

Small scale and quality of governance

**A survey of the scholarly literature,
with special reference to the Caribbean**

Gert Oostindie & Paul Sutton

KITLV
Royal Netherlands Institute of Southeast Asian and Caribbean Studies
P.O. Box 9515
2300 RA Leiden
www.kitlv.nl

October 2006

Prof.dr. Gert J. Oostindie is Director of the KITLV/Royal Netherlands Institute of Southeast Asian and Caribbean Studies, Leiden, the Netherlands and Professor of History at Leiden University.
<oostindie@kitlv.nl>

Paul K. Sutton, formerly Reader in Politics at the University of Hull, United Kingdom, is presently an independent consultant in development issues. <P.K.Sutton@hull.ac.uk>

This report was written at the request of the Ministerie van Binnenlandse Zaken en Koninkrijksrelaties (Ministry of the Interior and Kingdom Relations), The Hague, the Netherlands, DGKB/KR 2006-0000232227.

Samenvatting

Dit rapport heeft vijf delen (A-E, met daarbinnen genummerde paragrafen), gevolgd door een literatuurlijst en een bijlage met zeven tabellen.

A. Size, insularity and autonomy (2-40)

Allereerst wordt de vraag gesteld wat in de literatuur onder 'klein' wordt verstaan (4-8). Gangbaar is om de bovengrens van de categorie 'small states' te leggen bij 1,5 miljoen (8). In sommige benaderingen worden nog aparte categorieën gedefinieerd voor mini-staten (< 200.000 inwoners) en micro-staten (< 100.000 inwoners). Anderen voegen deze beide categorieën samen of vermijden ze geheel, gezien de gevoeligheid van termen als 'mini' en 'micro' (6). Een overzicht van kleine onafhankelijke staten en non-soevereine gebieden, met bevolkingscijfers en per capita GNI, is opgenomen in Tabellen 1 en 2.

Kleinheid maakt kwetsbaar en is daarmee nadelig voor economische ontwikkeling; dit is inzichtelijk gemaakt in de door het Commonwealth Secretariat ontwikkelde 'vulnerability index' (9). Daar staat tegenover dat kleine landen hun veerkracht kunnen versterken door een verstandig politiek en sociaal beleid te voeren (10). Uit vergelijkend economisch onderzoek naar economische groei in ontwikkelingslanden blijkt zelfs dat kleine staten in feite beter presteren dan grotere landen. Binnen de groep kleine landen presteren de niet-soevereine gebieden weer beter. De status van 'dependent territory' brengt belangrijke voordelen mee in de sfeer van handel, hulp en veiligheid. Er is convergentie aantoonbaar tussen het inkomensniveau in niet-soevereine gebieden en dat van hun metropool (11). Kortom: politieke factoren (beleid en status) kunnen de weerbaarheid van kleine landen versterken en daarmee de inherente economische nadelen van schaal verminderen en zelfs teniet doen (12).

Het is moeilijk een directe relatie te leggen tussen (kleine) schaal en 'good governance' (hier verder vertaald als 'goed bestuur'), allereerst omdat kleine staten in de politicologische literatuur zijn verwaarloosd. Inmiddels heeft onder meer de Wereld Bank een bruikbare index voor goed bestuur ontwikkeld (14). Op basis van deze index zijn in 2004 ruim tweehonderd landen beoordeeld (Tabel 3). De uitkomst is in het algemeen redelijk positief voor kleine onafhankelijke staten. Dit geldt in het bijzonder voor kleine staten in Europa en het Caraïbisch gebied (17). Het beeld voor niet-soevereine gebieden is onvolledig maar positief (18).

Breed vergelijkend onderzoek heeft uitgewezen dat relatief veel kleine staten, in het bijzonder eiland-staten, kunnen worden aangemerkt als stabiele en duurzame liberale democratieën (19-23). De koloniale erfenis is een belangrijke determinant van regimekeuze. In dit verband moet worden vastgesteld dat de grote meerderheid van de hedendaagse kleine staten ooit Britse koloniën of protectoraten waren (21).

Kleine staten zijn vaak eilanden; dit geldt in nog sterkere mate voor kleine non-soevereine gebiedsdelen (24). Het is methodologisch problematisch de effecten van kleinheid en eilandelijkheid te scheiden; duidelijk is dat zij elkaar versterken (25-29). 'Islandness' kan zowel negatieve als positieve gevolgen hebben. De politieke cultuur van eilanden is vaak sterk naar binnen gericht. Het behoud van de eigen eilandelijke soevereiniteit en autonomie kan absoluut worden gesteld, zelfs waar samenwerking met andere landen of gebieden evidente voordelen zou opleveren. In (kleine) eilanden die deel uitmaken van een groter geheel speelt altijd de optie van secessie (25). Daarnaast is de afstand tussen bestuurder en burger in kleine eilanden vaak gering en spelen in de eilandelijke politiek persoonlijke factoren vaak een belangrijker rol dan inhoudelijke en ideologische (26). Daar staat tegenover dat kleine eilanden in sociaal opzicht vaak homogeen

zijn, wat weer kan bijdragen aan het 'social capital' en daarmee aan samenhang en een sterke collectieve weerbaarheid (27-8).

In de slotfase van het naoorlogse dekolonisatieproces zijn het vrijwel alleen kleine gebieden die niet soeverein zijn geworden. Voor deze gebieden lijken de kosten van soevereiniteit te hoog. Inmiddels is deze uitkomst door de moederlanden en ook internationaal aanvaard. Er heeft zich een alternatief aangediend voor volledige soevereiniteit, namelijk het concept van 'sub-national island jurisdiction' (SNIJ). Deze SNIJs wijzen onafhankelijkheid af maar streven wel naar verruiming van hun eigen bestuurlijke macht (30). De SNIJs zijn verspreid over de hele wereld en zijn in het Caraïbisch gebied sterk vertegenwoordigd (Tabel 5).

De verruiming van mandaat die de SNIJs nastreven ligt primair in de sfeer van bancaire bevoegdheden, milieu, transport, migratie en para-diplomatie (31-36). Het streven van de SNIJs om de eigen bevoegdheden te verruimen met behoud van de non-soevereine status leidt regelmatig tot spanningen met de metropolen. De lokale bevolking beoordeelt de eigen politieke leiders mede op hun vermogen gunstige regelingen te treffen met de metropool en via de metropool met supranationale instituties zoals de EU (37-39). De uitkomst is wisselend. Er is geen sprake van één universeel 'best model' dat optimaal is voor alle kleine non-soevereine eilanden (34).

B. Characteristic features of politics and administration in small states (41-55)

Het politieke proces in kleine ontwikkelingslanden wordt wel omschreven aan de hand van vier kenmerken: een sterke mate van persoonsgebondenheid, alomtegenwoordigheid van de overheid, sociale saamhang en harmonie, pragmatisch conservatisme (41).

'Exaggerated personalism' duidt een context aan waar het verschil tussen functies/rollen en de personen die deze dragen gering is. Een voordeel hiervan kan zijn dat de afstand tussen (potentiële) politieke leiders en de burgerij gering is; de bestuurder moet wel 'in touch' blijven en zijn handelen wordt op de voet gevolgd. De andere kant van de medaille is dat de macht van bestuurders in hun kleine samenlevingen hen in staat stelt zich manipulatief te gedragen en formele verantwoording te ontlopen (42-3). Dit kan te riskanter worden omdat kleine landen worden gekenmerkt door 'governmental pervasiveness': de overheid is formeel en informeel overal bij betrokken, om te beginnen als grootste werkgever. Het is daarom cruciaal, maar niet eenvoudig te bewerkstelligen dat er in bestuur en rechtssysteem ruimte wordt gecreëerd voor onpartijdige behandeling van de individuele burger (44-46).

De beide andere kenmerken van de politieke cultuur in kleine ontwikkelingslanden zijn minder problematisch. 'Concerted social harmony' betekent dat zulke landen vaak opmerkelijk succesvol zijn in het vermijden van conflicten tussen (etnische) groeperingen binnen de eigen samenleving. Dit hangt samen met consensus hierover onder de elites en met de ruimte die het democratische stelsel biedt om conflicten te kanaliseren (46). Hiermee hangt samen 'pragmatic conservatism'. Er is een neiging dissidenten en radicale stromingen te negeren en vast te houden aan het traditionele. Dit versterkt de stabiliteit, maar de keerzijde is dat dit conservatisme werkt als een rem op innovatie (47).

De vier genoemde kenmerken zijn niet uniek zijn voor kleine staten, maar worden daar wel sterker worden gevoeld (48). In algemene zin geldt dat de theorievorming over kleinschaligheid en politieke en bestuurlijke cultuur niet sterk is ontwikkeld. De neiging is om het bestuur in kleine landen te beschouwen alsof het slechts om 'scaled-down' versies van bestuur in grote landen zou gaan. Maar juist de schaal maakt het onmogelijk het overheidsapparaat in kleine landen te beschouwen vanuit het Weberiaanse perspectief van de bureaucratie als de onpartijdige uitvoerder van politiek bepaald beleid (49).

Zo bepalen individuele kwaliteiten en relaties van ambtenaren en politici in kleinere landen in veel sterkere mate de richting en kwaliteit van bestuur dan in grote (personalisme). Er is veel minder financiële en personele ruimte voor kwaliteitsverbetering van het overheidsapparaat, wat

weer leidt tot risicomijdend, routinematig en gedemotiveerd gedrag binnen maar uiteindelijk ook buiten de overheidssfeer (50-2). Dit probleem is in het Commonwealth erkend en heeft geleid tot programma's gericht op 'capacity building' in kleine landen, zowel door training als door samenwerking op regionale en subregionale basis (53-4).

Ook al zijn de consequenties van kleinschaligheid voor bestuurlijke processen moeilijk te isoleren, duidelijk is wel dat schaal een complicerende factor is waarmee in het openbaar bestuur van kleine landen terdege rekening dient te worden gehouden (55).

C. Governance in the Caribbean (56-89)

'Good governance' is een sleutelbegrip in vele discussies over economische en politieke ontwikkeling. Het begrip heeft een sterke normatieve lading. Hoewel over de inhoud van het begrip geen absolute consensus bestaat, is er wel overeenstemming over de belangrijkste elementen: een overheid die open en transparant is ter verantwoording kan worden geroepen; efficiënt, effectief en responsief bestuur; respect voor mensenrechten; en het primaat van de wet. Daarnaast is het bewustzijn gegroeid dat deze principes in een lokale context dienen te worden begrepen en toegepast (56-7).

Er is niet veel onderzoek gedaan juist over goed bestuur in kleine landen – onder meer omdat de staat van dienst van kleine landen in dit opzicht vrij goed is (57). Toch wordt deze thematiek ook in kleine landen serieus genomen, en in het bijzonder in het kader van het Commonwealth en de CARICOM (58). In het kader van dit onderzoek is in het bijzonder gekeken naar discussies over goed bestuur binnen de Engelstalige Caraïben. Dat betreft enerzijds CARICOM – de Caribbean Community and Common Market, aanvankelijk alleen de voormalige Britse koloniën (Commonwealth Caribbean), nu ook Suriname en Haïti – anderzijds de British Overseas Territories (BOTs).

