination:

(a) Many island Governments lack the technical expertise required to bring the risk of natural disasters into their planning procedures. There are well-established procedures for allowing for risk in project preparation. The main problem is one of assessing the risk. Even with such an assessment, there may, however, be differences of view reflecting the discount rate applied by decision-makers to future costs. But even though there may be a substantial area of dispute about actual decisions, planners ought to

have the necessary information at their disposal, as well as techniques required to take account of it. We consider that there is need for technical assistance in this field – possibly by the building up of a cadre of experts in this area with sufficient economic training to be able to propose solutions to planning problems. Such experts might most usefully be provided on a regional basis. They would also be able to give continuing help to local meteorological departments, as well as in building up statistical data so as to improve the accuracy of risk estimations.

(b) The effects of a natural disaster on a small island can be overwhelming. In a large country, when a natural disaster strikes it will normally affect only a part of the country, and resources will be available from other areas to help to make good the damage and economic loss. The whole of a small island may, however, be so affected. We consider that there may be a case for the establishment of an international fund – possibly partly or entirely on an insurance basis – to meet the economic loss arising from natural disasters. There are many considerations: in view of the lack of adequate statistics it may be difficult to calculate risk actuarially; it might be undesirable to operate a fund in such a way as to encourage lack of foresight; if it were solely financed by contributions from poor islands, it might lack sufficient funds to meet a bad run of disasters. There is, however, some experience in this area. Mauritius has organized an insurance fund against drought and cyclones, financed by a cess on sugar exports; other industries have taken out private insurance against such events. We suggest that a study be undertaken on the desirability and practicability of an international fund for meeting the economic costs of natural disasters, and that this study should pay special attention to the mode of financing such a fund, the definition of disasters which might be covered and the need to avoid systems that might encourage fecklessness on the part of Governments and private individuals.

75. We support the work that the United Nations, through the Disaster Relief Co-ordinator and WMO, are doing in this area. We hope that WMO will continue to expand its operations in long-range forecasting, in the building up of data, and in collaborating with country agencies in short-term forecasting work. The responsibility of the organization can, of course, go no further than warnings to member Governments or other agencies; action taken as a result of such warnings is the responsibility of local administrations and private individuals. We consider it very necessary that Governments should take this responsibility seriously, and should set up suitable organizations for action in the event of expected or actual disasters.

B. Control of marine resources

76. Developing island countries have a particular interest in the control of marine resources around their coasts. This problem is currently being studied by the United Nations, and we do not wish to duplicate the work which is being done. We would, however, emphasize that any agreement or decisions in this field should pay full regard to the interests of the developing island countries.

77. An important aspect of marine resources is the exploitation of fisheries. This is a major area for diversifi-

cation in many islands. Many developing island countries have however taken little advantage of the resources in the sea around them. In many regions, fishing is virtually monopolized by the trawler fleets of large Powers. Attempts to expand local fishing industries have met with little success, partly because of the use of systems which were unsuitable to local conditions. We consider that high priority should be given to a study of past experience in this area — in terms of both successes and failures — so that expert technical assistance may be made available to developing island countries in this sector.

REGIONAL POLICIES

78. The regional aspect is central to any consideration of developing island problems. In terms of analysis, individual island situations can frequently be understood only in the context of inter-island relations in the region as a whole. In large island countries – and especially archipelagos such as the Philippines – there may be a regional problem affecting the more backward or remote islands. In terms of prescriptions, many of the problems of individual small islands cannot be solved on an individual island basis, but require some kind of association or *ad hoc* arrangement between a group of islands or with mainland countries.

79. Basically regional co-operation between groups of island countries is needed in order to carry out activities which it is difficult or impossible for them to carry out individually. There are various possible areas for co-operation (many of which have already been mentioned elsewhere in our report):

(a) To provide services on a regional basis where these cannot be provided on an individual island basis – i.e., where there are economies of scale, or problems of critical minimum size. Such services might include higher education, specialist health services, economic planning monetary institutions, or the provision of technical advisory services.

(b) To make possible certain forms of economic development which may not be possible on an individual island basis – e.g., through the enlargement of markets and the creation of inter-island linkages. Thus, regional inter-dependence may be substituted for individual island dependence.

(c) To mobilize internal and external resources where this can most effectively be done on a regional basis.

(d) To improve the bargaining strength of the individual islands in their relations with external companies and States – e.g., through the adoption of regional guidelines for concessions to foreign investors or regional bargaining with liner conferences.

80. These advantages are widely recognized, and several regional organizations have been created which cover island countries. These include the Caribbean Free Trade Association (CARIFTA), the Eastern Caribbean Common Market, the South Pacific Commission, the Association of South-East Asian Nations (ASEAN) and the South Pacific Bureau for Economic Co-operation. Regional universities have been established in the Caribbean and the South Pacific. The Caribbean Development Bank has been successful in mobilizing development finance from a variety of sources outside the region.

81. Arrangements for regional co-operation or integration have, however, encountered a number of problems. Common to all regional associations is the problem of the unequal distribution of costs and benefits among the members, and the possibility of conflict between national plans and interests and regional programmes. There are, however, special difficulties facing regional associations of island countries. The islands may be widely scattered, and may have poor transport or communication links between them. Communications may indeed be easier with countries outside the region than within the region. The islands may be at different stages of development and have different cultural backgrounds, languages and links with former metropolitan powers. The total population, resources and markets of all the islands in the region may be too small to provide much benefit in terms of possible economies of scale. Island economies may be competitive rather than complementary, and in a group of islands scattered over a wide area there may be little feeling for a wider regional community and hence little political will for closer association. Moreover, some of the policies and purposes of regional associations may be incompatible. Thus, it is possible that the creation of free-trade areas or common markets may make the regional planning of industry more difficult, by removing one of the sanctions required to influence the regional location of industry.

82. Thus, although the advantages of regional co-operation are indisputable, all the actual arrangements which have been made have encountered greater or lesser problems. The existing regional associations are well aware of these difficulties; CARIFTA, in particular, has been concerned to adopt pragmatic and cautious policies designed to promote common action where the advantages could be clearly seen. CARIFTA has also faced the problem of unequal benefits through a special programme of trade and financial measures for the less developed member countries, and the Caribbean Development Bank has been primarily concerned with promoting and financing projects in the poorer countries of the region.

83. The international community has played an important role in promoting regional associations among island countries and in providing assistance to them. Thus, ECLA helped in designing the institutional framework of CARIFTA, while ECAFE has provided substantial assistance to the ASEAN group. We consider that there is wide scope for international help for regional institutions and arrangements. We suggest that special attention be given to the following areas:

(a) As is well known, one of the major sources of tension and difficulty within regional organizations is the

unequal distribution of costs and benefits among the participants. Much consideration has been given in United Nations bodies and elsewhere to methods of redistributing the benefits of the regional systems through, for example, regional industrial planning or fiscal devices.⁸ There are also recommendations by a group of experts on this subject; these deserve further attention.⁹ This problem was raised in the discussions at the third session of the United Nations Conference on Trade and Development, in April-May 1972, and is recognized in the adoption of resolution 48 (III) on regional integration, which proposed special arrangements for the participation of the least developed countries, and the privileges which such countries might enjoy within such groupings. The implicit assumption of the resolution is that more advanced members of such associations benefit sufficiently from the arrangement for them to be able and willing to offer special rights to the least developed countries concerned. But in associations consisting mainly of small islands, the short-term gains to the more advanced member countries may not be sufficiently substantial for them to be able or willing to offer special privileges or assistance to their poorer and more backward partners. But without special measures for the less advanced members, these groupings may not be viable. Similar considerations will apply to common services. Although it may be more economic to provide certain services on a regional basis, it may not be reasonable for the cost to fall primarily on the more advanced island countries. In other words, systems of redistribution through common services may be impracticable in small island groupings. In such circumstances, if the regional arrangement is to persist at all, it will require external assistance both towards measures designed to assist the poorer or peripheral members of the grouping, and for the provision of common services. Such action might include, *inter alia*, finance for regional development banks specially earmarked for investment in the more backward areas, and possibly subsidies for regional transport services.

(b) We understand that the relations between regional organizations and some of the international agencies and bilateral donors are not as direct as they might be. This leads to complicated and inefficient channels of communication, as well as to a down-grading in the apparent status of regional organizations. We consider that international

⁸ See *Current problems of economic integration: Fiscal compensation and the distribution of benefits in economic groupings of developing countries* (United Nations publication, Sales No. E.71.II.D.6) and *Current problems of economic integration: Agricultural and industrial co-operation among developing countries* (United Nations publication, Sales No. E.72.II.D.6).

⁹ The report of this group of experts, who met in Geneva from 11 to 17 July 1972, appears as the first part of *Current problems of economic integration: The distribution of benefits and costs in integration among developing countries* (United Nations publication, Sales No. E.73.II.D.12).

agencies and bilateral donors should deal directly with the regional organizations in matters of regional concern. There appears, moreover, to be a need for improved co-ordination of the activities of the international agencies at a regional level.

(c) UNCTAD and the other relevant international agencies should continue to give advice and assistance in the planning of regional organizations, drawing, where appropriate, on the experience of other regional systems. Thus, the experience of CARIFTA would appear to be highly relevant to the task of those currently planning the expansion of regional institutions in the Pacific. Since the United Nations economic commissions are organized on a geographical basis, there is no automatic method whereby such information may be made available, and special measures will be needed to see that this is done.

(d) The international agencies should continue to help with regional planning, especially in the fields of transport and industrial development. In view of the scattered and open nature of such regional systems, and the small scale of many of the economies involved, we consider that there should be a strong emphasis on detailed inter-island problems and relations, and that global projections and plans for the system as a whole may be of less immediate relevance. Thus, it may be more important to be able to identify a particular potential linkage between two island economies than to attempt to plot the future course of the region as a whole.

(e) Technical expertise should be provided on a regional basis in a number of key areas. Several of these have already been referred to elsewhere in our report, but at this stage we would emphasize the need for help in transport policy and in negotiations with the multinational corporations, and in marketing activities and other economic information systems.

