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OVERVIEW OF DEVELOPMENT STRATEGIES IN
THE ENGLISH-SPEAKING CARIBBEAN COUNTRIES

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THE ENGLISH-SPEAKING CARIBBEAN COUNTRIES

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OVERVIEW OF DEVELOPMENT STRATEGIES IN
THE ENGLISH-SPEAKING CARIBBEAN COUNTRIES

I. Introduction

This paper is an extended version of notes compiled by the author in preparation for participation in the Seminar on Styles of Development and the Environment which was held in Santiago, Chile, from 19-23 November 1979. As the invitation to participate was received rather late, there was insufficient time to prepare a paper in advance. The format of the outline (which was used in making interventions during the proceedings) was to present a brief historical overview of development strategies in the Caribbean as set out in various development plans and this format has been maintained. This approach was considered useful as background information to a group of participants mainly from South America who, at best, would only be vaguely familiar with such details on the Caribbean. The opportunity was taken to mention certain environmental problems that have become apparent, and to indicate broadly that certain goals and objectives of development plans had not been realized and that certain pre-existing social problems may have become more acute.

It was hoped that these interventions would make the development problems and environment situation in the Caribbean much clearer, and facilitate taking the sub-region more adequately into account in the final recommendations.

Much of the paper discusses the objectives and strategies of development plans in Barbados, Jamaica and Trinidad and Tobago. The choice of countries is not accidental. These three are English-speaking countries with which the author has some familiarity, and data were readily available in the collections of the ECLA Caribbean Office, Caribbean Documentation Centre. The choice is not entirely irrational since it is fairly well known that development plans of the three countries named, as other aspects of economic and social activity, strongly influence the patterns in the rest of the English-speaking Caribbean.

The latter part of the decade of the 1970's has seen certain trends emerging which will undoubtedly strongly influence the process of development during the 1980's. In earlier periods, the "styles" of development could have been described in part at different times by one or more of the following: as "mercantilist", "plantation economies", "industrialization by invitation", "laissez-faire", "colonialist", etc. Main concentration was on producing specific agricultural commodities for consumption in the metropolises and importing food and manufactured goods in return. Subsequently, some small scale manufactures were introduced first for convenience, subsequently to make use of opportunities for gains which were then repatriated as desired. "Development", therefore was incidental. In the more recent period, particularly since independence, investment in mining and industry was undertaken, and purely local light industry establishments began operations. During a large part of this period, agriculture for the non-export sector got less emphasis than it deserved.

During the 1970's, balance of payments problems have become chronic for most countries of the region. Prices for export commodities did not keep pace with prices for imported goods, resulting in current account deficits. For many countries, also capital and other inflows have declined in real terms and in the second half of the decade, most of the countries of the sub-region have faced stagnation of economic growth rates and even declines.

More Caribbean countries became politically independent in the 1970's, but economic dependence remained, and the ability to perform economic miracles just did not exist. Attempts to make development planning more meaningful in the 1980's seem to be indicated by the apparent increase in social concerns and the plans to achieve social and humanitarian goals.

Caribbean regional integration which initially made rapid progress, particularly in the five years after the formation of the Free Trade Association, seems to have been slowed down at the political level by the time the movement reached ten years of age.

Non-governmental integration appears to be continuing however. There are also signs of a dichotomy in the approach to integration on ideological grounds, between those in favour of and those opposed to greater governmental control over the economy.

The evidence of economic and social activity with unconcern for the effect on the environment is becoming more visible, and is attracting the attention of many individuals and organizations. Some concern, for the problems have become evident. It is clear, however that more widespread concern needs to be aroused before concrete actions will be taken.

II. Some Basic Factors which Condition the
Development Strategies of the English-speaking
Caribbean Countries

A few major factors condition the process through which English-speaking Caribbean countries have sought to develop their economies. These factors may be categorized as relating to size and to historical experience.

Size - viewed from almost any standpoint the Caribbean economies must be regarded as small. In spatial terms only Guyana with some 86,000 sq. miles (215,000 sq km) can make any claim of being "large". St. Vincent, the most recently independent country of the sub-region (October 1979) is only 388 sq km. In terms of resources, especially high priced natural resources, the situation is much the same. That is, only Trinidad and Tobago with its reserves of crude petroleum and natural gas and Guyana and Jamaica with bauxite presently have any significant quantity of resources. Guyana has potential for other minerals but the extent of these have not been clearly verified. Beyond this, solar and marine resources exist but there are many problems involved into which we will not go here.