De democratische staat van dienst van de Engelstalige staten in het Caraïbisch gebied is, enkele uitzonderingen daargelaten, goed. Een stabiele democratie is in zichzelf echter geen garantie voor goed bestuur. Binnen de Commonwealth Caribbean wordt al enige jaren openhartig gedebatteerd over een 'crisis of government': achteruitgang van de kwaliteit van bestuur enerzijds, verslechtering van de 'civil society' en 'civil discourse' en daarmee ook van de legitimiteit van het politieke bestel anderzijds (59-61).

Over het Caraïbische gebied als geheel worden dezelfde debatten gevoerd. Duidelijk is dat er grote verschillen zijn binnen de regio en dat de Commonwealth Caribbean er betrekkelijk gunstig voor staat. Toch wordt ook daar de behoefte aan verbetering van het bestuur gevoeld. Dit heeft tot voorstellen geleid die een geest van geleidelijkheid ademen: men kiest niet voor ingrijpende veranderingen in het politieke bestel (62-6).

Naast de landen van de Commonwealth Caribbean was de voormalige Nederlandse kolonie Suriname het enige Caraïbische land dat na 1945 de onafhankelijkheid bereikte (1975). De geschiedenis van de republiek is getekend door een militair bewind in de jaren tachtig. De democratie is daarna hersteld, maar zowel volgens internationale criteria als in de visie van de eigen regering en de belangrijkste partners worstelt het land met de kwaliteit van bestuur (67-69, Tabel 3).

Het Verenigd Koninkrijk heeft veertien BOTs, waarvan vijf in de Caraïben. De Britse regering stuurt niet langer aan op hun onafhankelijkheid. De relaties met de BOTs worden behartigd door het Foreign and Commonwealth Office (FCO). Binnen het FCO is er een Overseas Territory Department met ca. 70 ambtenaren. Ongeveer de helft ervan werkt in of, vanuit Londen, gericht op de Caraïbische BOTs. Het VK wordt in elk van de BOTs vertegenwoordigd door een Britse gouverneur (70-3).

De Britse regering legt sinds de late jaren negentig het accent op 'partnership' en enige verruiming van lokale bevoegdheden. Integratie of associatie met het VK wordt afgewezen. Het VK stelt hoge eisen aan de kwaliteit van het bestuur. Een leidend principe daarbij is het minimaliseren

van 'contingent liability'. Uitgangspunt is dat het VK immers de eindverantwoordelijkheid heeft voor alles dat in en rond de BOTs gebeurt. De te minimaliseren risico's zijn in het Lagerhuis benoemd als een bankroet van lokale overheidsfinanciën, drugshandel, witwaspraktijken, problemen rond migratie, en natuurlijke rampen (74-5).

Verschillende van deze ongezochte en ongewenste verplichtingen voor het VK zijn direct verbonden aan de kwaliteit van bestuur in de BOTs. Nader onderzoek leidde tot het nemen van een reeks maatregelen in de sfeer van financieel beheer, het rechtssysteem en het gevangeniswezen. De Britse regering maakt zich voorts zorgen over het 'moral hazard' dat lokale overheden nalaten hun eigen begroting in evenwicht te houden in de wetenschap dat er altijd het Britse vangnet is (76-7). In de praktijk heeft de zorg over 'contingent liabilities' en 'moral hazard' de Britse regering er eerder toe gebracht de bemoeienis met de BOTs te intensiveren dan deze te beperken, hetgeen in deze gebieden tot kritische reacties heeft geleid (78-80).

Het bevorderen van goed bestuur staat dus centraal in het Britse beleid ten aanzien van de BOTs; begrippen als 'transparency' en 'accountability' en de versterking van 'civil society' staan daarbij centraal. Daarbij staan de Britse regering drie mechanismen ter beschikking: constitutionele hervorming, de gouverneur in de BOT en de eigen bestuurlijke macht (81-83). Van de eerste optie is uiteindelijk geen gebruik gemaakt. Er is niet één constitutionele regeling die voor alle BOTs en hun relatie tot het VK geldt, maar er zijn historisch gegroeide varianten. Er is wel gesproken over hervormingen, maar dit kreeg geen daadwerkelijk gevolg. Enerzijds was er in de BOTs slechts beperkte belangstelling voor constitutionele hervorming. Anderzijds werd al snel duidelijk dat de Britse regering duidelijke grenzen stelt en de eigen macht niet uit handen zal geven waar het gaat om de behartiging van buitenlands beleid, de bescherming tegen 'contingent liabilities' en het waarborgen van goed bestuur (84-5, 89-90).

De gouverneur neemt een centrale positie in. Hij vertegenwoordigt de Britse regering maar wordt lokaal ook gezien als de behartiger van de belangen van de BOT bij de Britse regering. De bevoegdheden van de gouverneur verschillen per BOT, maar zijn ruim, van controlerend tot uitvoerend en zelfs in zekere mate wetgevend. Zijn belangrijkste tegenspeler is de lokale, democratisch gekozen minister-president. Hier wordt het probleem van 'exaggerated personalism' weer zichtbaar: hun relatie op één, altijd klein BOT is potentieel explosief, temeer daar de onderlinge bevoegdheden niet kristalhelder zijn (86-8).

De sterkere bemoeienis van het Overseas Territory Department van FCO heeft per definitie gemaakt dat de gouverneur zich sterker doet gelden dan voorheen meestal het geval was. Dit leidt lokaal tot wrevel en de roep om meer bestuurlijke armslag, al dan niet in een nieuwe constitutionele vorm. De Britse regering heeft echter duidelijk gemaakt hiertoe niet bereid te zijn – zeker niet tot het verlenen van een vorm van associatie die zou neerkomen op volledig intern zelfbestuur (90).

D. Implications for the Kingdom of the Netherlands (91-104)

Noch het Koninkrijk der Nederlanden, noch de Nederlandse Antillen en Aruba komen vaak aan de orde in de wetenschappelijke literatuur die ten grondslag ligt aan dit rapport. De auteurs hebben mede daarom gemeend een aparte paragraaf te moeten wijden aan de implicaties van het voorgaande voor de Koninkrijksrelaties (91).

Een eerste opmerking moet luiden dat het begrip 'kleinschaligheid' wel zeer van toepassing is op de Nederlandse Antillen en Aruba. Gezamenlijk zouden zij behoren tot in de middencategorie van kleine landen, apart behoren Aruba en Curaçao ergens tussen de 'mini' en 'micro', de overige vier aan de extreme pool van 'micro'. Voor zover kleinschaligheid kwetsbaarheid en derhalve de noodzaak van goed bestuur versterkt geldt dit dus a fortiori voor deze zes eilanden (92-3).

De Nederlandse Antillen en Aruba profiteren van hun non-soevereine status. De levensstandaard ligt er vergelijkenderwijs hoog en het stelsel van parlementaire democratie is stabiel. De relaties met Nederland zijn vastgelegd in het Statuut van 1954 en sindsdien in

constitutionele zin inhoudelijk niet gewijzigd (94-96). Er zijn echter ernstige tekortkomingen geconstateerd in de kwaliteit van bestuur. Dit heeft vooral aan Nederlandse zijde geleid tot pogingen de rol van het Koninkrijk materieel en constitutioneel te versterken; aan Caraïbische zijde heeft dit geleid tot protesten tegen het aantasten van de autonomie (97).

Kleinschaligheid wordt nog versterkt door eilandelijkheid. Het uiteenvallen van de ooit uit zes eilanden bestaande Nederlandse Antillen bevestigt waarnemingen over de kracht van insularisme. Vastgesteld moet worden dat het politiek inmiddels aanvaarde proces van volledige ontmanteling van de Antillen de problematiek van kleinschaligheid nog versterkt (98-9, 101).

Terwijl de SNIJs, in het bijzonder de BOTs, een vergroting van hun autonome bevoegdheden ambiëren, trachten de Nederlandse Antillen juist de in 1954 verworven autonomie te behouden. Tegenover dit contrast staat de convergentie in de opstelling van de metropolen, die in beide gevallen goed bestuur wenst te waarborgen door zelf essentiële bevoegdheden in handen te nemen of houden (100, 103).

Waar in de relatie VK-BOTs andere leden van de Commonwealth een rol kunnen spelen bij het bevorderen van goed bestuur, is dat in de relatie tussen Nederland en haar voormalige Caraïbische koloniën moeilijk te verwezenlijken, gezien de constitutionele en taalbarrières. Dit lijkt een additionele handicap te zijn (102).

Het historisch gegroeide geheel van institutionele spelers in de Koninkrijksrelaties is zwaar opgetuigd, complex en weinig transparant. Het is onwaarschijnlijk dat deze bestuurlijke dichtheid en drukte de deugdelijkheid van het bestuur bevorderen (104).

E. A Response to the Questions Formulated in the Terms of Reference (105-23)

In de Terms of Reference (TOR) van dit literatuuronderzoek worden concrete vragen gesteld (105). De eerste luidt ‘Welke wetmatigheden gelden voor de kwaliteit van het openbaar bestuur in kleine landen?’ Het is gezien de grote variaties binnen de categorie van kleine staten en niet-soevereine gebieden onmogelijk op deze vraag een categorisch antwoord geven. Duidelijk is wel dat kleinheid kwetsbaarheid impliceert; goed bestuur kan echter de weerbaarheid zodanig versterken dat deze dreiging wordt ondervangen. Vandaar het belang van het bevorderen van goed bestuur, juist in kleine landen en gebieden (106-9).

De tweede vraag van de TOR luidt ‘Welke wetmatigheden gelden voor de kwaliteit van het bestuur in kleine landen in het Caraïbisch gebied?’ Om inhoudelijke redenen is deze vraag toegespitst op de voormalige Britse koloniën. Zowel de onafhankelijke staten van de Commonwealth Caribbean als de overgebleven British Overseas Territories (BOTs) hebben een robuuste democratische traditie. Een goed functionerende democratie is echter wel een essentiële, maar niet een toereikende voorwaarde voor goed bestuur. Dit blijkt wel uit de breed verwoorde zorgen rond de kwaliteit van het bestuur in de Engelstalige Caraïben. Er is wel consensus over de noodzaak goed bestuur te bevorderen, maar niet over de wijze waarop dit kan worden bereikt. Verbetering wordt niet in de eerste plaats gezocht in de sfeer van ingrijpende staatkundige veranderingen – noch in de Commonwealth Caribbean, noch in de BOTs. De discussie over concrete maatregelen om goed bestuur te bevorderen wordt gericht gevoerd in de BOTs. Daaraan ligt een sterke Britse bemoeienis ten grondslag (110-3).

De derde vraag luidt ‘welke overheidsdiensten zijn in het bijzonder kwetsbaar in kleine landen?’ Opnieuw geldt hier het wetenschappelijke onderzoek weinig ruimte laat voor generaliseringsen. Wel is het aannemelijk dat kleinschaligheid bijdraagt aan ‘exaggerated personalism’ and governmental pervasiveness’ en dat goed bestuur in kleine landen dus temeer vraagt om tegenwicht en controle. Bestuurders dienen verantwoording af te leggen over hun beleid; dit moet zo nodig worden afgedwongen. Dit kan enerzijds gebeuren door het institutionaliseren van controlerende procedures binnen het eigen bestuurlijke stelsel en in supranationale controlerende instituties, anderzijds door de versterking en bescherming van een sterke lokale ‘civil society’ (114-6).