84. The regional problems of larger island countries are not substantially different from those of mainland countries. The principal exception we have noted is in respect of archipelagos. In such cases the development of new growth poles designed to counteract the process of polarization may involve the construction of ports – possibly in islands where there is little justification for the expenditure in terms of current traffic flows. If the country concerned is unable to finance such developments from its own resources, international agencies operating on conventional cost/benefit criteria may be unwilling to assist. We consider that the agencies concerned should be prepared to adopt flexible criteria in the assessment of such regional projects, and in particular to take into account the long-term benefit involved. In this respect, such projects may not however require criteria dissimilar from those which should be applied to regional projects in backward areas of large mainland countries.

Chapter VI

SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

85. This report has tended to concentrate on the problems of the small developing islands and territories, although many of the recommendations are applicable to the larger islands. Some of the main recommendations in the report are summarized below:

A. Specialization and dependence

(1) *Action by developing island countries*

86. There are special problems of income distribution in small island countries heavily dominated by one capital intensive industry. There is urgent need for a national incomes policy combined with measures designed to ensure that the benefit of such a policy does not accrue to the foreign firms involved.

(2) *Study recommended*

87. Since very little work has been done in this field, a study of the viability of small island countries is required.

(3) *Action by the international community*

88. *Monetary dependence.* Because of their links with the currencies of metropolitan countries – vulnerable to periodic devaluations – small islands have a special interest in the early creation of a new international reserve asset which would eliminate present exchange risks.

89. *International technical assistance* is required for regional training and educational institutions. These can offer training better adapted to local needs than institutions outside the region.

B. Transport

(1) *Action by developing island countries*

90. Continuing efforts must be made to increase efficiency of use and reduce costs of overseas shipping – particularly those relating to costs of ships' time in the ports and the cost of actually handling the cargo.

91. Countries should organize national shippers' councils and co-operate with other developing countries in the region to strengthen their combined bargaining power in negotiations with shipping conferences.

92. Developing island countries either individually or in co-operation with other countries in the region, should establish freight study units to keep under constant study matters affecting costs of shipping and to advise the governments concerned of appropriate action to be taken.

(2) *Study recommended*

93. Since the establishment of a regional shipping line has various pitfalls, a study should be made of the experience of regional shipping lines established by other developing countries.

(3) *Action by the international community*

94. Technical assistance from international agencies will be required to investigate the type of feeder vessel most adapted to shipping conditions in the various regions.

95. International assistance may be required both for the establishment of regional shipping services and to subsidize operations in the initial years, as well as to develop optimum design for ships to serve inter-island trade.

C. Regional policies: technical and financial assistance

96. There is a wide scope for international help for regional institutions and arrangements in particular in order to avoid unequal distribution of costs and benefits among the participants:

(a) External assistance which might include, *inter alia*, finance for regional development banks, especially earmarked for investments in more backward areas and possible subsidies for regional transport services;

(b) UNCTAD and the relevant agencies to continue to give advice and assistance in planning regional organizations, drawing where appropriate on experience of other regional systems;

(c) Technical experts to advise on transport policy;

(d) Technical assistance to advise on negotiations and continuing relations with multinational corporations;

(e) Technical assistance in marketing activities and other economic information systems;

(f) International agencies should be prepared to adopt flexible criteria in assessing regional projects involving the development of new growth poles designed to counteract

the process of polarization; this may, for example, involve the construction of ports in islands where in terms of current traffic flows there is little justification for such expenditure. The long-term benefit involved should be taken into account.

D. Commercial policy: action by the international community

(1) *Commodity agreements*

97. Because of their dependence on primary commodities, international commodity agreements are of particular importance to small island countries, as is the need to ensure equivalent advantages to such countries in any re-structuring of special treatment caused by the enlargement of EEC.

(2) *Generalized system of preferences*

98. The present product coverage should be widened to cover processed products and semi-manufactures. The rules of origin should be relaxed and cumulative treatment granted to regional groupings of developing countries.

(3) *Reverse preferences*

99. The enlarged EEC should be encouraged to adhere to the principle of non-reciprocity in negotiating new or renewed association agreements.

(4) *Export promotion*

100. International technical assistance should be provided to build up an adequate institutional framework for export trade, including the provision of marketing skills. The scope for small-scale industry should not be ignored.

(5) *Tourism*

101. The tourist potential should be exploited to the fullest degree. Technical assistance is needed to lessen environmental costs and social disadvantages by providing planning expertise in the area, e.g. the planning legislation to control environmental problems.

E. Miscellaneous subjects

(1) *Natural disasters*

102. *Study suggested.* A study should be undertaken of the desirability and practicability of an international fund to meet the economic costs of natural disasters. This study should pay special attention to the mode of financing such a fund, the definition of disasters which might be covered, and the need to avoid systems which encourage fecklessness on the part of governments and private individuals.

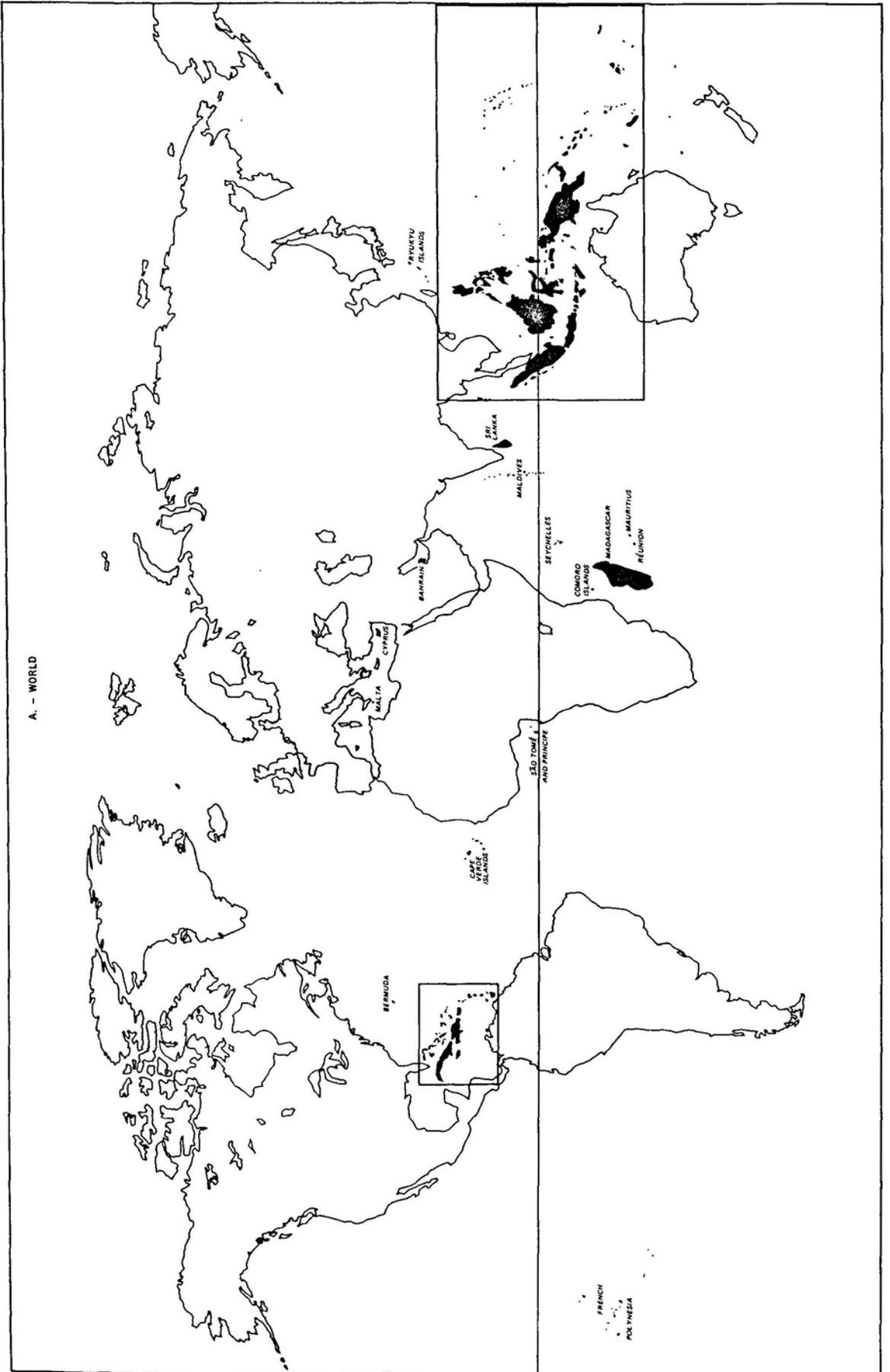
103. *Technical assistance* should be provided on methods of taking account of the risks of natural disasters in planning. Such assistance may involve the building up of cadres of experts who might most usefully be provided on a regional basis and give continuing help to local meteorological departments. Technical assistance could also be provided to build up statistical data to improve the accuracy of risks estimation.