Population is a paradox being at the same time too large and too small in some countries. For example, given the spatial size of an island, there often is a high labour/land ration, in other words a classical case of factor imbalance. Similarly there is usually a large population per unit of any resource. On the other hand, the relatively small population about 100,000 in Grenada and less than that in Dominica and even the 5.5 million in the entire English-speaking Caribbean is too small a market for the most significant part of the feasible product range. One manifestation of this phenomenon is the large number of factories that operate significantly below capacity and operation of more than one shift is a rarity.

An interesting case is illustrated by Barbados where the population has been virtually stationary for two decades, (growing

at less than 0.5% per annum.) High rates of emigration rather than low birth rates have been responsible for this stability although the latter have also declined. Emigration has been used consciously in the English-speaking Caribbean as a tool to alleviate problems of population pressure and unemployment but this has not always to best advantage, as "brain-drain" studies show that higher categories of skills become involved in the outflow.

The other factors fall mainly under the broad heading "historical experience" though some relate also to size. One example of this latter is the price of exports and imports. With respect to exports, the English-speaking Caribbean countries still try to negotiate for special prices of traditional commodities partly on the basis of historical and previously dependant relationships (note the ACP/EEC Agreement). Also for most commodities these countries are too small as producers to influence the prices in the major markets for their exports. As regards imports also, the region is a "price taker" and furthermore buys in too small quantities to benefit from order size or special concessions, etc., so that import prices are generally higher than prices of similar goods in large countries.

Historical experience

Historical factors have conditioned and determined the following: ^{1/}

(a) Institutions

These include the basically "capitalist" type economy, the legal system and almost the entire socio-political framework including a Westminster Parliamentary Model. It will be noted that the "mixed economy" is the more typical model today.

(b) International relationships

These have been based on bilateral relationship to the "mother-country" financial links, trade links all evolved as part of early "Mercantilism". These old trade links continue in the pattern of trade particularly for exports but also for imports mainly with the United Kingdom, the United States and Canada, those three destinations accounting for 70-85% of total trade for some countries in recent years. Openness of the economy is

1/ These factors are fairly widely known so are mentioned only briefly.

manifested in the high import coefficients of between 0.60 and 0.70 related to the Gross Domestic Product. The degree of openness is of course also a function of size, and small size may have confined these countries permanently to the vagaries that come with a high degree of openness. It should also be pointed out that an extremely large part of investment still originates in the traditional partner countries.

(c) Structure of production and trade

Caribbean countries still are basically producers of raw materials and most of these are agricultural commodities. Moreover, and perhaps more crucially, the number of individual items of significance produced and exported are very small. In some countries the fortunes of one crop will virtually determine overall economic performance, e.g., sugar, bananas, bauxite. These countries are purchasers of a wide range of manufactured goods including processed foodstuffs and industrial raw materials. Despite some advances in manufactures many countries still are very close to the pre-World War II colonial pattern. Though the pattern is changing, it would not be far wrong to say that the local conception of entrepreneurship is involvement in commercial activity. Manufacturing is still largely regarded as a "foreign" activity.

(d) Socio-economic behaviour

Consumption patterns, tastes and preferences have been influenced mainly by those existing in metropolitan countries. Admittedly the ubiquitous "Americanism" and high consumption attitudes is dominant in the Western World, but the Caribbean was historically conditioned to be most receptive. The Caribbean still looks for leadership in traditional directions - the legal opinions from the English Privy Council, training for the military and protective services in their police and military academies, for a large part of education in their colleges and universities. The "mother" country is the source of inspiration, hence United Kingdom civilian honours still exist in some countries. Conceptions of self-image then loses reality based as it is in a foreign model applicable in a different place. Attitudes towards certain types of work are unfavourable. In the process deteriorating environment and even insanitary conditions, are condoned without notice much less protest.

III. Outline of Objectives and Aims of Early Development Plans

The formulation and implementation of meaningful global development strategy in most countries is a fairly recent exercise, although "development planning", so called, dates back almost 35 years. For example a Sketch Development Plan was prepared for the years 1946-1956 for Barbados. There was a ten-year Development Plan 1947-1956, for Jamaica and in Trinidad and Tobago the first five year Plan related to the years 1958-1962.