In de TOR wordt ook gevraagd naar ‘best practices’ in het bestuur van kleine landen. Opnieuw moet hier worden vastgesteld dat de literatuur geen aanleiding geeft om één model of mal te bieden voor alle kleine landen (117-9). Van evident belang voor de bevordering van goed bestuur in het specifieke geval van de Engelstalige Caraïben is wel de samenwerking in het kader van CARICOM en vooral de ondersteuning door het Commonwealth Secretariat. Hiermee wordt het beleid gericht op verbetering van de kwaliteit van het lokale bestuur bevorderd en door schallvergroting op een kwalitatief hoger niveau getild (120-1).

De wetenschappelijke literatuur biedt geen universeel model voor goed bestuur in kleine landen. Zelfs de ervaringen in de toch verwante Engelstalige Caraïben bieden geen mal die direct kan worden gebruikt voor de Nederlandse Antillen en Aruba. Verbetering van de bestuurlijke structuur van deze eilanden en hun staatkundige inbedding in het Koninkrijk kan een belangrijke bijdrage leveren aan het bevorderen van goed bestuur op deze eilanden. Mogelijk dient echter ook een verandering van de politieke cultuur als een noodzakelijke voorwaarde voor goed bestuur te worden aangemerkt (122-3).

1. This report has five parts:

PART A (2-40): a review of some recent trends in small states in general which raise material relevant to governance issues.

PART B (41-55): a review of characteristics of politics and administration in small island developing states.

PART C (56-90): examines governance issues in small states in the Caribbean with particular reference to the British Overseas Territories in the Caribbean.

PART D (91-104): relates the materials in Parts A-C to the Netherlands Antilles and Aruba.

PART E (105-23): answers the three specific questions in the Terms of Reference and provides some concluding remarks.

These five parts are followed by the References and an appendix consisting of seven tables.

A. Size, insularity and autonomy

2. This section will examine the current debate on small size, insularity and autonomy for independent small states and small non-independent territories.

3. Since size is a relative concept there has over the years been a substantial debate over what constitute large, medium and small states. Alongside it, and informing the debate on small states, has been a discussion of whether small size acts as a constraint or not on economic development, 'good governance' and the exercise of autonomy.

What is small?

4. The main debate on 'small size' since the Second World War has been conducted by economists seeking to determine whether 'small size' impacts on economic growth and development. The much cited pioneer study in this respect was A.G. Robinson *The Economic Consequences of the Size of Nations* (1960) where the paper by Kuznets identified small states as countries with a population of below 10 million. This figure was subsequently revised downwards in academic and policy studies which followed and by 1985 several of them had identified the population figure of around one million or below to refer to a distinct category of small states which were termed 'mini-states' or 'micro-states' (Hein 1985). The practice of international organisations such as the World Bank increasingly reflected this lower figure in its major published reports when it listed separate material on 'small countries' identified as those with a population of one million or less.

5. A parallel debate emerged in the UN in the 1960s following decolonisation in the British Empire. In his *Annual Report* for 1965 the Secretary-General, U Thant, raised the question of the admission of new members in the light of "the recent phenomenon of the emergence of exceptionally small new states" (United Nations 1965). A study was commissioned in 1966 and undertaken by UNITAR. One of the contributors to it, Charles Taylor, using the statistical technique of cluster analysis, identified 74 states and territories (from a sample of 181 countries) as small "in the sense that the particular configuration of their three size variables taken together [population, land area and GNP] make them so" (Taylor 1971: 194). The population figure here was 2,928,000 or less. However, no formal definition of a small state was put forward and the adoption of Resolution 2592 (XXIV) of 12 December 1969 confirmed that questions of size, geographical isolation and limited resources should not delay the implementation of independence. In the 1970s sixteen small states with a population below one million were admitted to UN membership, twelve of them with a population below 250,000.

6. The population criteria of one million or less to determine the category of 'small state' emerged as the increasingly accepted criteria in the 1980s. One of the foremost advocates of this figure was the Commonwealth, which in 1985 published a pioneering study entitled *Vulnerability: Small States in the Global Society* (Commonwealth Secretariat 1985). Its immediate interest in this matter was the invasion of one of its member states, Grenada, by the USA in 1983, but the Commonwealth had demonstrated a particular interest in small states since 1979, which no doubt reflected the fact that small states so defined comprised some half of its membership. Of note is that the report conflated mini-states (identified as those with a population of 200,000 or less) and micro-states (population of 100,000) or less, making little or no distinction between them. This has become the standard practice of international organisations (no doubt reflecting sensitivities over the use of the terms 'mini' and 'micro'). The distinction, however, has not fully disappeared from the academic literature.

7. As the global population has grown, however, so have the criteria for determining a small state. In 1997 the Commonwealth Secretariat published a second study on small states in which a small state was now defined as one with a population of 1.5 million or below. It justified the new figure on the grounds of population increase (Commonwealth Secretariat 1997: 2.3). The World Bank has done the same. In 2000 it published a joint report with the Commonwealth Secretariat entitled *Small States: Meeting Challenges in the Global Economy*. It adopted the figure of 1.5 million as well (up from the one million of earlier practice) adding that “no definition, whether it be population, geographical size or GDP, is likely to be fully satisfactory. In practice there is a continuum, with states larger than whatever threshold is chosen sharing some or all of the characteristics of smaller countries” (Commonwealth Secretariat/World Bank 2000: 4).

8. In summary, current practice suggest small states are defined by a population of 1.5 million or less (although other lower and higher figures continue to be offered). A list is given as Table One and Table Two. They are divided into sovereign states (of which there are 50) and non-independent territories of which there are 32. The two regions with the greatest concentration of small states and territories are the Caribbean and the Pacific.

Small states and economic development: the importance of the political dimension

9. The early interest in size and economic development spawned a number of studies. The evidence, however, proved inconclusive with the majority suggesting size had no systematic adverse impacts on growth. Nevertheless, economists were beginning to identify characteristics in small states which were likely to impact negatively on economic growth. These largely focused on ‘economies of scale’, which, by definition, were lacking in small states; and their relative ‘openness’ to the outside world. Among the most important ‘constraints’ cited were limited diversification, high international transport costs, difficulties in accessing external capital, diseconomies of scale in the provision of public services, and economies heavily reliant on external trade (Commonwealth Secretariat 1997; Commonwealth Secretariat/World Bank 2000). These, and other features, it was argued, contributed to the higher vulnerability of small states as opposed to large states and left small states significantly disadvantaged. The precise measurement of this vulnerability was given in a technical study for the Commonwealth Secretariat in 2000. In a sample of 111 developing countries (34 of which had a population of 1.5 million or less and were categorised as small, as compared to 77 with a population above this level and considered as large), 26 of the 28 most vulnerable were small states while all of the 28 countries with low vulnerability were large. In the category of higher-medium vulnerability, 6 of the 28 states were small states and in the category of lower-medium vulnerability, 2 of the 27 states were small (Atkins, Mazzi and Easter 2000: Table 7). In the Caribbean the most vulnerable small state was Dominica (ranked 6th most vulnerable) followed by Antigua and Barbuda (8), Grenada (11), St Kitts and Nevis (13), St Vincent and the Grenadines (14), Guyana (17), St Lucia (18), Belize (22), Suriname (24), The Bahamas (26) and Barbados (37) (Atkins, Mazzi and Easter 2000: Table 6).

10. The vulnerability index has proved to be a useful tool for small states to highlight endowed economic disadvantage. At the same time, there have been criticisms of its methodology and calls to further develop it through the addition of a companion resilience index (United Nations 2005). This index would measure the ability of a small country to recover from or adjust to the effects of adverse external shocks to which it is inherently exposed. It would be able to do so on the basis of having developed appropriate policies to withstand such shocks. A preliminary index measuring economic resilience has now been produced by Lino Briguglio and his associates (2006). The components of the index include measures of macroeconomic stability, microeconomic market efficiency, good governance and social development. The inclusion of the last two categories

demonstrates the importance of political and social policies in ‘nurturing’ resilience. The results from a sample of 86 countries show that large developed countries have high measures of resilience but so also do some small island developing states such as Malta and Cyprus, while Iceland is ranked the most resilient of all the sample. Regrettably, too few small countries are included because of data collection difficulties for any firm conclusions to be drawn. The ranking for Caribbean states included are as follows (the smaller the number the more resilient): Barbados 17, Trinidad and Tobago 32 and Belize 49 (Briguglio et al. 2006: Appendix 1).

11. The importance of the political dimension in ensuring prosperity in small states has also emerged from the work of several economists, most notably Armstrong and Reid. In a series of studies they have demonstrated that small developing states (defined by them as a population of 3 million or less) significantly outperform larger developing states in terms of economic growth, with a disproportionate number of small states occupying the Upper Middle Income and High Income World Bank categories. Armstrong and Reid attribute this, in part, to the policies followed by such states (2006). More strikingly, they also find that if small states generally are doing well, then dependent territories perform even better. In a comparison of 105 states, 41 of which they classified as dependent territories, 17.5% of sovereign micro-states fall within the World Bank’s lowest per capita GNP band (under US\$ 726) whilst none of the dependent territories are to be found there. By contrast, 37.5% of dependent territories are to be found in the highest band (over US\$ 8995) while only 16% of sovereign micro-states are found there. They conclude that “there appears to be benefits to being a dependency that more than compensate for other inherent disadvantages experienced by the tiny, fragmented nature of most of the remaining dependent states” (Armstrong and Reid 2000: 303). While they do not specifically point to any one factor to explain why this is so, they infer that ‘dependent territory’ status confers significant advantages such as preferential trade, aid and security which are given by the metropolis. Indeed, research by Bertram in respect of 60 small (population of less than 3 million) islands worldwide (dependent and sovereign) demonstrates that small islands converge to the income level of their patrons, not to other small islands. And that “the strength of convergence forces varies with the degree of political dependence” with the result that “satellite economies in close political orbits (politically integrated territories) exhibit strong convergence to patron GDP [i.e. have the highest per capita incomes] while those in more distant orbits (territories in free association with metropolitan states, and fully independent island micro-states) exhibit weaker convergence and hence lower incomes (Bertram 2004: 352). The Caribbean section identified 21 island economies, 11 were classified as independent and 10 dependent. All the dependent territories, including the Netherlands Antilles and Aruba were identified as ‘integrated’.

12. In summary, there has been a shift of emphasis from exploring the inherent economic disadvantages of small states to identifying those features which make them ‘resilient’ in the face of ‘vulnerability’. One of the most important of these factors has been the political. The political status of small states matters, as does a capacity to create and implement ‘good policies’ for economic development.

Small states and ‘good governance’: a ‘snapshot’ and the democratic dimension

13. In comparison to work undertaken by economists, small states have been neglected by political scientists. Major surveys on comparative politics and public administration frequently carry a disclaimer that the study in question ignores the record of small states. In consequence, much of the material on the politics of small states is monographic and non-comparative. Nevertheless, the recent interest on ‘good governance’ has seen some interest in small states and territories as regards both data collection and the exploration of why small states are disproportionately democratic when compared to larger states.

14. The development of indicators to measure ‘good governance’ is in its infancy. One of the more important attempts to do so has been undertaken by the World Bank. It has constructed an index which measures six dimensions of governance (www.worldbank.org/wbi/governance/govdata/):

1. Voice and accountability – measuring political, civil and human rights
2. Political instability and violence – measuring the likelihood of violent threats to, or changes in government
3. Government effectiveness – measuring the competence of the bureaucracy and the quality of public service delivery
4. Regulatory burden – measuring the incidence of market-unfriendly policies
5. Rule of law – measuring the quality of contract enforcement, the police, and the courts, as well as the likelihood of crime and violence
6. Control of corruption – measuring the exercise of public power for private gain, including both petty and grand corruption and state capture.