(2) *Control of marine resources*

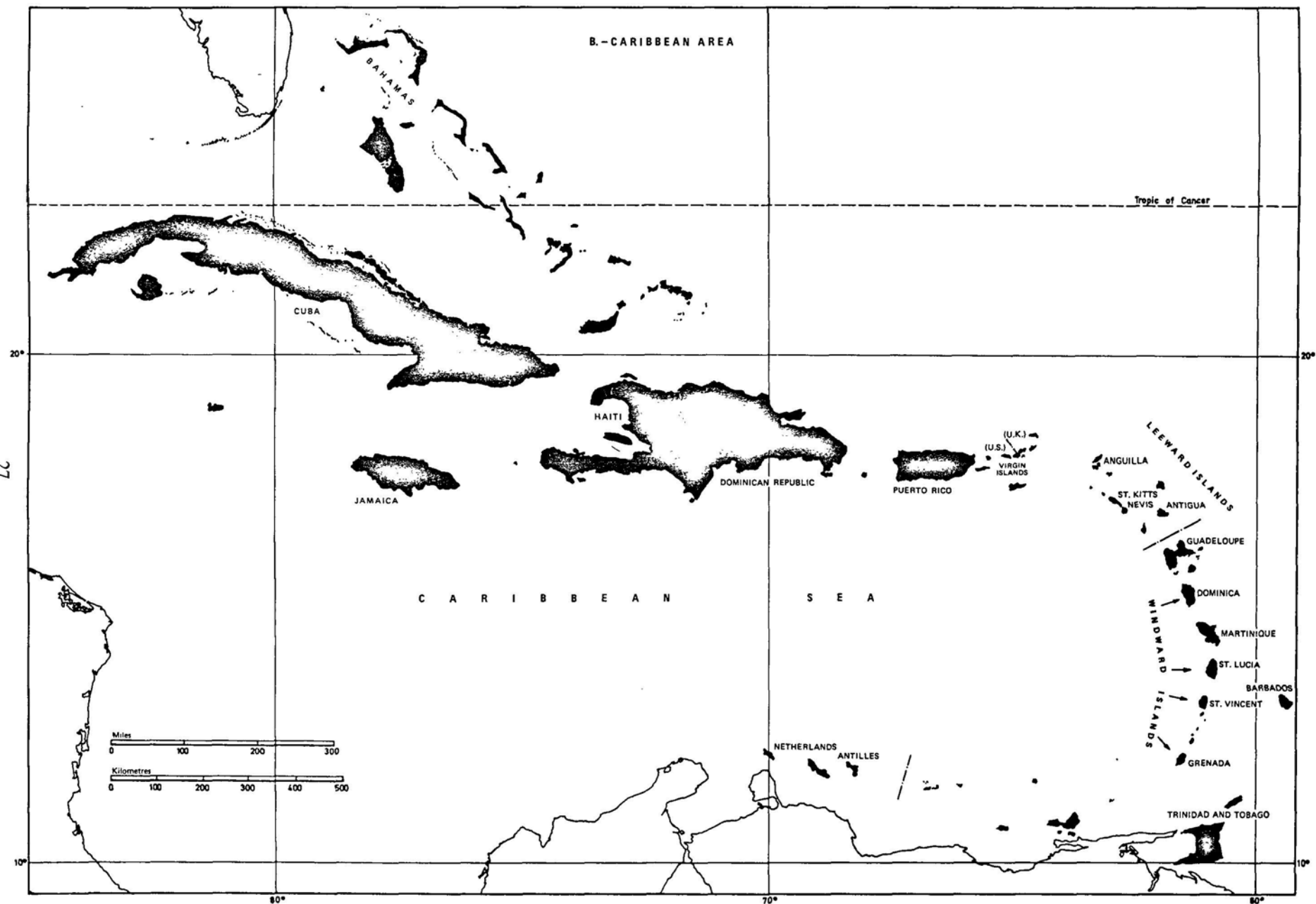
104. *Study recommended.* High priority should be given to a study of past experience in attempts to expand local fishing industries, in terms of both successes and failures, so that expert technical assistance may be made available to developing island countries in this sector.

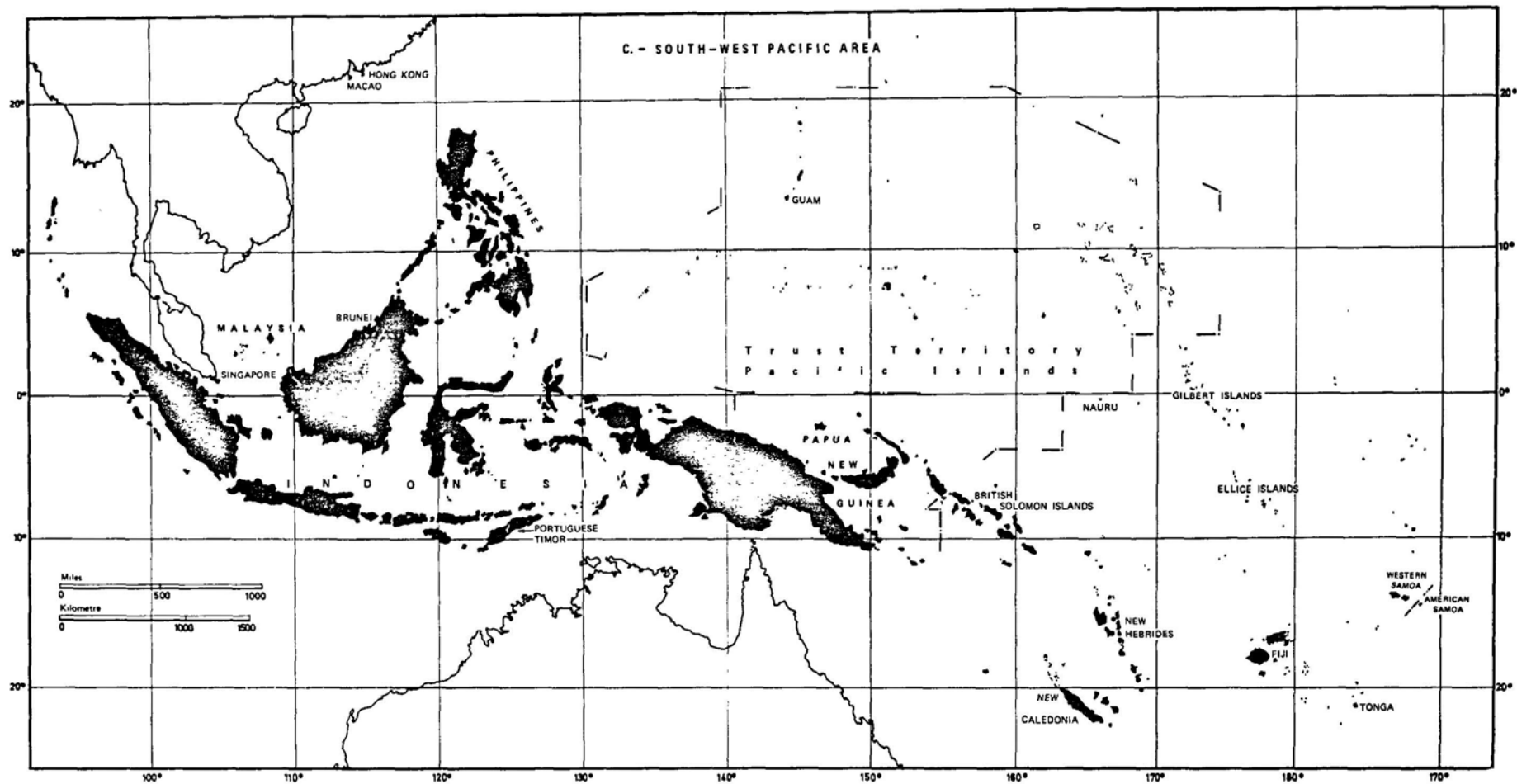
MAPS

showing the location of island countries and territories referred to in the report



B.-CARIBBEAN AREA





STATISTICAL ANNEX

TABLE I

Demographic data for developing island countries and territories, 1970

Countries and territories	Total population (in thousands) 1970	Annual rate of growth in percentages (1963-1970)	Population density (inhabitants per km ²)	
			General	Arable land
<i>Population of one million and over</i>				
Indonesia	121,198	2.8	81	673
Philippines	36,849	3.0	123	561
Sri Lanka	12,514	2.3	191	1,398
Cuba	8,392	2.1	73	234
Madagascar	6,750	2.3	11	236
Haiti	4,867	2.0	175	1,315
Dominican Republic ^a	4,060	3.6	89	505
Hong Kong	3,959	2.1	3,829	32,992
Puerto Rico	2,722	(1.4)	306	1,153
Papua-New Guinea	2,420	(2.3)	(5)	2,373
Singapore	2,075	2.3	171	51,875
Jamaica	1,869	(1.4)	171	776
Trinidad and Tobago ^a	1,030	(1.6)	184	1,807
<i>Population under one million</i>				
Ryukyu Islands	942	0.5	429	1,777
Mauritius	836	2.1	409	796
Cyprus	633	1.0	68	147
Portuguese Timor	602	1.7	40	..
Fiji	520	2.6	28	356
Réunion	446	2.6	177	731
Martinique	338	2.0	307	11,267
Guadeloupe	327	1.4	184	743
Malta	326	1.0	1,030	2,038
Macao	314	1.7	19,625	..
Comoro Islands	271	..	125	301
Barbados	256	1.1	595	985
Cape Verde Islands	246	1.9	61	647
Netherlands Antilles	222	1.4	231	4,440
Bahrain	215	3.0	360	..
Bahamas	171	4.1	12	8,550
British Solomon Islands	163	2.6	6	115
Western Samoa	143	2.5	50	207
Brunei	121	3.7	21	378
St. Lucia	115	2.3	187	1,045
French Polynesia	109	3.2	27	170
New Caledonia	109	3.3	6	136
Maldives	108	1.8	362	..
Grenada	103	1.5	299	5,150
Trust Territory of the Pacific Islands	102	2.5	57	443
Guam	100	5.6	182	1,667
St. Vincent	96	1.9	247	686
Tonga	86	3.3	123	358
New Hebrides	84	2.4	6	..
Dominica	74	2.3	99	740
St. Kitts-Nevis-Anguilla	62	1.6	174	443
São Tomé and Príncipe	61	2.1	63	203
Antigua	60	-0.3	136	231
Virgin Islands (U.S.)	59	4.3	172	2,950
Gilbert and Ellice Islands	56	2.1	64	18,667
Bermuda	54	2.1	1,019	27,000
Seychelles	52	2.1	138	5,200
American Samoa	29	4.3	147	725
Nauru	7	5.5	333	..