The earliest "Plans" tended to be mainly budgetary exercises; that is they contained an estimate of the amount of internal revenue, and other funds likely to be available from the "mother country" and elsewhere, and set out the amounts to be expended on various items. In other words, these exercises were not conceived as a framework involving strategies to be executed in order to achieve pre-determined socio-economic objectives. The focus was on public services and on infra-structure. This is of course partly related to the fact that in the early period the countries were still colonies. The earliest of the English speaking countries to become independent were Jamaica and Trinidad and Tobago attaining this status only in August 1962.

Beginning with the 1960's Development Plans became somewhat more ambitious and more relevant in terms of the needs of independent countries. For example, the 1965-1968 Barbados Development Plan states as the objectives of the Government: (a) achievement of a "higher living standard; (b) an equitable distribution of the increase in the national income; and (c) a happier and full life for the whole society". Achievement of these objectives would be partly attained by the provision of adequate food, housing, clothing, education, employment, etc.

Activities were to be directed toward increasing output of agriculture and manufacturing and earnings from tourism (so as to increase per capita national income); stimulating exports; maintaining stable internal prices; intensifying population control; and improving and expanding health, housing and educational facilities. A wide range

of implementation measures were to have been introduced as part of the strategy but these do not seem to have represented any great departure from previous practice, for example: increasing the amount of credit available, experimentation with crops, increased irrigation and agricultural extension services, reorganization of some institutions and creation of new ones, increasing the yield of sugar, granting of fiscal incentives to induce foreigners to invest, and government investment in hotels.

In terms of planned capital expenditure during these three fiscal years, concentration was on agriculture, public utilities, tourist facilities, roads and housing. It may be of interest to note that while planned expenditure totalled \$41.4 million, actual capital expenditure totalled only some \$31.3 million, a shortfall of nearly 25 percent.

Sufficient details are not at hand to determine in which sectors the shortfall was felt most. During the period external debt payments increased by 45 percent. Gross domestic product at current prices grew at an average annual rate of approximately 7 percent. Domestic exports grew by about 6 percent annually while imports increased by around 7 percent per year during the period.

The Five Year Independence Plan of Jamaica for the years 1963-1968 states as its fundamental goals:

- (a) Creating an economically viable society
- (b) Fostering social and cultural development
- (c) Integration of the society to close the economic, social and cultural gaps.

An underlying imperative in the Plan was the need to minimize social and political discontent.

It was recognized that these were long-term objectives and in the first phase economic and social services were to be provided for deprived sectors especially in rural areas. This phase was therefore to deal with immediate problems and needs and lay the foundation for long-term development. Earliest projects were to be income generating and provide employment "to boost consumer demand as a stimulus for increased output". The media chosen were construction-housing and road building.

The over-riding strategy was to achieve the highest possible rates of economic growth with emphasis on wider distribution of economic gains. Some of the major elements in the strategy were:

Migration and population control - to be encouraged. Commitment to a mixed economy was confirmed.

Private enterprise - Government would give encouragement as long as there was no harm to the community.

Government participation in industry - was considered as necessary to ensure production, especially where private interests were unresponsive.

Manufacturing - steps were to be taken to re-orientate industrial promotion and other devices to raise production, gain new markets, encourage geographical diversification of locations, etc.

Agriculture - land reform was to be intensified to bring arable land into cultivation; discourage uneconomic fragmentation, increase productivity through credit incentives and technical assistance, promote establishment of more economic size of farm units, encourage import substitution and improve local and foreign marketing.

Tourism - should develop in light of aspiration of nationals. The Tourist Board was to be reconstituted, facilities for visitors with more moderate means was to be developed and Government would assist in seeking reduction in transport cost.

Employment - there would be creation of opportunities through the stimulation of private sector activities. Government development projects would be located, as far as possible, in areas with high level of unemployment. There would be safeguards against technological displacements and government would provide increased training facilities.

With respect to social development and regional integration major programmes were planned for financing improved health care, education, housing, water, recreational facilities, etc., in rural areas to stem urban drift.

Housing - was to be provided and/or encouraged in both urban and rural areas. Government would concentrate on assisting with low cost housing by actually constructing buildings, providing technical assistance, incentives, etc., and providing exemptions from certain onerous institutional arrangements.