15. In the most recent exercise data has been collected for 209 countries for the year 2004. The authors of the index are at pains to point out that much of it is subjective and subject to significant qualification regarding its findings. Nevertheless, it can provide a contemporary ‘snapshot’ of governance in small states and territories which allow some patterns to be identified even if individual features, as reflected in the scores for each of the six dimensions, “remain a rather blunt instrument for specific policy advice at the country level” (Kaufmann, Kray and Mastruzzi 2005: 42).

16. The basic data on the six dimensions is reported in Table Three (small sovereign states) and Table Four (non-independent territories). The measure used is that of ‘percentile rank’ which indicates the percentage of countries that rate below the selected country (subject to margin of error). Higher values therefore imply better governance ratings. Full data sets over the six variables are reported for 44 of the 50 sovereign states listed in Table One and 12 of the 32 territories listed in Table Two.

17. On the whole, small sovereign states appear to have a reasonably good record of governance. Using as a dividing line the average world total for each of the six indicators, Table Three shows 27 states as having a positive record of governance (above the average) while 14 have a negative record (below average). Three states are ‘middling’ with three negative and three positive indicators. The positive categories are primarily composed of European and Caribbean states. The latter is particularly worthy of note with 10 Caribbean states so identified as against one ‘middling’ (Suriname) and one negative (Guyana). This confirms the reputation the Caribbean enjoys of being the most democratic region in the developing world (its indicators are above those of other developing country regions). By contrast, sub-Saharan African states dominate the negative category with only two in the positive category. At the same time, however, seven states are above the regional average (and four below) for sub-Saharan Africa, suggesting small African states may be better governed than larger ones. The most varied experience is to be found among the Pacific Island states with four in the positive category, two ‘middling’ and three negative. While no calculation has been done to see if this record for small states is better than larger states, it would appear to confirm evidence from elsewhere in the World Bank as reported in their Country Policy and Institutional Assessments that “small states’ overall policy and institutional performance has been at least as strong as that of larger countries” (Briguglio, Persaud and Stern 2005: paragraph 69).

18. The data on the non-independent countries is so limited that no real conclusions can be drawn. There are also significant inconsistencies with some, e.g. France and the United Kingdom, reporting

on some of their territories but not on others. The only comment of note is that all territories exceed the world average in all six indicators, which is indicative of high levels of ‘good governance’, although they are below that of each of the individual six indicators of their metropolitan partners (France, the Netherlands, UK and USA) in nearly every instance.

19. While the study of governance in small states is ‘undeveloped’, that of democracy is more advanced. This arises from the relatively high incidence of liberal democracy in small states, and particularly small island states, which has attracted comment. A recent annual survey by Freedom House, for example, confirms the relative high degree of freedom that continues to be enjoyed by most small developing states. In a sample of 48 small developing states (with a population of 1.5 million or below), 28 states were classified as free; 14 as partially free; and 6 as not free (Freedom House 2004). All Caribbean states were classified as free with the exception (very contestable) of Antigua & Barbuda and Trinidad & Tobago, which were classified as partly free. Such figures compare very favourably with larger states and suggest a relationship between size and democracy that is favourable to small states.

20. Similar statistics can be found in other studies. One of the most widely quoted is that by Hadenius (1992). In a review of 132 developing countries he found that small island states (population up to one million) were much more likely to be democratic than other countries. In his top ranking (those scoring 9 or more points) 17 out of 28 were small island countries. These findings were corroborated and extended by Ott (2000). In a study of 237 nations in the period 1973-1995 she found that using measures for political freedom, political rights and civil liberties “small states (population under 1.5 million) are more likely to be democratic than large states *at any single point in time*” (Ott 2000: 117, her emphasis) across all income levels (i.e. irrespective of levels of economic development). Other findings were “that small states are more likely to remain democratic over time than large states” (122); that “very small states are consistently less likely to be authoritarian than large states” (124); and that “being an island country has a consistent and positive impact on the likelihood of political democracy” at all levels of income (128). A similar finding on islands is reported in a study on the political regimes of 146 countries from 1960-94 by Clague, Gleason and Knack (2001), when they show “that islands are more democratic and less autocratic than the average less developed country” (25) and “islands are more democratic than non-islands” (31). More contentiously, they also argue “that small size itself is not conducive to democracy, while being an island is” (31).

21. However, the most consistently rigorous empirical research programme on democracy in small states has been undertaken by the Anckars over the last fourteen years. In it they have demonstrated that “country size is an important determinant of the degree of democracy, party fragmentation and choice of electoral system” (Anckar 2004a: 379). Among their more recent work is a study by Dag Anckar of regime choice in microstates (population under one million) at independence (Anckar 2004b). He finds that colonial heritage is “an important determinant of regime choice” (Anckar 2004b: 215), with the vast majority of microstates introducing similar regimes to those prevailing in the respective metropolitan powers. In the majority of cases (because two-thirds of the states were former British colonies or protectorates) this results in the dominance of parliamentary regimes (20 out of 36 cases followed by absolute regimes – 9 cases, presidential regimes – 6 cases, and semi-presidential – 1).

22. Anckar also notes the relative durability of regime type with the regime prevailing today likely to be the same as that adopted at independence. Those changing regime in the Caribbean are Suriname (from parliamentary to presidential) and Guyana (from parliamentary to a mix of parliamentary and semi-presidential). He also comments on the ‘size’ and ‘islandness’ debate

concluding that while small size is important in fostering democracy in small states, geography in the form of ‘islandness’ contributes as well. Lastly, a couple of interesting inferences may be drawn from his work. One is that there is no specific “small-state regime constitutional strategy that overrides the link to different metropolitan powers” (Anckar 2004b: 216), i.e. small size in itself does not specify a generic regime type as is also evident in the lack of a specific pattern of regime change following independence. Another is that in comparison to the global total, where only one quarter of the world have parliamentary regimes, just over one third presidential regimes and just under one third absolute regimes, in microstates “there is clearly more parliamentarism, less presidentialism and less absolutism” (214). This redounds to the advantage of microstates, he argues, since “the scholarly literature on regimes, empirical evidence and most writers appear to favour the parliamentary model, which is found to foster a greater ability to rule” leaving microstates “well equipped in terms of institutional structure for managing political life and political affairs” (214).

23. In sum, the prevalence of parliamentarism, coupled with small size and insularity, has supported democracy in small states. This, in turn, has helped to foster ‘good governance’. Being small, in itself, is no guarantee that states will not ‘fail’. But, in general, there are grounds for hope that ‘good governance’, once established, will become embedded through the sustained exercise of liberal democracy in small states.

Does ‘islandness’ matter?

24. Thirty of the 50 countries listed in Table One are islands as are 30 of the 32 territories in Table Two. Many of the others are coastal enclaves which often ‘behave’ as if they were islands. This raises the question of whether ‘islandness’ needs to be taken into account as a separate variable. The problem here is the overlap of the ‘islandness’ and ‘smallness’ categories and the existence within the islandness category of some very large and diverse states such as Indonesia and the United Kingdom. Nevertheless, there have been some attempts in recent years to link small states with islands and to isolate some of the supposedly ‘distinctive’ features of small island states (and territories).

25. The most obvious is that of ‘insularity’. This was variously defined as being ‘isolated’, ‘self contained’, ‘narrowness of mind or feeling’ and ‘contractedness of view’ (Shorter Oxford English Dictionary). The reference is to ‘island particularism’, which is expressed in a strong identification with the territory and a sense of ‘difference’ from others, especially other islanders who may even be close ‘neighbours’. The political ‘fall-out’ from this is a separate ‘political’ identity for the island which may take the form of sovereign independence but can also be the promotion of ‘island autonomy’ within a larger political unit. By the same reasoning, political integration which weakens autonomy or sovereignty is not welcome and is to be resisted, in spite of compelling economic arguments as to the benefits such integration can bring. More to the point, secession is always a possibility within various ‘co-operative and integrative arrangements’. The examples to be found in the Caribbean illustrating these points are too numerous to mention but they have expressed themselves in one distinctive way: hyphen-identity. The Caribbean as a region is almost unique in the world in possessing sovereign countries linking territories together in their official designation – hence Antigua & Barbuda; St Kitts & Nevis; St Vincent & the Grenadines; and Trinidad & Tobago.

26. Islands can also be remote – geographically and/or in terms of ‘insularity’. Remoteness is “likely to promote feelings of fellowship and a sense of community. When people live at a distance from the outside world, they are likely to develop a spirit of community and solidarity: they share a feeling that they are, so to speak, alone in the world and thrown upon their own resources. Remote

units are therefore often cohesive units, marked, perhaps, by a certain reservedness” (Anckar and Anckar 1995: 220-21). Small size here can reinforce community and facilitate feelings of tolerance and understanding within the community. It can also contribute to lessening the distance between those who govern and those who are governed “as the two segments share a frame of reference which has emerged from shared problems and problem conceptions” (222). In political terms this is expressed most often in ‘ideological convergence’ in which island politics is more often an expression of personal political difference than it is of ‘ideological conviction’ as this is usually understood. Again, there are frequent Caribbean examples to illustrate these points, whether it is expressed in the dominance of personality in politics, the miniscule differences in the manifestoes of major political parties at elections, or “a political culture that is essentially inward-looking and insular, where the surrounding sea is barrier rather than a highway” (Thorndike 1991: 110).

27. Small islands, and particularly the smallest, are also more likely to be ‘homogenous’, with uniform attitudes and values which “promotes knowledge, consideration and anticipation” and encourage the development of “open and flexible political processes which offer the participants opportunities to know and understand each other” (Anckar and Anckar 1995: 222). This is discussed later under the concept of ‘concerted social harmony’ (see Section B). In island small states (as compared to non-island small states) however, ‘social harmony’ appears to be more pronounced. In association with the other characteristics of ‘smallness’ (Section B) it has led Baldacchino (2005a) to argue that ‘social capital’ is very well developed in many small and peripheral island societies and accounts in some ways for their higher standard of living. In his words:

“What is understood by ‘social capital’ is the resourcefulness of a people to respond collectively and responsibly to an identified challenge – be it political (such as a diplomatic crisis), economic (the loss of terms of trade of a key export item), labour-related (major job losses) or social (landings of illegal immigrants). The OECD defines social capital as ‘networks, together with shared norms, values and understandings that facilitate co-operation within and among groups’. In considering the manner in which a people ‘get their act together’, social capital serves as the cultural asset or ‘social glue’ which permits stakeholders to work for the (often long-term and fuzzy) national interest while over-riding (often short-term and tangible) sectarian ones. In organisation, it contrasts sharply with national or sub-national policy initiatives and reactions that are class, race or ethnically inspired. In process, it is characterised by negotiations in a highly participative, pluralist context that eventually are amenable to (often creative) compromise and ‘win-win’ solutions. Thus actions in a high social capital setting contrast sharply with the resort to divisive and damaging tactics and ‘zero sum’ actions of a low social capital setting.”