Sources: United Nations, *Statistical Yearbook, 1971* (United Nations publication, Sales No. E/F.72.XVII.1), *Demographic Yearbook, 1970* (United Nations publication, Sales No. E/F.71.XIII.1), *Monthly Bulletin of Statistics*, vol. XXVII, No. 2, February 1973; FAO, *Production Yearbook, 1971*, vol. 25, (Rome, 1972).

^a Preliminary figures.

TABLE II
Geographical data for developing island countries and territories, 1970

Countries and territories	Land territory (in km ²) ^{a, b}	Arable land as percentage of total area	Between farthest points of islands or archipelago	Distance ^c (in kilometres)		
				From nearest other island or island group	From nearest continent	
<i>Population of one million and over</i>						
Indonesia	1,491,564	12.1	(5,700)	—	—	—
Philippines	300,000	21.9	(1,700)	Sabah		(800)
Sri Lanka	65,610	13.6	(500)	India	(100)	(100)
Cuba	114,524	31.3	(1,200)	Mexico	(200)	(200)
Madagascar	587,041	4.9	(1,600)	Mozambique	(400)	(400)
Haiti	27,750	13.3	(400)	Dominican Republic		(700)
Dominican Republic	48,734	16.5	(400)	Haiti		(700)
Hong Kong	1,034 ^d	11.6	—	—		—
Puerto Rico	8,897	26.5	(200)	Dominican Republic	(100)	(800)
Papua-New Guinea	461,691 ^d	0.2	(1,500)	Australia	(200)	(200)
Singapore	581	6.9	—	—		—
Jamaica	10,962	22.0	(250)	Cuba	(150)	(700)
Trinidad and Tobago	5,128	11.1	(200)	Venezuela	—	—
<i>Population under one million</i>						
Ryukyu Islands	2,196	24.1	(900)	Tokara	180	900
Mauritius	1,865	56.3	56	Réunion	224	2,768
Cyprus	9,251	46.7	150	Lebanon	200	200
Portuguese Timor	14,925	..	570	Indonesia	1,300	850
Fiji	18,272	8.0	520	New Caledonia	1,350	2,850
Réunion	2,510	24.3	74	Mauritius	224	2,454
Martinique	1,102	2.7	(50)	St. Lucia	70	650
Guadeloupe	1,779	24.7	(60)	Dominican Republic	110	740
Malta	316	50.6	45	Sicily	200	360
Macao	16	..	(120)	—		—
Comoro Islands	2,171	41.5	280	Mozambique	370	370
Barbados	430	60.5	(50)	St. Lucia	210	590
Cape Verde Islands	4,033	9.4	310	Senegal	860	860
Netherlands Antilles	961	5.2	(150)	Venezuela	390	390
Bahrain	598	..	40	Saudi Arabia	230	230
Bahamas	11,405	0.2	(100)	United States	350	350
British Solomon Islands	28,446	5.0	800	New Guinea	1,570	3,380
Western Samoa	2,842	24.3	180	Tonga	920	4,020
Brunei	5,765	5.6	(150)	Singapore	1,200	1,200
St. Lucia	616	17.9	(50)	Martinique	70	550
French Polynesia	4,000	16.0	2,460	Fiji	2,410	6,000
New Caledonia	19,000	4.2	440	New Hebrides	660	1,530
Maldives	298	..	900	Sri Lanka	740	300
Grenada	344	5.8	(40)	St. Vincent	160	280
Trust Territory of the Pacific Islands	1,779 ^d	12.9	5,000	Guam	370	3,330
Guam	549	10.9	(50)	Trust territory of the Pacific islands	370	3,340
St. Vincent	388	36.1	(50)	St. Lucia	110	370
Tonga	549	43.7	55	Fiji	770	3,700
New Hebrides	14,763	..	680	New Caledonia	660	1,800
Dominica	751	13.3	50	Martinique	90	750
St. Kitts-Nevis-Anguilla	357	39.2	50	Montserrat	90	890
São Tomé and Príncipe	964	31.1	220	Gabot	280	280
Antigua	422	61.6	50	Guadeloupe	110	850
Virgin Islands (U.S.)	344	5.8	100	Puerto Rico	110	980
Gilbert and Ellice Islands	886	0.0	1,590	Marshall islands	660	3,500
Bermuda	53	0.0	20	United States	1,300	1,300
Seychelles	376	2.7	40	Somalia	370	370
American Samoa	197	20.3	50	Tonga	920	3,700
Nauru	21	15.0	6	Gilbert Islands	650	3,000

Sources: United Nations, *Statistical Yearbook, 1971* . . . ; FAO, *Production Yearbook, 1971*; IBRD, *World Bank Atlas: population, per capita product and growth rates, Washington, D.C., 1972*; *World wide marine distance tables* (London, B. P. Tanker Company, Ltd., 1958).

^a For island countries, land territory includes inter-island waters.

^b Unless otherwise specified, area estimates include inland waters.

^c Distances estimated.

^d Inhabited dry land area only.

TABLE III

Distribution of population among developing countries and territories, 1970

(Grouped according to size of population)

Size of population	A. Number of countries and territories			B. Percentage share of total population by category		
	All	Mainland	Island	All	Mainland	Island
Over 50 million	6	5	1	55.5	55.8	54.0
10 million – 50 million	23	21	2	29.6	30.7	22.0
5 million – 10 million	20	18	2	7.5	7.6	6.9
2.5 million – 5 million	22	18	4	4.8	4.1	10.0
1 million – 2.5 million	15	11	4	1.5	1.3	3.3
500,000 – 1 million	14	9	5	0.6	0.4	1.6
100,000 – 500,000	28	8	20	0.4	0.1	1.9
10,000 – 100,000 ^a	17	5	12	0.1	0.0	0.3
Total	145	95	50	100.0	100.0	100.0

Source: See table I above.

^a Including Nauru.

TABLE IV

Distribution of land territories among developing countries and territories, 1970

(Grouped according to size of territory)

Size of population in km ²	A. Number of countries and territories			B. Percentage share of total population by category		
	All	Mainland	Island	All	Mainland	Island
Over 1 million	21	20	1	66.1	67.3	45.4
500,000 – 1 million	16	15	1	17.9	17.9	17.9
250,000 – 500,000	16	14	2	8.4	7.7	23.2
100,000 – 250,000	22	21	1	5.5	5.6	3.5
50,000 – 100,000	9	8	1	1.1	1.0	2.0
25,000 – 50,000	9	6	3	0.5	0.3	3.2
10,000 – 25,000	14	8	6	0.4	0.2	2.8
1,000 – 10,000	17	2	15	0.1	0.0	1.7
Less than 1,000	23	1	22	0.0	0.0	0.3
Total	147	95	52	100	100	100

Source: See table II above.

TABLE V

Social indicators for developing island countries and territories

<i>Countries and territories</i>	<i>Urban population as percentage of total</i>	<i>Doctors per 10,000 inhabitants (1969)</i>	<i>Per capita calory daily intake (1964-1966)</i>	<i>Literacy rate</i>	<i>Combined primary and secondary school enrolment ratio (1968)</i>
<i>Population of one million and over</i>					
Indonesia	11.6	0.4	1,870	43	44
Philippines	29.9	7.2	2,010	72	87
Sri Lanka	19.1	2.5	2,150	70-80	73
Cuba	53.3	8.7	..	78	..
Madagascar	14.1	1.0	2,360	39	44
Haiti	12.2	0.7	1,720	10	22
Dominican Republic	40.0	5.9	2,080	65	68
Hong Kong	76.6	4.2	2,370	71	83
Puerto Rico	44.2	9.9	2,450	73	93
Papua-New Guinea	(5.9)	3.1	..	29	42
Singapore .....	..	5.6	2,450	75	84
Jamaica	37.1	2.5	2,310	82	66
Trinidad and Tobago	17.5	4.3	2,320	89	77
<i>Population under one million</i>					
Ryukyu Islands	30.5	..	..	75	104
Mauritius	44.1	2.2	2,300	61	66
Cyprus	39.0	7.3	..	76	69
Portuguese Timor .....	..	..	..	..	15
Fiji	33.4	4.5	..	64	65
Réunion	24.3	4.0	..	52	94
Martinique	41.8	6.4	..	85	92
Guadeloupe	32.0	5.3	..	83	88
Malta	94.3	14.7	2,680	58	89
Macao	95.2	..	..	83	77
Comoro Islands .....	..	0.6	..	58	25
Barbados	3.7	4.8	2,400	91	74
Cape Verde Islands .....	..	0.5	..	27	41
Netherlands Antilles .....	..	0.1	..	..	99
Bahrain	82.4	..	..	29	88
Bahamas	62.1	6.2	..	85	111
British Solomon Islands	7.0	2.2	..	..	55
Western Samoa	19.4	3.4	..	97	71
Brunei	43.6	3.2	..	43	108
St. Lucia .....	..	1.8	..	95	69
French Polynesia .....	..	5.6	..	95	114
New Caledonia	43.9	6.4	..	84	102
Maldives	11.3	..	..	..	..
Grenada	14.8	2.8	..	76	95
Trust Territory of the Pacific Islands .....	..	5.1	..	..	121
Guam .....	..	4.0	..	..	102
St. Vincent	13.7	1.3	..	76	79
Tonga .....	..	2.4	..	..	117
New Hebrides	7.5	3.1	..	..	..
Dominica	26.9	1.9	..	59	92
St. Kitts-Nevis-Anguilla	27.7	2.6	..	88	78
São Tomé and Príncipe .....	..	2.6	..	..	63
Antigua	39.8	2.8	..	89	114
Virgin Islands (U.S.)	56.1	4.4	..	..	97
Gilbert and Ellice Islands .....	..	5.4	..	90	82
Bermuda .....	..	13.0	..	98	106
Seychelles	27.9	2.5	..	46	79
American Samoa .....	..	6.9	..	..	90
Nauru .....	..	..	..	..	..

Source: UNCTAD Handbook of International Trade and Development Statistics, 1972 (United Nations publication, Sales No. E/F.72.II.D.3), table 6.8.