Capital resources - institutional reorganization was to be implemented to encourage more saving and to decrease reliance on government for loans for development. In addition, nationals overseas would be encouraged to participate in local government loan issues and in private sector investment.

It is useful to take a brief look at performance in terms of selected economic parameters normally included as plan objectives. Gross domestic product at constant prices increased by about 28 percent between 1963 and 1968 at an average annual rate of increase of about 5.5 percent. As net population increase averaged just over 1 percent during the period, real per capita GDP would have increased by somewhat less than 4 percent per year. Interestingly, actual government expenditure on capital development projects was close to the Plan expenditure falling short only by 1.2 percent. Both Imports and Domestic Exports increased during the period in current value terms but imports increased substantially faster. In addition, the rate of unemployment also increased. In short, some of the major economic targets were not achieved despite achievement of the planned level of expenditure.

It took some years before there was widespread acceptance that achievement of goals such as these, already difficult, were dependent in many instances on exogenous factors.

The first Five Year Plan of Trinidad and Tobago covered the period 1958-1962; and the second Plan related to the years 1964-1968.

The overriding imperative of planning national development, according to the 1964-1968 Plan, was to achieve, in the long run, full utilization of human and natural resources. The broadest segment of the population should be provided modern standards of living. The freeing of human and economic resources from foreign control and initiation of social and economic transformation were considered by the Plan as short-term goals but are in reality long-term goals as experience and history showed.

More concretely, the main objectives of this Plan were:

- (a) to reduce dependence on a single industry, i.e. petroleum
- (b) to achieve a satisfactory growth rate in per capita GDP
- (c) to provide increased employment opportunities.

Perhaps the most important strategy consideration was the necessity to transform the structure of the economy to lessen dependence on petroleum. This transformation was to be accomplished through accelerated growth of agriculture, manufacturing and construction. The need to transform and sustain economic growth implied increases in national saving and in investment - both local and foreign. There should also be a change in the pattern of national education toward technical and scientific training and research. Furthermore, the private sector had to channel investment into the desired sectors. As small market size was a limiting factor on production; increased production therefore required access to foreign markets which could be provided by foreign transnationals with existing market connections. A favourable investment climate and economic stability were considered prerequisites for attracting foreign industrialists.

Agriculture - The strategy was import-substituting for traditional domestic agriculture and export-oriented in so far as traditional export crops were concerned. Both areas were to be stressed and foreign markets were to be sought for domestic crops. Emphasis was to be on increasing production efficiency in livestock, fruits, vegetables, and root crops and on producing for the food processing industry. A significant number of measures were designed to accomplish these objectives including improvement of field extension service, provision

of more credit, improved prices and marketing facilities, rationalization of land tenure systems, better roads and infrastructure.

Manufacturing - This sector had been receiving considerable incentive in the form of tax holidays, accelerated depreciation and other concessions. Expansion, however, was mainly very capital intensive. It was decided to encourage particularly establishments utilizing indigenous raw materials.

Government also took the position to participate in certain vital industries if private enterprise was "too timid".

Tourism - This was not a large sector but it was considered that its development could assist in the desired economic transformation. The strategy aimed at increasing the average length of stay as well as the total number of visitors. The chief measures to be utilized included:

- Improvement in places of scenic or historical importance.
- Provision of financial assistance to hotel owners.
- Securing increases in the local content of tourist expenditure; this was to be linked with efforts to increase handicrafts.
- Streamlining institutions responsible for promoting tourism or otherwise assisting the sector.
- Provision of facilities to attract visitors in the off-season and also visitors of moderate incomes, including lower air fares and package tours.

Housing - A considerable backlog existed prior to the introduction of the Plan. The Plan proposed to:

- Provide loans for housing.
- Acquire and develop sites for encouraging private housing development.
- Replace slums and build low-cost housing.
- Undertake research work to achieve economies in design and construction.

The trends of some economic aggregates are given below as rough indicators of economic performance during the Plan period. Real GDP grew by 4.3 percent about the level projected in the 1963-1968 Plan. The petroleum sector grew faster than was projected and petrochemicals helped the manufacturing sector grow by about 9 percent per year, on average. The agriculture sector was virtually stagnant though local food crops and livestock showed some increase. Gross exports increased by about 10 percent per year and imports by 5.5 percent. This increase contributed to balance-of-payments surpluses in three of the five years. However, unemployment showed an increasing trend. Finally, the actual funds expended on capital projects fell short of the projected total by only 1 percent.