28. This is an ‘ideal’ situation and while many islands exhibit many elements of it, some are also divided within themselves, notably by race and ethnicity. Several have been subjected to coups and attempted coups (in the Caribbean and the South Pacific) and others to exercise of political hegemony by a particular ethnic group. In such situations the construction of ‘social capital’ will be difficult. However, with ‘good governance’ such divisions can be managed effectively, as Mauritius so ably demonstrates, while in a more homogenous society, such as Barbados, government policy has successfully institutionalised a ‘social partnership’ between government, business and labour since 1993. This is embodied in four successive protocols which have encouraged dialogue among the participants and “has fostered consensus among diverse interests in Barbadian society (to the extent that this exists)” in respect of “the economy, the industrial relations climate and good governance (including public sector reform)” (Brown 2002: 41) to the evident benefit of Barbados’ overall development.

29. In sum, while ‘islandness’ is intangible and hence almost impossible to measure, it does appear to condition behaviour in small states. But as so many small states are also islands, it is difficult in practice to distinguish ‘smallness’ from ‘islandness’. The soundest conclusion to this difficulty is one mapped out by Newitt (1992: 16): “Not all small states are islands and not all island states are small but the problem of ‘smallness’ is given an added dimension in the case of an island, and insular isolation can be considerably intensified if you are also small”.

Autonomy and sovereignty

30. Decolonisation has followed a pattern in which the largest countries (measured in terms of population) decolonised first and the smallest last. The very smallest, with some notable exceptions, have remained as ‘non-self governing territories’ although, as shown below, this term can be misleading. There are several reasons why this may be so. The first is what may be termed the ‘costs of sovereignty’ in which non-independent countries compare their current prosperity with the lower levels of income in sovereign countries and opt for the status quo (Bertram 2004). A second is the reduction on pressures to decolonise from the metropolitan powers beginning in the late 1980s (seen in both British and Dutch policy in the Caribbean) coupled with a declining interest in decolonisation issues within the UN and elsewhere. The third, and perhaps the most significant, is the emergence of an alternative to sovereignty in the form of ‘autonomy’. This has grown in recent years in what have been termed ‘sub-national island jurisdictions’ (SNIJs). These are small island territories which have creatively developed legislative instruments that have enabled them to behave as if they were sovereign states even while they remain under the domain of the larger sovereign state. A recent listing (Baldacchino 2005b) (claimed as non-exhaustive by the author) identifies 106 SNIJs, 20 of which are in the Caribbean (see Table Five).

31. The use of legislation within a SNIJ to obtain ‘specific advantages’ underlines once again the importance of the political in securing economic development. The predominant form is the establishment of ‘offshore financial centres’ (OFCs) which are concentrated disproportionately in small states and territories. In practice, however, there are five ‘policy capacities’ that SNIJs seek to control to shape their destiny. Baldacchino (2004) identifies these as:

32. *Powers over finance, mainly banking and insurance.* The key elements here are confidentiality and the power not to tax. Most OFCs combine the two along with innovative financial instruments to act as major centres for ‘tax avoidance’. In recent years the phenomenal growth of such centres has occasioned moves for tighter regulation from the ‘metropolitan power’ and from the OECD and the EU. The partly successful resistance to such measures from small states and SNIJs, as well as some of the larger states with long-established interests in offshore financial services, serve to point out that it is not only small states and SNIJs that benefit but much larger and more powerful players in the global economy, including the major multinational companies. The Western Hemisphere is host to 22 such OFCs, 18 of which are in the Caribbean and 8 of which are SNIJs (Anguilla, Aruba, Bermuda, British Virgin Islands, Montserrat, Netherlands Antilles, Turks and Caicos).

33. *Powers over environmental policy, particularly natural resources.* The importance of natural resources in small islands and small SNIJs, where resources are necessarily limited by size, is obvious. That does not mean that some are not blessed with high value products such as petroleum and natural gas or control (often only potentially) huge maritime areas rich in minerals and fish stocks. The benefits to be obtained from such resources, however, might not automatically be acknowledged unless specific recognition is given to the interests of the particular territory in which they are found through legislation or specific instruments such as ‘special trust funds’. Careful management is also necessary, especially in respect of biological diversity in small states

and territories where the rate of species endemism is high, providing potential benefits from environmental tourism.

34. *Powers over access, particularly in relation to air and sea transportation.* Small island states and SNIJs face higher transportation costs than larger countries. These have been recognised for many years as one of the most significant economic disadvantages facing small states, severely limiting their economic opportunities and driving up costs, making such countries uncompetitive in global markets. In reality, there is only a limited amount of action that such states and SNIJs can take to rectify the situation, but one is to capitalise on presumed disadvantage by using the specific circumstances of ‘remoteness’ and ‘jurisdiction’ to advantage, traditionally seen in the establishment of shipping registers and the sale of postage stamps or in more modern forms in the exploitation of communications technology.

35. *Powers over free movements of persons.* Small island states and SNIJs often suffer from acute population problems. Population density can be high and opportunities limited leading to high levels of out-migration. At the same time, such places are often promoted as tourist destinations and attract retirees. The need to manage this to the advantage of the SNIJ is a major issue and one which characteristically expresses itself in the creation of specific citizenship status and rights. Typically this is exercised as the right to hold metropolitan citizenship (or a form of it) that allows access to the metropolis without restriction but limits the rights of establishment within the SNIJ in respect of permanent residence, employment and property ownership to those born in the SNIJ.

36. *Para-diplomacy.* This refers to the devolution of representative power to SNIJs above and below the level of the state. It can involve representation in international organisations such as functional agencies within the UN, regional organisations such as the EU, or loose associations of primarily sovereign states such as the Commonwealth and Francophonie. There is no clear pattern to such association with some SNIJs enjoying full membership and others subordinate membership within the same organisation. It is not a new phenomenon and can be seen in the Caribbean in terms of membership by SNIJs of regional organisations such as the ACS, CARICOM and the OECS as well as varying forms of membership within the UN (Corbin 2001). It is, moreover, a growing phenomenon which has eroded one of the once ‘exclusive’ advantages of sovereignty.

37. The claim to and exercise of these five capacities can lead to acrimony and conflict between the SNIJ and the metropolis. Baldacchino (2004: 81) notes that “Contestation over ‘who does what’ in these policy areas has typically been tense and may itself trigger demands for more self rule and autonomy, or its withdrawal or its renegotiation in some other way between the parties concerned”. Indeed, he claims that “the intermittent willingness to test the ‘shared-rule versus self-rule’ formula constitutes the hard core of local politics” in SNIJs with the electorate judging “local political leaders mainly on their ability to work and negotiate the balance of power with the larger player in the political dyad” (79). In this, the advantage does not necessarily accrue to the metropolis. To the contrary, what is so evident in such relationships is the ability of the SNIJs to benefit the most from it, leading McElroy and Mahoney (1999) to claim there is a propensity for political dependence in island microstates. Among the benefits McElroy and de Albuquerque (1995:172)

list for the Caribbean are “free trade and export preferences with the metropole, grants and social welfare assistance, ready access to off-island capital and labour markets, a number of other special commercial/tax concessions, excellent infrastructure and communications, good health care, good schools, and comparatively very low levels of crime”.

38. Although such benefits are obtained primarily from the metropolis, SNIJs can also constructively use the metropolis’s memberships of other organisations to gain additional benefits. A particularly important instance is the EU. It has adopted specific measures in favour of socio-economic development in three outermost regions (the French departments, Canary Islands, Azores and Madeira) since 1981 and ‘special arrangements’ for SNIJs are in place for the Channel Islands and the Isle of Man, the Faroe Islands, Greenland, and the Aland Islands. The 21 Overseas Countries and Territories (OCT) of the EU have benefited from special trade and aid provision since 1957 and are part of the current Cotonou Agreement. The Caribbean territories of the Netherlands and the UK are covered by these arrangements, as, at one remove, are the French departments in the region. Various lobbies within the EU, such as the Conference of Peripheral Maritime Regions and the OCT-EU Forum, have been instrumental in articulating the interests of the SNIJs. The result has been additional support. The current Ninth European Development Fund (EDF) reserves EUR 13.5 billion for the OCTs for a five-year period plus unexpended balances from previous EDFs of EUR 9.9 billion.

39. In sum, the trend in SNIJs has been to move away from the option of the exercise of sovereignty to explore political partnerships that “combine elements of shared rule for specified common purposes with autonomous self government for purposes related to maintaining regional or island distinctiveness” (Watts 2000: 20). Watts has identified ten forms of political partnerships embodying various elements of self-rule and shared-rule, five of which are to be found in the SNIJs and small sovereign states in the contemporary Caribbean (see Table Six). They are:

Unions – St Vincent & the Grenadines and Trinidad & Tobago

Constitutionally decentralised unions – Antigua & Barbuda, Anguilla, Bermuda, British Virgin Islands, Cayman Islands, Montserrat, Turks & Caicos Islands, and US Virgin Islands

Federations – St Kitts & Nevis

Confederations – CARICOM and OECS

Federacies – Puerto Rico

Associated states – Netherlands Antilles and Aruba.

40. In practice, there is a great deal of variation within these categories as well as between them in relation to what is assigned to self-rule and what is assigned to shared-rule, in the specific powers allocated to the shared institutions and those assigned to constituent units, and in the structure and processes of the institutions established for shared decision making (Watts 2000: 29-32). The result is that there is “no meaningful threshold for island political autonomy that can be identified” (22) and “no single universal ‘best model’ that is applicable to all islands” (34). It all depends on circumstances and history. Watts therefore reiterates in his conclusion: “the fallacy of assuming there is a single universal ‘best model’ for all islands must be avoided” (34).

B. Characteristic features of politics and administration in small states

41. While the different historical, regional and cultural contexts of small states ensure there is distinctiveness among them, there are some political features many small developing states share. In respect of domestic politics four of these have been identified in one study as exaggerated personalism, governmental pervasiveness, concerted social harmony, and pragmatic conservatism (Sutton 1987).

42. *Exaggerated personalism.* The importance of personality in politics is the most commonly cited attribute of small states. Early studies identified these as follows: the role of the individual takes on greater significance; the individual, as a member of a group, is more susceptible to pressures, both internal and external; politicians exercise greater influence over administrators, frequently based more on personal than on party factors; senior administrative and political office holders have more direct contact with the man in the street, and accordingly there is less of the aloofness traditionally associated with a bureaucracy; top political leaders are more likely to communicate directly with one another and directly to oversee the actions of their lieutenants; there is less functional specialisation among politicians and both they and senior administrators are likely to accumulate roles; politics may be less than a full-time job, constituting either a means to promote other interests or an avenue of mobility into other areas in a situation of limited economic opportunities; criticism of political leaders and senior administrators may be muted, often informal, but where it does appear is likely to be personal in form and strident in tone (UNITAR 1971: 52-3; Dahl and Tufte 1973: 87-8).

43. These features can have positive and negative effects. Among the former it is likely that leaders, being personally accessible, are more likely to be in direct touch with affairs; more directly accountable for their actions; and their suitability for office better known by citizens. Among the latter the record shows that small states can be dominated by one or several individuals and that they can be difficult to remove from office, particularly when they have assembled powerful patronage machines and/or have concentrated the coercive power of the state in their hands. The question of 'who guards the guardians?' is as relevant for small states as it is for large ones, although small states have the option, not always open to large states, of maintaining only small paramilitary forces or dispensing with them entirely.