TABLE VI
Data on the gross national product of developing island countries and territories, 1970
(ranked according to *per capita* GNP)

Countries and territories	Gross national product			Share of manu- facture	Share of investment	Exports as per- centage	Imports of GNP
	At market prices (in millions of dollars)	Per capita in dollars	Growth 1960-1970				
<i>Population of one million and over</i>							
Puerto Rico	4,607	1,648	8.1	23	32	..	..
Singapore	1,970	960	7.6	19	17 ^a	78.9	124.9
Hong Kong	3,620	885	10.0	..	41 ^a	69.4	80.2
Trinidad and Tobago	836	800	5.1	19	19 ^a	57.4	64.8
Jamaica	1,178	592	4.7	11	24	29.1	44.3
Cuba	4,440	530	(1.5)	..	..	23.5	29.3
Dominican Republic	1,395	343	3.6	17 ^a	14 ^a	15.8	19.9
Papua-New Guinea	720	300	5.4 ^b	4 ^a	34 ^c	14.3	37.2
Philippines	10,230	266	5.7	16	21	10.9	11.8
Sri Lanka	2,117	169	4.9	9	19	16.0	18.4
Madagascar	878	120	2.8	12	15	16.5	19.4
Indonesia	12,600	105	3.3	10	13	8.0	7.1
Haiti	440	90	1.3	10 ^d	7	9.1	12.5
<i>Population under one million</i>							
Bermuda	190	3,540	9.5	..	..	44.7	55.3
Virgin Islands (U.S.)	230	3,050	15.8	..	..	113.9	178.7
Guam	250	2,500	..	..	..	..	..
New Caledonia	260	2,430	6.6	..	..	73.8	88.5
Bahamas	390	2,300	11.7	..	..	23.1	86.4
French Polynesia	210	1,890	11.7	..	..	8.6	64.3
Netherlands Antilles	310	1,380	0.1 ^b	..	18 ^a	218.1	257.1
Brunei	150	1,220	3.2	..	..	61.3	56.0
Ryukyu Islands	980	1,050	11.4	..	..	10.6	50.7
Martinique	310	910	11.9	..	24 ^a	9.7	47.1
Cyprus	540	840	6.1	11	23 ^a	20.0	44.1
Réunion	360	800	7.6	..	27 ^a	14.2	44.7
American Samoa	20	780	11.4	..	..	175.0	75.0
Guadeloupe	250	760	10.4	..	29 ^a	15.2	51.2
Malta	270	690	5.7	19	32	14.4	59.6
Barbados	160	620	3.4	10 ^a	21 ^e	24.4	73.8
Bahrain	120	550	6.4	..	..	240.0	219.2
New Hebrides	40	430	7.4	..	..	32.5	37.5
Fiji	230	430	5.4	10	24	27.8	45.2
Gilbert and Ellice Islands	20	390	0.5	..	..	40.0	20.0
São Tomé and Príncipe	20	390	2.4	..	..	40.0	45.0
Antigua ^f	20	370	6.8	3 ^a	..	..	..
Trust Territory of the Pacific Islands	40	360	6.3	..	..	10.0	50.0
St. Lucia	40	340	11.0	4 ^a	..	..	..
Leeward Islands ^f	40	330	..	..	..	22.5	117.5
St. Kitts-Nevis-Anguilla ^f	20	320	5.1	3 ^g	..	..	..
Grenada ^f	30	300	7.2	..	..	..	..
Tonga	30	290	0.3	..	..	13.3	20.0
Windward Islands	110	283	..	..	..	23.6	58.2
Dominica ^f	20	280	6.0	..	..	..	..
St. Vincent ^f	20	240	5.4	4 ^a	..	..	..
Mauritius	189	240	3.0 ^h	13	14	36.5	40.2
British Solomon Islands	30	180	1.9	..	..	26.7	36.7
Cape Verde Islands	40	160	3.4	..	..	42.5	22.5
Macao	50	150	1.6	..	..	115.0	130.0
Western Samoa	20	140	1.5	3 ⁱ	..	25.0	70.0
Comoro Islands	30	140	5.9	..	..	10.0	30.0
Portuguese Timor	60	110	2.8	..	..	6.7	16.7
Maldives	10	100	2.8	..	..	20.0	10.0
Seychelles	(10)	70	1.8	..	..	30.0	60.0

Source: UNCTAD, *Handbook of International Trade and Development Statistics, 1972* ...; IBRD, *World Bank Atlas* ...

^a 1968

^b 1960-1968

^c 1967

^d 1969

^e 1964

^f West Indies, total: exports as percentage of GNP, 35.0; imports as percentage of GNP, 111.0

^g 1966

^h 1960-1969

ⁱ 1971

TABLE VII

Data on gross national product and foreign trade of major groups of developing countries and territories, 1970

Countries and territories	Gross national product					
	At market prices (in millions of dollars)		Exports	Imports	Exports	Imports
	(in millions of dollars)	Per capita (in dollars)	In millions of dollars		As percentage of GNP	
Island countries and territories:						
Population of one million and over	45,031	215	8,910	10,993	19.8	24.4
Population under one million .	5,719	673	2,452	4,296	42.9	75.1
Total	50,750	233	11,362	15,289	22.4	30.1
For comparison:						
Total, least developed countries	12,927	88	1,453	1,833	11.2	14.2
Total, mainland countries and territories with population under one million						
All countries and territories ..	5,708	620	3,060	1,802	53.6	31.6
349,435	207	53,700	55,400	15.4	15.9	
Island countries and territories with population under one million:						
Independent	1,719	538	710	1,065	41.3	62.0
Dependent	4,000	759	1,742	3,231	43.6	80.8
Total, island countries and territories:						
50,750	233	11,362	15,289	22.4	30.1	
Independent	42,410	206	7,003	8,885	16.5	21.0
Dependent	8,340	717	4,359	6,404	52.3	76.8

Source: See table VI above.

TABLE VIII

Share of major commodities in total exports of developing island countries and territories, 1970

Countries and territories	First commodity	Percentage of total exports	Second commodity	Percentage of total exports	Third commodity	Percentage of total exports	Share of cited commodities in total exports
Population of one million and over							
Indonesia	Petroleum	44.6	Rubber	19.5	Coffee	6.4	70.5
Philippines	Sugar	24.7	Coconut oil	13.1	Copra	10.9	48.7
Sri Lanka	Tea	55.5	Rubber	25.0	Coconut oil	5.8	86.3
Cuba	Sugar	78.0	Nickel	4.3	Tobacco	5.7	88.0
Madagascar	Coffee	27.2	Spices	22.5	Rice	7.7	57.4
Haiti	Coffee	35.3	Bauxite	19.5	Sugar	7.3	62.1
Dominican Republic	Sugar	47.1	Coffee	11.7	Cocoa	8.7	67.5
Papua-New Guinea	Coffee	21.9	Cocoa	17.5	Copra	16.1	55.5
Singapore	Rubber	24.4	Petroleum	17.2	Coffee	1.9	43.5
Jamaica	Bauxite and alumina	39.2	Sugar	11.1	Bananas	4.2	54.5
Trinidad and Tobago	Petroleum	77.4	Sugar	4.4	Coffee	1.4	83.2
Population under one million							
Ryukyu Islands	Sugar	42.1					42.1
Mauritius	Sugar	88.7	Tea	3.6			92.3
Cyprus	Fresh fruit	24.8	Fresh vegetables	20.4	Copper	16.7	61.9
Portuguese Timor	Coffee	89.0	Copra	5.9			94.9
Fiji	Sugar	51.6	Coconut oil	8.3	Fish	6.7	66.6
Réunion	Sugar	88.0	Alcoholic beverages	4.1			92.1

TABLE VIII (continued)

Share of major commodities in total exports of developing island countries and territories, 1970

Countries and territories	First commodity	Percentage of total exports	Second commodity	Percentage of total exports	Third commodity	Percentage of total exports	Share of cited commodities in total exports
Martinique	Bananas	49.7	Alcoholic beverages	16.3	Sugar	10.7	76.7
Guadeloupe	Sugar	58.7	Bananas	26.8	Alcoholic beverages	8.2	93.7
Malta	Clothing	23.8	Textiles	14.4	Rubber articles	9.3	47.5
Macao	Fish	13.0	Clothing	30.0			43.0
Comoro Islands	Vanilla	41.7	Copra	16.2	Essential oils	26.1	84.0
Barbados	Sugar	37.7	Fish and fish preparations	9.5	Alcoholic beverages	4.6	51.8
Cape Verde Islands	Fish	38.7	Bananas	20.9	Mineral water	6.5	66.1
Netherlands Antilles	Petroleum	96.0					96.0
Bahrain	Petroleum	95.0					95.0
British Solomon Islands	Copra	51.2	Wood	35.0			86.0
Western Samoa	Copra	38.0	Cocoa	28.0	Bananas	14.0	80.0
Brunei	Petroleum	96.0					96.0
French Polynesia	Coconut oil	37.9	Vanilla	5.0			42.9
New Caledonia	Nickel	97.6					97.6
Maldives	Sugar	43.2	Canned pineapple	16.4	Metal scrap	4.4	64.0
Windward Islands	Bananas	53.5					53.5
Trust Territory of the Pacific Islands	Copra	67.5					67.5
Tonga	Bananas	70.0	Copra	30.0			100.0
New Hebrides	Copra	41.5	Fish	31.0	Cocoa	3.8	76.3
São Tomé and Príncipe	Cocoa	82.5	Copra	11.5	Coconuts	3.5	97.5
Leeward Islands	Sugar	46.7					46.7
Gilbert and Ellice Islands	Copra	17.5					17.5
Seychelles	Copra	33.3	Cinnamon	50.0			83.3
American Samoa	Fish	95.0					95.0
Cook and Niue Islands	Fruits and vegetables	66.4	Copra	6.5	Clothing	16.3	89.2
St. Pierre and Miquelon	Fish	95.0					95.0

Sources: United Nations, *Yearbook of International Trade Statistics, 1969* (United Nations publication, Sales No. E.71.XVII.5); FAO, *Trade Yearbook, 1970*, vol. 24, Rome 1971.