IV. Outline of Modifications to Development Objectives
and Strategies in the 1970s

Despite the firmer resolve and commitment of Caribbean governments many of the targets set out in the development plans of the middle and late 1960s were not achieved. Thus the modifications in strategies which were planned either did not work, or were not implemented as planned. It is not proposed to do an evaluation here but there are some indications that both situations occurred.

During the late 1960s, the smaller non-independent islands began formulating development strategies. And of course, they utilized as their models those they observed in the larger neighbouring islands including the setting up of similar types of institutional structures. It is no surprise that there developed an overcapacity in some of the small manufacturing sub-sectors, competition for foreign establishments, and relative neglect of agriculture. The discussion in the remainder of this section is based as the previous section on the Barbados, Jamaica and Trinidad and Tobago experiences.

In point of fact development objectives did not change much in Barbados between 1969 and 1977 though strategies, both overall and in particular sectors, seemed to have been formulated with greater care and were articulated in greater detail in the later period. It should be noted however that deliberate emphasis was placed on diversification (away from sugar cane) and on achievement of self-sufficiency. It was no longer considered necessary only to increase output or employment or education. Furthermore, at least some reference was made to the environmental aspects of conservation and land reclamation. Strong support for regional integration was expressed, and there was provision for government participation in economic activity where private enterprise was unwilling or unable to get involved. Conscious attempts were also to be made to achieve social objectives rather than passively awaiting their outcome as a consequence of increased economic activity.

In the case of Trinidad and Tobago the objectives of the Third Five-Year Plan 1969-1973 differed fundamentally from the previous plan in one very important regard. The goal of achieving a specified growth rate in the gross domestic product was discarded, and in its place was put the necessity to shift decision-making in key areas of the economy into indigenous institutions. In other words, it was considered desirable to reduce the area of foreign dependence which was defined quite broadly to include not only protected foreign markets for goods and services but also for dictating tastes and preferences. Diversification now became not only a process whereby production in sectors other than petroleum should increase, but further downstream petroleum products were to be developed as well as auxiliary production of goods and services. The strategy considerations in this Plan also gave more emphasis to societal goals of human dignity, participation and equality, and the enhancement of the national identity. As in Barbados, explicit attention was to be directed to resurrecting the integration movement which finally led to the formation of CARIFTA and CARICOM.

Jamaica did not publish a development plan in the late 1960s or early 1970s. It must be presumed that the previous development objectives and policies remained broadly operative.

The changes in development strategies and objectives between the 1960s and late 1970s took no radical departures as was shown above, however, positions were being made clearer and the frustration at lack of sufficient progress in the private sector was apparent. The euphoria of rapid social and economic progress following attainment of political independence failed to materialize. Renewed emphasis was placed on objectives such as diversification, increasing governmental control, with mild threats of government intervention to enter traditionally private sector areas to achieve development objectives. In addition self-sufficiency became a more important consideration and there were plans to shift decision-making in key areas of the economy from overseas to local institutions.

There were also in the statements of development objectives more emphasis on social considerations. The new trend reflected a realization that social objectives do not just flow directly from economic growth but had to be influenced and directed. It was also considered necessary to stimulate change in local tastes and preferences, from foreign to local goods. The new development strategies therefore included more explicit statements on: increasing capital accumulation, adaptation of technology, providing appropriate training to meet the skill requirements of the job market, developing intersectoral linkages, increasing production on bases of both import substitution and export orientation, and also fostering subregional integration.

As the 1970s come to a close at least one new major departure in development strategy has been observed, and a few objectives included in earlier development plans have been restated with greater determination. In Trinidad and Tobago the fundamental decision has been taken to utilize the "windfall" revenues from crude petroleum to develop "energy-based" heavy industries including iron and steel, petrochemicals including fertilizers and an aluminium smelter. In general, three other main trends have been observed. Firstly, diversification is being given increased attention, but now diversification refers not only to product but also to external relationships. Secondly, social objectives are being given higher priority; there is increased emphasis on reducing inequality in income distribution, with focus on social justice and egalitarianism. Thirdly, there is more nationalism and government ownership and control as increased attempts are being made to attain higher degrees of self-sufficiency and reduce the effects of external economic conditions.