44. *Governmental pervasiveness.* Government is said to dominate in small states. It is often the largest employer of labour. The median wage bill of the public sector as a proportion of GDP in small states at 31% is significantly higher than in large developing countries where it stands at 21% (Commonwealth Secretariat 2000/World Bank: paragraph 34). Public sector employment in the small islands of the Eastern Caribbean ranges between 20% of the workforce in Barbados to 40-60% in the Organisation of Eastern Caribbean States (OECS). The power of patronage this gives to government was noted some time ago by Sir Arthur Lewis, a distinguished economist from St Lucia, who wrote: "In a small island of 50,000 to 100,000 people, dominated by a single party, it is difficult to prevent abuse. Everybody depends on the government for something, however small, so most are reluctant to offend it. The civil servants live in fear; the police avoid unpleasantness; the trade unions are tied to the party; the newspaper depends on government advertisements; and so on" (Lewis 1965: 16). Donald Peters in his study of the Eastern Caribbean concurs (1992: 9):

“What is peculiar about the Eastern Caribbean political system is the absolute authority that government somehow inherits. Government officials are able to circumvent laws that they have enacted. They are able to use public resources for their personal gain. While partisan politics is a normal phenomenon in modern democracies, Caribbean governments have taken the concept to its zenith. As a result, when a party is elected to power it virtually eliminates the opposition through patronage, control of the media, and legislative action where necessary.”

Or, as the title of a recent book on politics in the Commonwealth Caribbean by one of the leading political scientists in the region affirms, *Winner Takes All* (Ryan 1999).

45. Government is also said to be subject to fewer constraints from countervailing sectors, pressure groups and non-governmental organisations, although this is in part a contestable proposition, particularly since the number of these have grown in recent years. Nevertheless, the autonomy of government from civil society (e.g. churches, professional associations, trade unions, chambers of commerce) is a crucial issue and is an important feature in securing liberal democracy. More generally, governmental pervasiveness in small states, where anonymity is not possible and pressures toward partisanship are considerable, means that special attention must be paid to mechanisms ensuring impartiality of administration and justice. These include various constitutional provisions for human rights and fundamental freedoms as well as administrative features such as public service commissions and the office of ombudsman.

46. *Concerted social harmony*. Small states have a lower incidence of serious civil disorder than larger ones. Several reasons are given for this fact, the most important of which is the observation that small states are more homogeneous than larger countries. There is less alienation, higher degrees of system legitimacy, and a basic consensus of values. Recent research has shown this is both wrong and right. It is wrong to attribute to small states any greater degree of homogeneity than larger states if the measurements used are ethnic and religious diversity. After all, some small states are plural societies with very high levels of diversity. At the same time if attitudinal diversity is measured (i.e. the extent to which there is a strong sense of local community which binds members together in mutual solidarity) then very small states do show less diversity than large states (Anckar 1999). These findings point to the need to be aware of the specific circumstances of each small state. In highly diverse plural societies, for example, there is a risk that conflicts among groups will be politicised and spill over to polarise the whole community. The breakdown of the political system in such a situation is an ever-present danger. Fortunately, the comparative rarity of such events underlines the general rule that small states manage to limit unduly divisive conflict. Among the more important contributing factors are elite consensus and institutional adaptiveness, which, when coupled with parliamentary systems and proportional representation, encourage the emergence of multiparty coalition government and political inclusiveness (Lijphart 1991: 146-58). To this can be added those features of size which give greater opportunity for citizens of small democracies to participate effectively in making decisions and to perceive a relation between their own self-interest, the interests of others, and the public or national interest.

47. *Pragmatic conservatism*. Small states tend to cluster on the centre-right of the political spectrum. They do so for reasons Lowenthal has identified as ‘managed intimacy’ and ‘conservatism and tradition’. The former is similar to the feature of ‘concerted social harmony’ and relates to the fact that small state inhabitants “learn to get along, like it or not, with folk they know in myriad contexts over their whole lives [...] they minimize or mitigate conflict. They become expert at muting hostility, deferring their own views, containing disagreement, avoiding dispute, in the interest of stability and compromise” (Lowenthal 1987: 39). It follows that dissenting opinion

and radical views are generally muted and that criticism and innovation are limited and often suggested by 'outsiders'. This is reinforced by the fact that "those who live in small states cling tenaciously to familiar patterns of life. Their settled conservatism stems from a caution born of long experience with resources whose exploitation is severely limited by scale, by isolation, and by physical and economic hazards beyond their control. These constraints incline residents toward the maintenance of continuity, the practice of conservation, and the hedging of bets by taking on multiple occupations" (Lowenthal 1987: 35). While this observation applies most to the smallest and/or least developed small states, it highlights why many small states value stability and tradition. The persistence of local monarchy and/or a special role for chiefs within their political systems is one expression of this fact as also is the limited part women play in political life as traditionally conceived. It also acts as a restraint on development which is, by necessity, 'destabilising' and therefore to be introduced, at best, incrementally.

48. None of these features are exclusive to small states, they can be found in larger states as well. They are, however, more pronounced in small states and constitute a syndrome of interrelated characteristics which helps shape political life. They also qualify the practice of democracy and 'good governance' in small states pointing to possibilities and constraints which are not found in quite the same proportion in larger states.

49. This may be further illustrated by examining some of the issues that arise in the public administration of small states (Sutton 2006). The theory of public administration tends to assume that small states are 'scaled-down' versions of larger states. The dominant way of thinking about public administration in larger states has therefore shaped the analysis of small state administrative behaviour. At its core has been the Weberian model of the modern public service "characterised by a clearly defined division of labour, an impersonal authority structure, a hierarchy of offices, dependence on formal rules, employment based on merit, the availability of a career and the distinct separation of members' organisational and personal lives" (Turner and Hulme 1997: 83). This pattern, in turn, has been buttressed by the process of decolonisation that has left many small developing states with a derived model of government in which a clear distinction is drawn between the political and administrative dimensions of government. The function of the bureaucrat is to implement policy in a value-neutral way with due regard to political instructions. However, small size does not always make this possible.

50. Take the example of exaggerated personalism. Within the public service the person often defines the post, rather than the reverse; senior administrators can dominate politicians (although the opposite is also cited); decisions tend to get taken by a few persons or only one person at the top (and those who take the decisions are known); recruitment is often influenced by personal (or patronage) factors; and appraisal, promotion and disciplinary proceedings may be unduly influenced by personal considerations. 'Impersonal' public administration in such circumstances is almost impossible.

51. There is also the issue of limited resources. Sovereign states are expected to supply a range of public goods and services including central government, education, health and social services, a judicial system, foreign relations and security. The infrastructural costs of these are high when spread among a small population, especially when they have to be duplicated in remote islands of archipelagic states. Such facilities need to be staffed making economies of scale in administration difficult to effect, particularly among less developed countries where expatriates need to be employed to cover for services that cannot be provided by local staff. Staffing difficulties are often met by the creation of multiple portfolios among senior staff leading to lack of specialisation, motivation and career mobility. There are also problems in providing local training, especially at

the higher levels of administration, with the result that staff will often be sent for training abroad which is not always appropriate (scale sensitive) and which can encourage subsequent ‘brain drain’, compounding the problem it is meant to resolve.

52. The combination of exaggerated personalism and limited resources influence the way the public service functions and affects the quality of service delivery. As previously noted, the public service is frequently the largest employer, especially in the very smallest states, and salary levels and productivity are often low. The lack of alternative employment and appropriate training means innovation and entrepreneurship are not encouraged, instead there is a reliance on routine administration and compliance (following instructions) along with a proclivity for non-decision-making (buck passing) at middle management levels. Limits on opportunity means there is limited mobility, low job satisfaction and frequent absenteeism. While the public sector is expected to achieve a great deal, there is in reality a growing gap between demands on it and its capability to deliver, particularly in areas where there is inadequate or no spare capacity, indicating a low overall ability to adapt to changing conditions.

53. The issues these raise are particularly well captured in an article by Charles Farrugia, a former senior public servant in Malta, who weaves a number of these features together to describe ‘The Special Working Environment of Senior Administrators in Small States’ (1993). He argues at the outset that “senior public officials in small states play crucial parts in the economic, social and political development of their countries” and that they “contribute significantly to make or break the policies adopted by their political bosses” (Farrugia 1993: 221). He then goes on to note that senior officials “act in multifunctional roles”; that there is a “high degree of interpersonal communications”, which on the one hand brings politicians and bureaucrats closer to the people but on the other opens opportunities for nepotism and corruption; that human and material resources are limited, imposing “an entrepreneurial role” on senior officials who have “to originate and lead projects and keep abreast of development in other countries in order to adapt them to local needs” (222); and that the combination of such pressures and demands leads officials “to develop special administrative styles and managerial strategies to cope with them” (224). He also claims that the “inhabitants of small states [...] remain intellectually dependent on larger states. They see themselves as miniature models of the larger nations and attempt to emulate them without fully realising that as small states they have an ecology of their own” (223).

54. Many of the above problems have been identified for years. They have, for example, led to long-running programmes within the Commonwealth to redress them supported by the Commonwealth Fund for Technical Co-operation, which currently disburses some 60% of its funds in favour of projects in Commonwealth small states. Bilateral donors have also been active in the Caribbean (UK and Canada) and the South Pacific (Australia and New Zealand) in support of public sector development, providing the basis for much of the higher per capita level of official development assistance small developing states receive compared to larger developing states. More generally, the need to ‘strengthen capacity’ in small states emerged as one of the four key themes to be promoted in the programme of action in favour of small states adopted by the World Bank in 2000. This included support by international financial institutions for the development of infrastructure and human capital (through education and training) as well as an emphasis on improved efficiency in the public services. Small states were also encouraged to build capacity by extending co-operation between states on a regional and sub-regional basis. The areas for potential co-operation included regulatory regimes (e.g. telecommunications); legal and judicial systems; education and health facilities; sharing investment codes; environmental regulations; and social security, tax and customs rules (Commonwealth Secretariat/World Bank 2000: paragraphs 77-83).

55. The dominant discourse in public administration in small states is thus clearly focused on the differences that scale imposes, particularly on the smallest. Small size is, apparently, an important consideration. However, as with the political characteristics, this is more a matter of degree rather than kind. In short, in both politics and administration, small size does matter, not as an independent variable in its own right but as an important qualifying feature influencing other factors that also bear on the governance of small developing states.

C. Governance in the Caribbean

56. The importance of ‘good governance’ for economic and social development has been a major theme in development policy for the last ten years or so. The use of the word ‘good’ and the quotation marks that are frequently found around the concept of ‘good governance’ point to it having a high normative content and in consequence a number of differing definitions. The one cited in paragraph 14 draws on work by Kaufmann for the World Bank. There are, however, many others, and what is common to nearly all is the broad scope of the concept. Grindle, a leading academic researcher on the subject, neatly captures this in the following comment (2004):

“Getting good governance calls for improvements that touch virtually all aspects of the public sector – from institutions that set the rules of the game for economic and political interaction, to decision-making structures that determine priorities among public problems and allocate resources to respond to them, to organisations that manage administrative systems and deliver goods and services to citizens, to human resources that staff bureaucracies, to the interface of officials and citizens in political and bureaucratic arenas [...]. Not surprisingly, advocating good governance raises a host of questions about what needs to be done, when it needs to be done, and how it need to be done.”