TABLE IX

Structure of exports of developing countries and territories (including separately islands) by major commodity classes, 1970

(Values are expressed in millions of dollars)

Exports of	SITC	Total developing countries and territories	Percentage distribution							
			Island countries and territories			Total developing countries and territories	Island countries and territories			As percentage of total countries and territories
			Total	Independent	Dependent		Total	Independent	Dependent	
Food and beverages	0 and 1	12,881	2,680	2,326	354	24.1	25.2	34.0	9.3	20.8
Raw material	2 and 4	9,749	2,258	1,963	295	18.3	21.2	28.7	7.8	23.2
Fuels	3	18,077	2,282	1,616	666	33.9	21.5	23.6	17.6	12.6
Manufactured goods	5 to 8	12,452	3,322	880	2,442	23.3	31.2	12.9	64.4	26.7
Primary commodities	0 to 4	40,707	7,220	5,905	1,315	76.3	67.9	86.3	34.7	17.7
Total exports	0 to 9	53,380	10,639	6,846	3,793	100.0	100.0	100.0	100.0	19.9

Source: United Nations Statistical Office.

TABLE X

Exports of selected primary commodities from:

A. Developing island countries and territories

B. All developing countries and territories

	1962	1970	Growth rate 1962-1970 (per cent)	Percentage share in exports of all developing countries, 1970
	In millions of dollars			
<i>Mineral fuels (SITC 3)</i>				
A	1,387.7	1,708.5	2.6	9.5
B	8,870.0	18,060.0	9.3	100.0
<i>Sugar (SITC 061)</i>				
A	1,092.7	1,492.2	4.0	73.5
B	1,402.0	2,030.6	4.7	100.0
<i>Rubber (SITC 231)</i>				
A	714.7	667.5	-0.9	45.6
B	1,453.6	1,463.0	0.1	100.0
<i>Tea (SITC 074)</i>				
A	267.6	217.6	-2.6	40.3
B	591.7	539.5	-1.2	100.0
<i>Coffee (SITC 071)</i>				
A	116.6	217.3	8.1	7.7
B	1,839.0	2,812.2	5.5	100.0
<i>Coconut oil (SITC 422.3)</i>				
A	67.0	192.9	14.1	90.3
B	77.9	213.6	13.4	100.0
<i>Copra (SITC 221.2)</i>				
A	174.8	182.6	0.5	90.1
B	198.2	202.6	0.3	100.0
<i>Nickel ore (SITC 283.2)</i>				
A	45.2	169.6	18.0	96.9
B	47.0	175.0	17.9	100.0
<i>Bauxite (SITC 283.3)</i>				
A	80.9	115.3	4.5	57.8
B	137.8	199.6	4.7	100.0
<i>Bananas (SITC 051.3)</i>				
A	63.4	60.8	-0.5	12.8
B	295.7	474.8	6.1	100.0
<i>Cocoa (SITC 072)</i>				
A	28.1	54.7	8.7	6.5
B	464.8	841.3	7.7	100.0
<i>Tin ore (SITC 283.6)</i>				
A	34.9	13.6	-12.5	8.4
B	140.8	161.0	1.7	100.0
<i>Tin metal (SITC 687.1)</i>				
A	-	4.9	-	1.0
B	229.2	478.6	9.7	100.0

Sources: United Nations, *Yearbook of International Trade Statistics* (various years) and *Statistical Papers, Series D: Commodity Trade Statistics* (various issues); FAO, *Trade Yearbook, 1963*, vol. 17 (Rome, 1964), *Trade Yearbook, 1971*, vol. 25 (Rome, 1972), *Production Yearbook, 1963*, vol. 17 (Rome, 1964) and *Production Yearbook, 1971*, vol. 25 (Rome, 1972).

TABLE XI

Foreign exchange flows of developing island countries and territories, 1970

Countries and territories	In millions of dollars					As percentage of imports		
	Exports ^a	Imports ^a	Trade balance	Net loans and grants	Tourist income	Exports	Net loans and grants	Tourist income (1969)
<i>Population of one million and over</i>								
Indonesia	1,009.0	893.0	116.0	449.0	16.0	113.0	50.3	1.8
Philippines	1,119.0	1,210.0	-91.0	41.3	95.0	92.5	3.4	7.8
Sri Lanka	339.0	389.0	-50.0	43.3	4.0	87.1	11.1	1.0
Cuba	1,043.0	1,300.0	-257.0	0.1	..	80.2	0.0	..
Madagascar	145.0	170.0	-25.0	27.7	..	85.3	16.3	..
Dominican Republic	221.0	278.0	-57.0	32.2	17.0	79.5	11.6	6.1
Haiti	40.0	55.0	-15.0	5.2	7.0	72.7	9.5	12.7
Hong Kong	2,514.0 ^b	2,905.0	-291.0	1.3	293.0	86.5	0.0	10.1
Puerto Rico .....	-	-	-	-	-	..	..	..
Papua-New Guinea	103.0	268.0	-165.0	146.3	..	38.4	54.6	..
Singapore	1,554.0	2,461.0	-907.0	26.8	92.0	63.1	1.1	3.7
Jamaica	343.0	522.0	-179.0	8.8	103.0	65.7	1.7	19.7
Trinidad and Tobago	480.0	483.0	-3.0	4.7	22.0	99.4	1.0	4.5
<i>Population under one million</i>								
Ryukyu Islands	104.1	497.0	-392.9	14.0	..	20.9	2.8	..
Mauritius	68.2	76.0	-7.8	4.9	5.0	89.7	6.5	6.6
Cyprus	108.0	238.0	-130.0	3.6	20.0	45.4	1.5	8.4
Portuguese Timor	3.5	7.4	-3.9	2.1	..	47.3	28.0	..
Fiji	64.0	104.0	-40.0	6.5	28.0	61.5	6.2	26.9
Réunion	50.8	161.0	-110.0	92.5	..	31.5	57.4	..
Martinique	30.0	146.0	-116.0	68.8	..	20.5	47.1	..
Guadeloupe	37.6	128.0	-90.0	53.9	..	29.4	42.1	..
Malta	39.0	161.0	-122.0	18.6	23.0	24.2	11.5	14.3
Macao	57.7	65.0	-7.2	1.2	..	88.9	1.9	..
Comoro Islands	3.0	9.0	-6.0	6.8	..	33.3	75.6	..
Barbados	39.0	118.0	-79.0	2.1	28.4 ^c	33.0	1.8	24.1
Cape Verde Islands	11.2	25.9	-14.7	2.8	..	43.2	10.9	..
Netherlands Antilles	676.0	797.0	-121.0	24.3	..	84.8	3.0	..
Bahrain	(150.0)	(263.0)	-113.0	..	..	57.0	..	..
Bahamas	90.0	337.0	-247.0	0.0	221.0	26.7	0.0	65.6
British Solomon Islands	7.7	11.4	-3.7	8.0	..	67.5	70.3	..
Western Samoa	4.7	14.0	-9.3	0.3	..	33.6	2.2	..
Brunei	92.0	84.0	8.0	0.0	..	109.5	0.0	..
St. Lucia .....	..	..	..	..	0.9 ^d	..	..	..
French Polynesia	18.0	135.0	-117.0	19.4	9.0 ^e	13.3	14.4	6.7
New Caledonia	191.7	230.0	-38.3	21.3	..	83.3	9.3	..
Maldives	(2.0)	(1.0)	1.0	0.1	..	200.0	11.0	..
Grenada .....	..	..	..	..	11.4 ^c	..	..	..
Trust Territory of the Pacific Islands	4.0	20.3	-16.3	48.0	..	19.7	236.4	..
Guam	8.0	60.0	-52.0	..	3.0 ^e	13.3	..	5.0
St. Vincent .....	..	..	..	0.6	..	..	..	..
Tonga	4.0	6.2	-2.2	1.3	..	64.5	21.0	..
New Hebrides	12.9	15.0	-2.1	3.2	..	86.0	21.4	..
Dominica .....	..	..	..	..	..	..	..	..
St. Kitts-Nevis-Anguilla .....	..	..	..	..	..	..	..	..
São Tomé and Príncipe	9.5	10.3	-0.8	0.8	..	92.2	7.6	..
Antigua .....	..	..	..	..	..	..	..	..
Virgin Islands (U.S.)	262.2	411.0	-148.8	..	100.0 ^f	63.8	..	24.3
Gilbert and Ellice Islands	7.6	4.4	3.2	2.1	..	172.7	47.3	..
Bermuda	85.0	105.0	-20.0	0.0	66.0 ^c	80.9	0.1	62.9
Seychelles	2.9	6.1	-3.2	..	..	47.5	..	..
American Samoa	35.2	15.0	20.2	..	..	234.7	..	..
Nauru	8.0	..	..	..	..	..	..	..

Sources: UNCTAD secretariat estimates based on United Nations, *Statistical Yearbook, 1971* . . . , IMF, *International Financial Statistics*, April 1973, and OECD/DAC statistics.

^a Figures in parentheses are from IMF, *Direction of Trade*.

^b Including re-exports.

^c 1969 data.

^d 1964 data.

^e 1968 data.

^f 1968-1969 data.