V. Some Conclusions

In their efforts to provide a better standard of living for all the people of their countries, governments of the English-speaking Caribbean countries have naturally sought to develop or encourage development in all economic sectors. There has been virtually no restraining of development activity in any area mainly because the demands have been so great in view of rapidly growing populations, the high level of material aspirations and the relatively few options in terms of resources. The special advantage of Trinidad and Tobago in the area of petroleum has been only of recent origin.

As indicated earlier, five sectors have been of major concern historically, and apparently will continue to be so in the future because of their potential for creating employment and earning foreign exchange among other things. These sectors are agriculture, mining, manufacturing, tourism and housing.

Significant exploitation of mining is limited to some countries only for obvious reasons. Agriculture, housing and tourism are common to all. Manufacturing is presently of significance only in the larger English-speaking countries but all countries are working toward increased activity in this sector. This means then that virtually the entire range of unfavourable environmental effects are being or will be experienced, and the pace at which options for future resource use are being reduced is gathering momentum. This is in fact the urgency behind the various pleas to initiate sound environmental management in the Caribbean.

Already a wide variety of problems are evident.

In agriculture the range of problems is wide: deforestation, soil erosion, pollution of waterways, the rape and destruction of fishing beds. Poor land use practices: burning of land as a means of land clearing, hillside farming (without terracing, etc) have led to soil erosion on a large scale and also to reduced rainfall and non-replenishment of underground water resources. Fertilizers, weed killers, pesticides, etc. which have been used in large quantities in recent years, more or less indiscriminately, would have had significant impact on the environment but little or no monitoring of waterways, etc., is done.

Major environmental problems in industry originate from refining petroleum, manufacture of petrochemicals, production of bauxite and alumina but also from the discharge of various kinds of factories. Indiscriminate quarrying for building materials are also known to have created problems. The Caribbean area has far greater petroleum refinery capacity than it needs and there is significant transshipment of petroleum. Moreover, the trend has been to increase these facilities as one means of industrial development.^{1/} The pollution effects on inland waterways and on beaches and coastal areas, already serious, is developing an enormous potential. Already some beaches are being affected by frequent presence of patches of oil on the sands, much of it brought by the ocean currents from the Atlantic, where the tankers wash their tanks. As more and more super-tankers stop in or pass through the Caribbean, the potential for accidents such as occurred off the coast of Tobago this year increases.^{2/}

Tourism too puts considerable pressures on the environment and plans to augment it will naturally increase these pressures. The development of tourism has affected the environment by affecting the natural ecology of coastal areas and by aggravating the problem of solid waste disposal, etc.

One writer has stated that the primary cause of beach pollution in the Caribbean is sewage, either inadequately treated or not treated at all. The high concentration of hotels of course contribute significantly to this situation; and in turn beach pollution is damaging to the tourism sector. Visualize, if you will, the impact of 7,000 tourists

^{1/} An example of the potential environmental impact may be gathered from the quote "In 1973 one-sixth of the world's oil was either produced, refined or transshipped through the wider Caribbean", Ivor Jackson. See Bibliography.

^{2/} The first collision of two super-tankers.

among a population of say 20,000 in one of the urban areas of the Caribbean. The waste disposal of 7,000 tourists in hotels, judging by the literature, would likely exceed that of the resident population. In other respects the impact is equally great - use of water and electricity demand for fuel for transport. Taken together the unfavourable impact on the environment is very significant. In the words of a preliminary draft paper authored by the Joint ECLA/UNEP Caribbean Environment Project Staff, Port of Spain, "A negatively impacting circle is closed when the beaches become so contaminated that the tourists keep away either through necessary restrictions imposed by health authorities or because of a perceived unsatisfactory environment".^{3/}

Housing combined with road building is another major area on which the development thrust is based. As is so common in other areas, understandable though it is, the approach is to complete the structures, provide shelter, facilitate transportation of people and goods, but environmental considerations tend to be incidental. Given the hilly nature of the terrain in most of the countries a very common sight is the washing away of soil from construction sites down roadside drains and embankments and eventually to the sea. The many effects of this kind of activity are documented elsewhere, suffice it to say that lack of care in site preparation has resulted, inter alia, in pollution of water by organic and inorganic sediments, suspension of fine particles sometimes even in drinking water and in inland waterways hindering sunlight penetration of water or silting such water. Sedimentation has also reduced the permeability of soils thus resulting in increased flooding. The incidence of flooding is also increasing, caused by the building up of areas with paving material so that water rushes on to the sea and reduce the replenishment of underground reservoirs. Finally, housing development as part of urbanization intensifies the problem of solid waste disposal.