57. In short, the breadth of the concept ensures there is little consensus on detail and application although there is broad agreement on what might be termed essential elements such as open, transparent and accountable government (often defined as liberal democracy); efficient, effective and responsive administration; respect for human rights; and the rule of law. There is also a growing understanding that “while it is possible to identify concepts and principles of governance that are universal, they make no sense without adequate contextual references. The particular conditions of each country provide both constraints and opportunities to improve governance.” (ODI: 2006). In practice, this has meant an approach to ‘good governance’ that increasingly begins from the existing realities of the state (or region) and then builds appropriate programmes in accordance with whether the state is, for example, a failed state, or one with pronounced personal rule, or is institutionalised minimally, or whatever. In the case of many small states, which possess significant attributes of democracy and a reasonably good record of public administration, this would suggest a radically different level and type of policy intervention than in a large sub-Saharan African country. Unfortunately, there is very little to report on small states *qua* small states since the overwhelming majority of them, and more especially islands, have not been subject to systematic programmes to build ‘good governance’ precisely because of their comparatively favourable record. There is, in consequence, next to nothing written on ‘good governance’ in small states in a general sense.

58. This is not to suggest, however, that small states may not have serious problems in sustaining ‘good governance’. In a submission to the Commonwealth Secretariat/World Bank Joint Task Force on Small States, CARICOM argued: “the costs of poor governance in a small society is very large, given the extreme difficulty in recovering from the consequences of inappropriate policies and practices sustained over a very long period. There is thus a clear need to build a national consensus on objectives; clear need for a national appreciation for the ease with which the system can go off-track, as a result of both domestic and external shocks; and a broad acceptance that the prospects for every individual are intimately bound up with the future of the community as a whole” (CARICOM 2000). The record of many small states in sub-Saharan Africa and more recently in the Pacific has also raised a number of serious and growing, if for the South Pacific sometimes exaggerated,

concerns (Fraenkel 2004). In these latter cases, however, the context is undoubtedly different. Hence this section will consider only the experience of the Caribbean. The first section examines governance in small states in the region in general and the second part looks at the experience of the British Overseas Territories there since 1999. The focus on these territories arises from the general recognition that their experience is closer to that of the Netherlands Antilles and Aruba than is that of either the French departments or the US territories in the region (Ramos and Rivera 2001, Oostindie and Klinkers 2003).

Governance in small Caribbean states

59. The democratic record of the independent small states in the Caribbean is very good. In the period since 1980, for example, more than 70 general elections have been held and everywhere governments have been changed by ballot. Civil unrest has been low and in the past 40 years there have been only three examples of systematic electoral abuse (Grenada under Gairy, Guyana under Burnham and, more marginally, Antigua under the Bird family) and three of unconstitutional seizures of power (succeeding in Grenada in 1979 and Suriname in 1980 and unsuccessful in Trinidad in 1990). This is a remarkable record for the Third World and in the eyes of one leading academic on the region a rather 'surprising one' given its past history (Dominguez 1993).

60. The institutionalisation of democracy in the region does not, by itself, however, equate with 'good governance', even if it is a necessary element of it. In fact, for well over a decade there has been growing disquiet over the erosion of governance in the Commonwealth Caribbean. One of the earliest warnings came from the influential West Indian Commission appointed by CARICOM Heads of Government in 1989. Its report *Time for Action* (1992) contained a section on 'Disaffection with Governance' and the Commissioners noted that in the extensive consultations they had held throughout the region "there has been so much complaint to the Commission of decline in standards of governance and erosion of the quality of civil society – again, not everywhere, but in too many parts of the Region for us not to detect an unhealthy trend" (West Indian Commission 1992: 494). Two years later this unease was repeated in a symposium on 'good governance' held in Jamaica under the auspices of the UNDP. It concluded that "Notwithstanding the commitment to liberal democracy (which prevails) a crisis of governance is evident and the dimensions of the crisis appeared to be growing. Its symptoms include apathy towards, and alienation from, existing political institutions and processes (and) increasing disregard for the norms of civil society by a growing number of persons, especially the young." (cited in Ryan 1995).

61. These themes were taken up by some of the leading political scientists and political commentators in the Caribbean and in 1999 one of them, Selwyn Ryan, sought to summarise some of the most significant elements in his study of the inherited Westminster model of government (Ryan 1999). It broadly considered the experience of government in most countries of the Commonwealth Caribbean (the Bahamas and Belize are excluded) and reflected on the need to reform the system to improve governance. Ryan pointed to failing political parties, bureaucracies under stress, judicial systems in crisis, and the erosion of the 'culture of civil discourse' which has undermined the political system and led to increasing apathy, anomie and violence. These have been compounded by region-wide political practices among the political elite, chief among which are authoritarian leadership styles, adversarial politics (political and ethnic tribalism), the cultivation of political patronage and the encouragement of zero-sum attitudes in government in which 'the winner takes all'.

62. The political leadership in the Caribbean has also taken an interest in the issue. Of particular note was the biennial meeting of the Caribbean Group for Cooperation in Economic Development

(CGCED) which discussed governance at its meeting in June 2000. This considered several papers including a general paper on governance in the Caribbean (including non-Commonwealth Caribbean countries) which examined the subject under five headings: voice and participation (civil liberties, political rights, elections); rule of law; political instability and political violence; government effectiveness (the quality of public service provision); and graft (corruption) (Dollar 2000). The countries scoring consistently above the average in all five indicators (and not all countries were included in every indicator) were the Bahamas and Trinidad & Tobago and the one consistently below average was Haiti. The study found that while the five indicators were positively correlated, the association among them was not high so countries could be strong in some areas of governance but weak in others. For example, Cuba scored above average in three out of five, the Dominican Republic and Guyana below average in three out of five, and Jamaica and Suriname below average in four out of five. It concluded that while “Caribbean countries compare favourably to other developing countries and to Latin American countries in terms of governance and the rule of law [...] that average finding disguises the fact that there is *great variation* among Caribbean states. It is not accurate to lump the different Caribbean countries together”. It also concluded that since the correlation among the five elements was weak “it is important to be clear about what aspect of governance one is talking about in making assessments of countries’ strengths and weaknesses” (Dollar 2000: 2).

63. The period since then has seen a continuing concern with governance issues with academic conferences organised by the University of the West Indies and a meeting of the OAS Unit for the Promotion of Democracy in Barbados in 2002. The tone of the debate, however, has changed. The discussion is now more measured and more focused. This is exemplified in a paper presented by Selwyn Ryan to a UNDP conference of donors in Jamaica in 2002. In it Ryan reports on surveys on attitudes to governance conducted in 2001 in the OECS and in 2000 in Guyana and Trinidad & Tobago. In the individual members of the OECS he found “there was widespread dissatisfaction with the way the governments were running the country” with “a majority or near majority” believing the system of government could be “improved quite a lot” (Ryan 2002: 4-5). At the same time “people were more satisfied (47%) than dissatisfied (39%) with the way democracy worked in their respective countries” and they were also more “happy” with their general life situations (78%) than “unhappy” (8%). While these figures clearly show there was room for improvement in governance, the general feeling of ‘well-being’ tempered any move to immediate drastic action and a substantial minority (31%) believed the system “worked well” even if there was room for minor improvement.

64. A not too dissimilar, if also more complex, picture emerges in Trinidad & Tobago and Guyana where race and ethnicity, as well as government incumbency, play a part in determining attitudes to governance. In Trinidad & Tobago, while a majority (52%) are dissatisfied with the way democracy works, a slightly larger majority (56%) believe they have good economic prospects in the future. Similarly, while the government is trusted by only a minority (47%), a majority (63%) believe they can use their vote to change the government. These figures suggest there is still a residual belief in the benefits of the system as a whole. This is not as true in Guyana where the racial and ethnic divide has significantly alienated the Afro-Guyanese. Levels of trust and distrust in the government reflect this with 69% of the Indo-Guyanese showing a high level of trust in the Indo-Guyanese dominated government but only 28% of Afro-Guyanese doing so. Similar findings are reported on hopes for the future with more Indo-Guyanese being optimistic (50%) than Afro-Guyanese (37%). Not surprisingly the Afro-Guyanese were in consequence more ready to contemplate migration (57%) than Indo-Guyanese (47%) although the high figures for both indicate a low general score of confidence in their country (Ryan 2002: 9-25).

65. These figures again suggest that there is room for improvement but do not go so far as to indicate fundamental reform, even in Guyana which is the country with the lowest governance scores in the Caribbean (see Table Three). There is alienation and apathy and a widespread distrust of politicians, but no clamour for immediate and sweeping change. In consequence, as one political scientist in the region puts it: “At the start of the 21st century government leadership of political reform has stalled” (Duncan 2003: 167). This does not mean, however, that some of the more perceptive political leaders do not see the need for change. One of the most far-sighted is Dr Ralph Gonsalves, the Prime Minister of St Vincent & the Grenadines (and a former political scientist) who has warned of an increasing “loss of confidence in the political system by the people of the region” seen in “increased voter apathy at general elections; a growing sense that the state does not possess the capacity to ameliorate, much less solve, the extant problems in the polity, economy and society; the mounting public disdain for politicians, many of whom are perceived as being corrupt and untrustworthy; a gnawing scepticism with which the electorate greets almost every electoral promise made by the political parties; and the conduct of politics through the activism of hardcore ‘tribal’ supporters while a huge number of mature, tolerant citizens of democratic temper stands askance at the debilitating divisiveness” (Gonsalves 2003: 11).

66. These are serious shortcomings but not yet fatal ones. The general consensus appears to be that if there is a problem, then it can be resolved incrementally. The short list of mainly modest recommendations for change with which Ryan concludes his book on the Westminster system is an exemplar of this approach (Ryan 1999: 347-49). So more recently, have been the conclusions to a study on general elections and voting in the English-speaking Caribbean, which indicates some disturbing trends but also some positive ones (Barrow Giles and Joseph 2006). There is, in short, widespread recognition within the Commonwealth Caribbean that there is good and bad in the political system, but as yet not enough ‘bad’ to warrant significant change. This does not, of course, equate with ‘good governance’, but while the governance indicators set out in Table Three remain relatively robust, the pressures for change from outside the region will also remain muted.

67. A few observations should be added at this point on the former Dutch colony of Suriname. The country became independent in 1975 and has gone through a long period of military rule in the 1980s. After the definitive restoration of parliamentary rule in 1990, fair elections have been held on a regular basis. In this sense, Suriname may again be counted under the parliamentary democracies in the region. The constitutional role of the head of state was upgraded with the new constitution of 1987, but not to the point of a regime change towards a presidential democracy (Fernandes Mendes 2001; for an opposing view see section 22 above). While ethnicity is a major and often decisive factor in the electoral arena, the pre- and post-1980s political history of this multi-ethnic country has been relatively peaceful (Ramsodh 2001).

68. In contrast, Suriname scores clearly below the Commonwealth Caribbean average in issues related to economic resilience and ‘good governance’ – only neighbouring Guyana is worse off (Table 3). The republic became a member of CARICOM in 1995 and therefore has more contacts than before with Commonwealth Caribbean countries. This would seem to imply awareness in the republic of the ongoing debate in both CARICOM and the Commonwealth Caribbean about ‘good governance’. In practice, the issue of ‘good governance’ figures prominently on the agenda of bilateral relations between Suriname and the Netherlands. Dutch development aid explicitly aims to promote ‘good governance’ in the former colony. While bilateral relations are at times marred over the issue of the actual quality of governance in the republic, the Surinamese government has initiated reform aiming to promote ‘good governance’ in most of the fields identified in Section B.