TABLE XII

Major sources and forms of official development assistance flow, 1970

	Official development assistance (in millions of dollars)			Donors providing 10 per cent or more of total official development assistance (by percentages)
	Bilateral	Multilateral	Total	
I. Island countries and territories with population of one million and over				
Cuba ^a	0.11	1.09	1.20	UNDP (89.2) UNICEF (21.7)
Dominican Republic	32.22	21.57	53.79	USA (59.5) IBRD (19.6) IDB (15.3)
Haiti	5.24	2.21	7.45	USA (67.1) IDB (13.6) UNDP (10.6)
Hong Kong	1.29	-0.92	0.37	Federal Republic of Germany (273.0) Japan (29.7) UK (24.3)
Indonesia	449.05	12.40	461.45	Japan (27.3) Netherlands (10.2) USA (40.3)
Jamaica	8.80	5.75	14.55	Canada (16.1) UK (13.7) USA (27.5) IBRD (36.7)
Madagascar	27.72	21.42	49.14	France (43.5) IDA (10.2) EDF (25.0)
Papua-New Guinea	146.26	2.00	148.26	Australia (98.6)
Philippines	41.30	13.11	54.41	Japan (35.3) USA (34.9) IBRD (19.2)
Singapore	26.76	21.37	48.13	Japan (11.9) UK (39.4) IBRD (40.4)
Sri Lanka	43.31	5.00	48.31	Canada (17.5) Federal Rep. of Germany (11.4) UK (21.4) USA (20.7)
Trinidad and Tobago	4.67	2.51	7.18	Canada (31.3) UK (30.4) IBRD (32.1)
Total I	786.73	107.51	894.24	
<i>of which:</i>				
Independent ..	639.18	106.43	745.61	
Dependent ...	147.55	1.08	148.63	
II. Island countries and territories with population under one million				
Bahamas	0.02	0.06	0.08	UK (25.0) UNDP (75.0)
Bahrain	0.28	0.05	0.33	UK (84.8)
Barbados	2.10	0.12	2.22	UK (64.9) Canada (28.4)
Bermuda	0.01	-	0.01	UK (100)
Brunei	0.01	-0.01	-	
British Solomon Islands ..	8.02	0.20	8.22	UK (96.8)
Cape Verde Islands	2.83	-	2.83	Portugal (100.0)
Comoro Islands	6.80	1.08	7.88	France (86.3) EDF (13.7)
Cyprus	3.60	1.72	5.32	Federal Republic of Germany (60.7) UNDP (21.4) WFP (17.9)
Fiji	6.49	0.34	6.38	Australia (12.4) UK (82.6)
French Polynesia	19.40	0.37	19.77	France (98.1)
Gilbert and Ellice Islands ..	2.08	0.06	2.14	UK (94.4)
Guadeloupe	53.90	0.72	54.62	France (98.7)
Macao	1.22	0.21	1.43	Portugal (85.3) UNHCR (14.7)
Maldives	0.11	0.06	0.17	Australia (17.6) Japan (11.8) UK (35.3) UNDP (35.3)
Malta	18.58	0.60	19.18	UK (90.1)
Martinique	68.80	-	68.80	France (100.0)
Mauritius	4.91	0.69	5.60	UK (66.4) USA (17.9) UNDP (13.2)
Netherlands Antilles	24.27	3.13	27.40	Netherlands (88.6) EDF (11.3)
New Caledonia	21.30	1.57	22.87	France (93.1)
New Hebrides	3.21	-	3.21	UK (89.7)
Portuguese Timor	2.08	-	2.08	Portugal (100.0)
Réunion	92.50	2.20	94.70	France (97.7)
Ryukyu Islands	14.00	-	14.00	USA (100.0)
São Tomé and Príncipe ..	0.78	-	0.78	Portugal (100.0)

TABLE XII (continued)

Major sources and forms of official development assistance flow, 1970

	Official development assistance (in millions of dollars)			Donors providing 10 per cent or more of total official development assistance (by percentages)
	Bilateral	Multilateral	Total	
Seychelles	3.98	0.04	4.02	UK (99.0)
West Indies ^b	30.67	0.29	30.96	Canada (30.7) UK (65.2)
Tonga	1.30	0.02	1.32	Australia (10.6) UK (87.9)
Trust Territory of the Pacific Islands	48.00	0.13	48.13	USA (99.7)
Western Samoa	0.31	0.98	1.29	Australia (22.5) AsDB (43.4) UNDP (31.0)
Total II	441.56	14.63	456.19	
<i>of which:</i>				
Independent ..	37.69	4.57	42.26	
Dependent ...	403.87	10.06	413.93	
Total I + II	1,228.29	122.14	1,350.43	
<i>of which:</i>				
Independent	676.87	111.00	787.87	
Dependent	551.42	11.14	562.56	
Total, mainland countries and territories	128.77	24.31	153.08	
Total, least developed countries	384.87	154.42	539.29	US (25.6) France (10.3)
Total, all developing countries and territories ...	5,566.80	1,491.78	7,058.58	
Percentage share of island countries and territories in total developing countries and territories	22.1	8.2	19.1	
<i>of which:</i>				
Independent	12.2	7.4	11.2	
Dependent	9.9	0.8	7.9	

Source: OECD/DAC statistics.

^a Excluding flows from socialist countries of Eastern Europe and Asia.

^b Including the Leeward and Windward Islands.

TABLE XIII
Relative importance of foreign loans and grants for the economy
of developing island countries and territories, 1970

	<i>Bilateral and multilateral net loans and grants</i>				
	<i>Total (in millions of dollars)</i>	<i>Per capita (in dollars)</i>	<i>As percentage</i>		
			<i>Of imports</i>	<i>Of GNP</i>	<i>Of investments</i>
I. Island countries and territories with population of one million and over					
Cuba	85.56	10.2	6.6	1.9	..
Dominican Republic	65.03	16.0	23.4	4.7	..
Haiti	7.06	1.4	12.8	1.6	..
Hong Kong	148.73	37.7	5.1	4.1	..
Indonesia	466.57	3.9	52.2	3.7	..
Jamaica	26.90	14.4	5.2	2.3	8.4
Madagascar	49.35	6.8	29.0	5.6	38.6
Papua-New Guinea	200.73	82.9	74.9	27.9	..
Philippines	281.60	7.3	23.3	2.8	14.7
Puerto Rico	—	—	—	—	—
Singapore	91.31	44.5	3.7	4.6	..
Sri Lanka	57.88	4.6	14.9	2.7	14.6
Trinidad and Tobago	5.83	5.7	1.1	0.7	..
Total, I	1,486.55	7.1	13.5	3.3	..
II. Island countries and territories with population under one million					
Bahamas	39.77	233.9	11.8	10.2	..
Bahrain	60.48	288.0	23.0	50.4	..
Barbados	3.49	13.4	3.0	2.2	..
Bermuda	0.28	5.6	0.3	0.1	..
Brunei	0.09	0.8	0.1	0.1	..
British Solomon Islands	8.22	51.4	74.7	27.4	..
Cape Verde Islands	2.83	10.9	31.4	7.1	..
Comoro Islands	7.88	31.5	87.6	26.3	..
Cyprus	18.12	28.3	7.6	3.4	14.1
Fiji	6.96	13.4	6.7	3.0	14.2
French Polynesia	19.75	179.5	14.6	9.4	..
Gilbert and Ellice Islands	2.14	35.7	53.5	10.7	..
Guadeloupe	54.62	165.5	42.7	21.8	97.9 ^a
Macao	1.83	5.9	2.8	3.7	..
Maldives	0.17	1.5	17.0	1.7	..
Malta	19.61	59.1	12.1	7.2	29.1
Martinique	68.80	202.4	47.1	22.2	..
Mauritius	6.38	7.9	8.4	3.4	23.6
Netherlands Antilles	45.96	208.9	5.8	14.8	..
New Caledonia	22.93	208.5	10.0	8.8	..
New Hebrides	3.28	41.0	21.9	8.2	..
Portuguese Timor	2.08	3.5	20.8	3.5	..
Réunion	94.70	210.4	58.8	26.3	118.8 ^a
Ryukyu Islands	13.97	14.9	2.8	1.4	..
São Tomé and Príncipe	1.05	17.5	11.7	5.3	..
Seychelles	4.02	80.4	67.0	40.2	..
West Indies ^b	39.50	77.5	35.6	26.3	..
Tonga	1.32	14.7	22.0	4.4	..
Trust Territory of the Pacific Islands	48.13	481.3	240.7	120.3	..
Western Samoa	1.29	9.2	9.2	6.5	..
Total, II	599.55	70.5	14.0	10.5	..
Total, I and II	2,086.10	9.6	13.6	4.1	..
Total, mainland countries and territories	237.58	24.8	12.7	4.0	..
Total, least developed countries	568.83	3.9	3.7	4.4	33.8
Total, all developing countries	9,916.22	5.8	17.9	2.8	..

Source: OECD/DAC statistics, 1970.

^a 1969 data.

^b Including Antigua, St. Kitts-Nevis-Anguilla, Dominica, Grenada, St. Lucia and St. Vincent.

TABLE XIV

Official development assistance (ODA) to groups of countries and territories, 1970

<i>Developing countries and territories</i>	<i>Bilateral and multilateral ODA (in millions of dollars)</i>	<i>Population (in millions) 1970</i>	<i>ODA per capita (in dollars)</i>
Island countries and territories:			
Population of one million and over	894.24	206.48	4.3
Population under one million	456.19	8.50	53.7
Total	1,350.43	214.98	6.3
Total, least developed countries	539.29	147.50	3.7
Total, mainland developing countries with population under one million			
All developing countries	7,058.58	1,684.97	4.2
Island countries and territories with population under one million:			
Independent	42.26	3.23	13.1
Dependent	413.93	5.27	78.5
Total, island countries and territories:			
Independent	787.87	203.35	3.9
Dependent	562.56	11.63	48.4

Source: OECD/DAC statistics.