^{3/} Draft titled "The Development Strategies of Small Caribbean Islands"; ECLA/UNEP Caribbean Environment Project.

In short, economic growth is not an unmixed blessing and the modes of development adopted by Caribbean countries (perhaps it may be more accurate to say forced on them) have resulted in increasing stress on the fragile ecosystems of the Caribbean. To the observer, there appears to be an additional economic cost to implementing sound environmental practices and the question then can be posed: How can a small island country with limited resources proceed rapidly to develop according to the desires of its peoples yet adequately take into account sound environmental practices? It may be more accurate, though more sanguine, to pose the development question as follows: Can Caribbean countries meet the needs and the aspirations of their growing populations?

The earlier part of this paper indicated that while growth in terms of certain economic magnitudes has occurred, and some quantitative targets have been achieved others remained unrealized. Moreover, realization of important economic and social objectives proved elusive despite more than 30 years of attempts and modification of strategies. Among these objectives discussed were decentralization of production and international trade, more equitable distribution of income and wealth, and social and cultural integration. Non-realization of these objectives have been creating more and more social stress, and attempts are being made to adjust the mechanisms more rapidly.

In the meanwhile, population continues to grow in some islands quite rapidly, at around 2 percent per annum. Unemployment is still at very high rates (between 12 and 24 percent) even in countries that have shown high GDP growth rates; to say nothing of underemployment. Many difficulties exist in trade with traditional partners (themselves currently experiencing more than usual economic problems), and penetration into new markets is proving difficult. Financial resources in the amounts needed to propel development becomes more difficult to obtain. The quantum of proven natural resources does not appear to be increasing and latest reports on overall potential are not very promising. In the meanwhile, more than normal pressures are being exerted by the demands for a "better quality of life" as imported

life styles affect local tastes, preferences and aspirations. If more goods and services are not available to meet these demands the inevitable result will be social problems. There seems little doubt that the Caribbean is now reacting to this situation.

In the final analysis it will be external and domestic political realities that will determine how much more and what kinds of adjustment to the strategies will be made or indeed if new strategies will have to be formulated.

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ANNEX i

TABLE I

POPULATION CARIBBEAN COUNTRIES

1970, 1978

Country	1970 ('000)	1978 ^{1/} ('000)	Average Annual Growth Rate %
<u>CDCC Member Countries</u>			
Bahamas	171	225	3.5
Barbados	238	265	1.4
Cuba	8,551	9,728	1.6
Dominican Republic	4,343	5,124	2.1
Grenada	94	97	0.4
Guyana	760	820	1.0
Haiti	4,235	4,833	1.7
Jamaica	1,996	2,133	0.8
Suriname	371	435 ^{2/}	2.0
Trinidad and Tobago	1,027	1,133	1.2
<u>CDCC Associated Member States</u>			
Antigua	65	74	1.6
Belize	120	153	3.1
Dominica	70	81	1.8
Montserrat	11	11	0.0
St. Kitts-Nevis	64	67	0.6
St. Lucia	100	113	1.5
St. Vincent	89	96	1.0

^{1/} Data are mid-year official government or UN estimates.

^{2/} Estimate for Suriname refers to 1976.

Source: Agricultural Statistics, 1978, (CEPAL/CARIB 78/8); UN ECLA Office for the Caribbean and UN Population and Vital Statistics Report, Statistical Series A, Vol. XXXI, NO. 4, 1979; United Nations New York.

ANNEX II

TABLE II

LAND USE - CARIBBEAN COUNTRIES
PERCENTAGE DISTRIBUTION - 1975

Country	Agricultural Area	Forests	Other
<u>CDCC Member Countries</u>			
Bahamas	1.7	32.2	66.1
Barbados	86.1	-	14.0
Cuba	50.9	10.8	28.3
Dominican Republic	50.7	22.8	26.4
Grenada	50.0	11.8	8.9
Guyana	7.0	92.4	0.6
Haiti	55.0	8.5	36.5
Jamaica	44.0	45.6	10.4
Suriname	0.3	89.2	10.9
Trinidad and Tobago	32.8	44.1	23.2
Sub-total:	20.8	62.9	16.3
<u>CDCC Associated Member States</u>			
Antigua	25.0	15.9	59.1
Belize	3.1	44.4	52.5
Dominica	25.3	46.7	28.0
Montserrat	20.0	40.0	40.0
St. Kitts-Nevis	41.7	16.7	41.7
St. Lucia	49.2	18.0	32.8
St. Vincent	55.9	41.2	2.9
Sub-total:	6.5	42.9	50.6
<u>CDCC TOTAL</u>	<u>20.2</u>	<u>62.1</u>	<u>17.8</u>

Source: Agricultural Statistics, 1978, (CEPAL/CARIB 78/8), UN ECLA Office for the Caribbean.

ANNEX III

TABLE III

GROSS DOMESTIC PRODUCT
TOTAL AND SELECTED SECTORS

Country		Currency Unit	Total GDP	Percentage Shares		
				Agriculture	Manufacturing	Mining Electricity and Gas
Antigua	1963	US\$mill	24.8	18.0	3.0 $\frac{1}{/}$	- $\frac{1}{/}$
	1977	...	...	...	...	...
Belize	1962	US\$mill	47.8	33.0	30.0 $\frac{2}{/}$	- $\frac{2}{/}$
	1976	US\$mill	185.4	21.0	10.0	1.0
Barbados	1960	US\$mill	136.0	25.0	12.0 $\frac{1}{/}$	- $\frac{1}{/}$
	1978	BDS\$mill	937.0	9.7	11.3 $\frac{2}{/}$	0.4 $\frac{2}{/}$
Cuba	1960	...	...	...	...	...
	1976	Mill pesos	15860.5	...	...	...
Dominica	1961	US\$mill	21.1	35.0	7.0 $\frac{1}{/}$	- $\frac{1}{/}$
	1973	US\$mill	62.3	40.0	2.0	1.0
Dominican Republic	1960	Mill pesos	723.6	27.0	17.0	3.0
	1977	Mill pesos	4466.6	21.0	19.0	4.0
Grenada	1970	US\$mill	60.0	20.0	4.0	2.0
	1975	US\$mill	80.5	29.0	4.0	2.0
Guyana	1960	US\$mill	291.8	24.0	9.0	10.0
	1978	G\$mill	1113.0	23.8	12.5	15.1 $\frac{3}{/}$
Haiti	1960	Mill	1522.7	49.0	10.0	2.0
	1976	Gourdes	2211.9	41.0	11.0	4.0
Jamaica	1960	US\$mill	471.3	11.0	12.0	10.0
	1978	J\$mill	3713.1	8.5	16.9	13.4 $\frac{3}{/}$
St. Kitts-Nevis	1961	US\$mill	19.8	46.0	1.0 $\frac{1}{/}$	- $\frac{1}{/}$
	1977	US\$mill	81.7	18.0	15.0	1.0
St. Lucia	1962	US\$mill	28.3	34.0	5.0 $\frac{1}{/}$	- $\frac{1}{/}$
	1970	US\$mill	62.9	22.0	6.0 $\frac{1}{/}$	- $\frac{1}{/}$

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TABLE III Cont'd

Country		Currency Unit	Total GDP	Percentage Shares		
				Agriculture	Manufacturing	Mining Electricity and Gas
St. Vincent	1961	US\$mill	24.6	40.0	1.0 ^{1/}	- ^{1/}
	1972	US\$mill	41.4	25.0	6.0 ^{1/}	- ^{1/}
Montserrat	1961	US\$mill	3.5	41.0	2.0 ^{1/}	- ^{1/}
	1976	US\$mill	16.9	9.0	2.0	2.0
Suriname	1960	Mill	174.3	13.0	33.0 ^{1/}	- ^{1/}
	1976	Guilders	549.9	8.7	11.2 ^{2/}	26.8 ^{2/}
Trinidad and Tobago	1960	US\$mill	918.3	11.0	12.0	32.0
	1978	TT\$mill	8901.2	2.7	8.9 ^{2/}	41.3 ^{2/}

... Not available

^{1/} Includes - mining, manufacturing, electricity and gas.

^{2/} Manufacturing include mining, electricity and construction.

^{3/} Mining and quarrying only.

Source: Statistical Yearbook, 1978, United Nations, New York.

ANNEX IV

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