TABLE XV

Transport data for developing island countries and territories, 1969^a

<i>Island countries and territories</i>	<i>International seaborne shipping (in thousand metric tons)</i>		<i>Road density in km^a</i>	<i>Number of vehicles in use</i>	
	<i>Goods loaded</i>	<i>Goods unloaded</i>		<i>Total^b (in thousand tons)</i>	<i>Per capita</i>
Population of one million and over					
Indonesia	32,749	3,487	81,000 ^c	328.3	0.003
Philippines	14,408	12,580	56,180 ^d	479.8	0.013
Sri Lanka	958	4,020	18,825	128.6	0.010
Cuba	5,630	9,800	13,340	102.0	0.012
Madagascar	644	993	40,000 ^e	77.9	0.012
Haiti	800	225	3,000	16.0	0.003
Dominican Republic	2,533	1,100	6,250 ^f	50.6	0.012
Hong Kong	2,999	9,812	954	109.3	0.028
Puerto Rico . . . . .	..	..	5,812 ^e	527.5	0.194
Papua-New Guinea	451	855	..	25.7	0.011
Singapore	15,582	22,932	1,910	168.0	0.081
Jamaica	10,200	2,900	4,315 ^e	87.7 ^c	0.047
Trinidad and Tobago	21,430	15,520	4,190	87.0	0.84
Population under one million					
Ryukyu Islands	532	2,089	..	84.7	0.090
Mauritius	759	615	1,785	18.0	0.022
Cyprus	1,520	1,285	7,709	62.9	0.099
Portuguese Timor	5	22	2,033	1.8	0.003
Fiji	593	522	430	13.2	0.025
Réunion	241	552	2,060	42.6	0.096
Martinique	278	458	1,831	41.8	0.124
Guadeloupe	273	486	1,696	39.3	0.120
Malta	65	1,004	..	47.7	0.146
Macao	56	270	30	3.1	0.010
Comoro Islands	14	45	..	..	..
Barbados	184	570	1,352	20.9	0.082
Cape Verde Islands	48	536	984	2.6	0.011
Netherlands Antilles	39,300	45,955	1,183	31.2 ^e	0.141

TABLE XV (continued)
Transport data for developing island countries and territories, 1969^a

Island countries and territories	International seaborne shipping (in thousand metric tons)		Road density in km ^a	Number of vehicles in use	
	Goods loaded	Goods unloaded		Total ^b (in thousand tons)	Per capita
Bahrain	10,443	576	..	12.3	0.057
Bahamas	2,000	1,370	824	37.2	0.218
British Solomon Islands . . .	130	35	..	..	..
Western Samoa	39	64	524	1.3 ^e	0.009
Brunei	16	340	1,179	11.2	0.093
St. Lucia	92	87	672	..	..
French Polynesia	24	292	..	18.8	0.172
New Caledonia	3,245	863	5,080	26.1 ^e	0.239
Maldives	4	8	..	..	..
Grenada	27	91	928	3.5 ^e	0.034
Trust Territory of the Pacific Islands	15	90	..	..	..
Guam	49	485	370	31.5	0.315
St. Vincent	45	57	907	2.8	0.029
Tonga	31	31	..	..	..
New Hebrides	59	78	..	1.8	0.021
Dominica	50	29	..	..	..
St. Kitts-Nevis-Anguilla . . .	41	55	..	1.9	0.031
São Tomé and Príncipe	32	138	284	1.6	0.026
Antigua	100	585	..	..	..
Virgin Islands (U.S.)	679	9,162	508	19.6	0.332
Gilbert and Ellice Islands . .	572	18	..	..	..
Bermuda	75	363	..	12.4	0.230
Seychelles	12	68	48	1.4	0.027
American Samoa	29	115	114	..	..
Nauru	2,200	..	..	..	..

Sources: United Nations, *Statistical Yearbook, 1971* . . . ; ECA, *Survey of the African Economy* (various issues); *Barclays Overseas Survey, 1971*; *The Statesman's Yearbook, 1971-1972* (London, Macmillan, 1971).

^a 1969 or latest year.

^d 1967 data.

^b Total includes commercial and passenger cars.

^e 1968 data.

^c 1960 data.

^f 1963 data.

TABLE XVI-A
Extra-regional shipping services in the Pacific area (May 1972)

+ = Services provided*

- = Services not provided

	Malaysia/ Singapore	Hong Kong	Japan	Australia	New Zealand	Canada	USA	United Kingdom	European Continent
American Samoa	-	-	+	+	+	+	+	-	-
Fiji	+	+	+	+	+	+	+	+	+
French Polynesia	-	+	+	+	+	+	+	+	+
Gilbert and Ellice Islands	-	-	a	+	+	-	-	b	b
Guam	-	+	c	+	+	-	+	-	-
Nauru	-	-	c	-	c	-	-	-	-
New Caledonia	-	+	+	+	+	+	+	+	+
New Hebrides	-	+	+	+	+	+	+	+	+
Papua-New Guinea	+	+	+	+	+	-	d	+	+
British Solomon Islands ^e	-	+	+	+	+	-	-	+	+
Tonga	-	-	-	+	+	a	a	-	-
Trust Territory of the Pacific Islands	-	-	+	-	-	-	+	-	-
Western Samoa	-	-	+	+	+	+	+	+	+

Source: United Nations/UNCTAD, "South Pacific Regional Transport Survey: Interim Report", November 1971 (restricted document), figure 8.

^a Call made subject to minimum tonnage stipulated by shipowner.

^b Calls made at Tarawa approximately three times a year.

^c Inward cargo carried on return voyages of phosphate loaders.

^d Occasional service by Bank Line.

^e Vessel on charter calls quarterly from Western Samoa.

* Where no direct service is shown trans-shipment arrangements are normally available, but extra freight and trans-shipment handling charges are usually incurred.

TABLE XVI-B
Intra-regional shipping services in the Pacific Area (May 1972)

+ = Services provided
- = Services not provided

	American Samoa	Fiji	French Polynesia	Gilbert and Ellice Islands	Guam	Nauru	New Caledonia	New Hebrides	Papua-New Guinea	British Solomon Islands	Tonga	Trust Territory or the Pacific Islands	Western Samoa
American Samoa	+	+	-	-	-	-	+	+	-	+	+	-	+
Fiji	+	+	+	+	-	+	+	+	-	-	+	-	-
French Polynesia	+	+	+	-	-	-	+	+	-	-	+	-	-
Gilbert and Ellice Islands	-	+	-	+	-	+	-	-	-	-	a	b	b
Guam	+	+	-	-	+	+	+	+	+	+	-	+	+
Nauru	-	-	-	+	-	+	-	-	-	-	-	-	-
New Caledonia	+	+	+	-	-	-	+	+	+	+	-	-	-
New Hebrides	c	a	-	-	-	-	+	+	b	+	-	-	-
Papua-New Guinea	-	a	-	-	+	-	-	+	+	+	-	-	a
British Solomon Islands	-	-	-	-	-	-	+	+	+	+	-	-	-
Tokelau Islands	-	-	-	-	-	-	-	-	-	-	+	-	+
Tonga	+	+	-	-	-	-	-	-	-	-	+	-	+
Trust Territory of the Pacific Islands	-	-	-	c	+	-	-	-	-	-	-	+	-
Western Samoa	d	+	-	-	-	-	+	+	-	+	+	-	+

Source: *Ibid.*, figure 6.

^a Subject Bank Line homeward itinerary.

^b To and from Majuro, Marshalls district.

^c If Pacific Islands Transport Line extends from New Caledonia to New Hebrides.

^d Service to and from Western Samoa provided by local vessels registered either in American or Western Samoa.

TABLE XVII

Additional information on the number and size of developing islands and archipelagos

<i>Island or archipelago</i>	<i>Number of islands</i>	<i>Ocean or sea</i>
<i>Population of one million and over</i>		
Cuba	One main island and some smaller	Caribbean
Dominican Republic	do	Caribbean
Haiti	do	Caribbean
Hong Kong	do	China Sea
Indonesia	Five large islands and about 3,000 smaller islands and islets	Indian Ocean and Pacific Ocean
Jamaica	One main island and some smaller	Caribbean
Madagascar	do	Indian Ocean
Papua-New Guinea	One main island and four groups of islands and islets	Pacific Ocean
Philippines	7,107 islands and islets	China Sea
Puerto Rico	One main island and some smaller	Caribbean
Singapore	One main island and some adjacent islets	China Sea
Sri Lanka	One main island and some smaller	Indian Ocean
Trinidad and Tobago	Two main islands and some smaller islets	Caribbean
<i>Population under one million</i>		
Bahamas	A large number of islands and islets	Atlantic Ocean
Bahrain	Five main islands and several islets	Persian Gulf
Barbados	One main island	Caribbean Sea
Bermuda	300 small islands	Atlantic Ocean
Brunei	Part of Borneo	China Sea
British Solomon Islands	About 20 large and innumerable smaller islands and islets	Pacific Ocean
Cape Verde Islands	10 large islands and some smaller	Atlantic Ocean
Comoro Islands	Five large islands and some smaller	Indian Ocean
Cyprus	One main island	Mediterranean Sea
Fiji	844 islands and islets	Pacific Ocean
French Polynesia	About 20 large and innumerable smaller islands and islets	Pacific Ocean
Gilbert and Ellice Islands	Four groups of atolls	Pacific Ocean
Guadeloupe	Two large islands and some smaller	China Sea
Macao	Two small islands and some smaller	China Sea
Maldives	Some 2,000 low-lying islands	Indian Ocean
Martinique	One main island	Caribbean Sea
Mauritius	One main island	Indian Ocean
Netherlands Antilles	Six islands in two principal groups	Caribbean Sea
New Caledonia	One main and some smaller	Pacific Ocean
New Hebrides	11 larger islands and some other smaller	Pacific Ocean
Portuguese Timor	One main island and some smaller islands and islets	Timor Sea
Réunion	One main island	Indian Ocean
Ryukyu Islands	A large number of small islands	China Sea
São Tomé and Príncipe	Two large islands	Atlantic Ocean
Seychelles	84 islands and islets	Indian Ocean
West Indies ^a	Six large islands and some smaller	Caribbean Sea
Tonga	150 islands and islets	Pacific Ocean
Trust Territory of the Pacific Islands	2,141 islands and islets	Pacific Ocean
Western Samoa	Four large islands and several inhabited islets	Pacific Ocean
Nauru	One main island	Pacific Ocean

Source: *The Statesman's Yearbook, 1971-1972* (London, Macmillan, 1971).

^a Includes Antigua, St. Kitts-Nevis-Anguilla, Dominica, Grenada, St. Lucia and St. Vincent.

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