69. By way of conclusion, while the Commonwealth Caribbean boasts a good record of democracy, there is a growing awareness that a reasonable functioning of the democratic system does not necessarily imply 'good governance'. Within CARICOM and in the broader institutional framework of the Commonwealth, there is a remarkably open debate about the shortcomings of the political system and threats to 'good governance' in the region. The solutions advanced are mainly incremental: there is no widespread feeling that regime change is necessary to promote 'good governance'. Both democracy and 'good governance' have gone through rough times in the former Dutch colony of Suriname. After the return to democracy, the issue of 'good governance' has attained an increasing significance in the agenda of Dutch-Surinamese relations. At the same time the country's membership of CARICOM provides an extra alert to the significance of 'good governance' (e.g. in the increasing use of CARICOM observer teams to monitor general elections) and perhaps an insight in best practices to promote it.

British Overseas Territories in the Caribbean

70. The UK retains responsibility for fourteen overseas territories (BOTs), five of which are in the Caribbean (Anguilla, British Virgin Islands, Cayman Islands, Montserrat and Turks & Caicos Islands). Bermuda, located in the North Atlantic, shares a similar history and is often grouped with them. While all are small (in physical size and population) they are, Montserrat excepted, relatively prosperous and Bermuda is currently said to have the highest per capita income in the world.

71. In December 2003 the UK government launched a new Foreign and Commonwealth Office (FCO) Strategy focussing on eight international foreign policy priorities, one of which is security and good governance in the BOTs. This has given the BOTs a 'higher profile' than they would otherwise have within the government. The FCO is the main government department responsible for the BOTs and it co-ordinates policy toward them through a Ministerial Liaison Committee with the Department for International Development (DFID) and other government departments with an interest in them – the Treasury, the Ministry of Defence and the Ministry of Transport.

72. The FCO maintains an Overseas Territory Department in London which deals exclusively with the BOTs. There are around 70 staff (half being employed within the BOTs as Governors or administrators and support staff) plus some advisers and a few specialist staff in other ministries. The Caribbean Overseas Territories are covered by around fifteen staff in the FCO, 4/5 staff (including Governors) in each territory, supported by officials specialising in security issues (in Miami) and financial issues (in Barbados).

73. The principles and strategy for the government and development of the BOTs was set out in a White Paper in March 1999 entitled *Partnership for Progress and Prosperity: Britain and the Overseas Territories* (Command 4264). This was the outcome of a major review of the overseas territories initiated by the 'New Labour' government shortly after taking office. The main objective of the White Paper was to 'modernise' the relationship with the BOTs. It established for the first time a Minister within the FCO with special responsibilities for the BOTs (this is not an exclusive responsibility since the Minister covers other regions and subjects) and an Overseas Territories Consultative Council composed of the elected Chief Minister (or equivalent) which meets annually in London under the chairmanship of the UK Minister for the BOTs. In addition, the Governors (or administrators) of each territory meet annually in London to review their experiences.

74. The core principle of the White Paper is the idea of 'partnership'. This involves commitments by both the UK government and by the individual BOTs. The UK government reiterated its commitment to the BOTs and to the international community in respect of ensuring good

governance and human rights; furthering economic and social development; protecting the environment; and guaranteeing their security and defence. It also offered to restore British citizenship to those born in the BOTs (enacted in May 2001). On their part, the territories were offered greater freedom to run their own affairs through a process of constitutional change which they would be encouraged to initiate. In the process of review prior to the White Paper the UK government consulted the overseas territories on their status. All wished to remain associated with Britain. The UK government reiterated in the White Paper that the BOTs could proceed to independence if they wished (where this is an option, i.e. not Gibraltar) but ruled out the prospect of integration with the UK (as a county such as the Isle of Wight) or Crown Dependency status (as in the Channel Islands). In subsequent pronouncements it has also ruled out the option of 'free association' as advanced in UN Resolution 1541 on the basis that it did not vote for the Resolution and therefore does not feel bound by it. It also claimed that 'free association' so defined "would mean the territory drawing up its own Constitution free from any outside involvement. The UK would retain all the responsibilities for the territory but would not be able to ensure that it had the powers to enable it to fulfil these responsibilities. Ministers answerable to government in Westminster cannot, and should not, put themselves in that position." (Triesman 2006).

75. At the heart of such concerns has been the concept of 'contingent liability'. This is based on the observation immediately above that the UK has 'ultimate responsibility' to the international community for all that goes on in the BOTs. In 1997 the National Audit Office in the UK issued a report on the subject exploring the extent to which the UK government was financially exposed to potential liabilities resulting from the actions (or inactions) of the territories and events in them. This concluded that "the UK remains exposed, especially from financial sector failures, corruption, drug trafficking, money laundering, migrant pressures and natural disasters" (House of Commons 1997/98: 8). A new report is in preparation.

76. Some 'contingent liabilities' are connected to 'governance' issues. The UK government has been particularly concerned with financial regulation and in 2000, with the support of the BOTs, commissioned a review from KPMG on regulation and supervision of financial services in the Caribbean. As a result of the review independent regulators have been established in the Caribbean territories. The UK government has also established guidelines on borrowing by the governments in Anguilla, British Virgin Islands (BVI), Cayman Islands and Turks & Caicos Islands (TCI). Another concern has been reforms in the justice and penal systems. The UK government has established a Good Government Fund to support training and prison development in the islands and has maintained an office in Miami which has been particularly focused on combating drug trafficking and organised crime in the region. The UK government has insisted the BOTs meet the same standards of human rights as those in the UK. This has involved the UK government unilaterally enacting legislation in the UK against the wishes of local governments in several of the Caribbean overseas territories to prohibit the death penalty, corporal punishment and permit homosexuality between consenting adults. Other liabilities are those arising from hurricanes and in the case of Montserrat the volcanic eruption which has cost the UK government more than £200 million in the last ten years.

77. Lastly, the UK government has been concerned with the issue of 'moral hazard' arising from the failure of local elected governments in the BOTs to provide sufficient funds in certain situations, safe in the knowledge that the UK government has pledged funds for the 'reasonable needs' of the BOTs as a first charge on the DFID development budget. Such 'inaction' by the local governments could include, for example, the failure to raise sufficient funds from local taxation to finance the costs of public services or provide enough resources to conserve and promote the sustainable development of the environment.

78. The issues of ‘contingent liabilities’ and ‘moral hazard’ show how difficult it is in practice to “maintain a balance in the constitutional relationship, which reflects the rights and responsibilities of both the UK and the Overseas Territories”, which is one of the stated aims of the FCO Strategy (FCO website: UK Overseas Territories). The issue was very starkly put from the overseas territories perspective by Peter Caruana, the Chief Minister of Gibraltar, in an address to the Wilton Park conference which discussed the BOTs in April 2000. He acknowledged, in the language of the White Paper, that the “partnership” imposes “obligation and responsibilities on both sides” and accepted the right of the UK to demand and insist on “good government”. But he also warned that:

“It would not be acceptable that the phrase “good government” should become a “catch all” concept by which Her Majesty’s Government (HMG) should seek to impose its own policies, views and cultural and ideological values on Overseas Territory governments. This would negate real democracy (since Overseas Territory citizens do not vote for the election of UK Governments or are represented in the UK Parliament) and would seriously erode our self-government in practice. Democratically elected Governments in the Overseas Territories are elected to implement and account to the electorate for their own policies, for the economic and social advancement of their country and not the policies of HMG in the UK, which are invariably and understandably designed and intended to promote the interests of the UK, which may be and indeed often are different. Self-government is not self-government if it is subject to the views and approval of HMG.” (Caruana 2000).

79. He also acknowledged, again using the language of the White Paper, that the UK should seek “to minimise the extent” to which it was “exposed to contingent liabilities” and “readily accepted that the UK is entitled to insist on Overseas Territories complying with internationally legally binding obligations contracted by HMG on our behalf”. But he also noted:

“this begs another question. In a modern partnership said to be based on consultation and mutual understanding, should the UK enter into international commitments and obligations which bind Overseas Territories without the express consent of the Government of the territories? I believe that it should not! Often those international commitments impose a heavy financial or social burden on the territory. Indeed, often they undermine our economies. Contracting them on our behalf, and without our consent, in areas that are domestic in nature, is not consistent with self-government. If HMG is capable of converting domestic, internal affairs (which are the responsibility of Overseas Territories’ Governments) into external affairs simply by making them the subject of an international treaty obligation, that too is inconsistent with self-government” (Caruana 2000).

80. These are important questions that were not resolved in the White Paper. Indeed, they have become, if anything, more acute as a consequence of it. They have reappeared time and again in the discussion and application of ‘good governance’ in the BOTs exposing conflicts of interest and misunderstandings on both sides.

Good Governance in the Caribbean Overseas Territories

81. Some of the key features for ‘good governance’ in the BOTs were set out shortly after the publication of the White Paper. They included, in the words of the Under-Secretary of State Baroness Symons (1999):

“measures promoting more open, transparent and accountable government” (e.g. access to information, public engagement with debates in the legislature, the publication of debates

and the explanation of decisions);

“freedom of speech and information” (e.g. a free and effective media);

“improvements to the composition of legislatures and executive councils” (e.g. a fair and inclusive electoral process, collective responsibility for policies and decisions, integrity in those holding office);

“improving the effectiveness, efficiency, accountability and impartiality of the public service” (e.g. identify public standards and set performance targets, a customer focus and a well-trained staff);

“respect for the rule of law and the constitution and provision of high standards of justice” (e.g. judicial independence and impartiality, improvements in the customs and the prison services, policing by consent).

82. More recently ‘good governance’ in the BOTs was one of the main subjects of discussion at the Seventh Overseas Territories Consultative Council Meeting in London in 2005 (the proceedings and conclusions of which have not been made public). Reporting on the meeting in April 2006, Lord Triesman, as UK Minister for the Overseas Territories, claimed: “There was general agreement among the territories that this involved impartial enforcement of the rule of law; an independent judiciary free from any external influence; an impartial and effective police force; and a public service free from political interference in its appointments, disciplines and dismissals, which implements policy in accordance with the rule of law and internationally accepted standards” (Triesman 2006). He also added it meant “transparency in decision-making according to defined rules”; the accountability to the people of the government and legislature; governmental institutions subject to checks and balances; a strong civil society and an independent media; and a public who “should feel they have a stake in, and access to, Government, and that services and benefits are available to all on an equal, objective basis” (Triesman 2006).

83. The list of features is uncontroversial, if exacting. The UK government seeks to promote them through three mechanisms: constitutional reform; the role and powers of the Governor; and the powers of the government in London.

84. *Constitutional affairs*: the previous pattern of government and administration powerfully influences the present constitutional status of the Caribbean territories. In the past all were separately governed and administered at some stage or another, which means that all their constitutions are distinctive in various ways from each other. A constitutional profile of each is set out in Table Seven. Bermuda has the most advanced constitution, just short of independence. As such, independence has been an issue in its politics. A referendum on independence was held in 1995 with 25 % voting for independence and 73% against. The issue has been revived by the current government and following a report on independence, consideration is being given as to whether to hold a new referendum. This is a condition for independence that has been set by the UK government. The next most advanced constitution is Montserrat, which in the 1980s was expected to proceed to independence in the near future. However, problems with the regulation of the financial sector and then the volcanic eruption of 1995 (which made half the island uninhabitable and reduced the population from 11,000 to some 4,500) have effectively closed this possibility. The constitutions of the other four territories are broadly similar and would require amendment in the direction of further self-government (as would the constitution of Montserrat) prior to any consideration of independence.

85. The UK White Paper envisaged a process of constitutional modernisation to be, for the first time, initiated and led by the territorial governments. In practice, this has not delivered the early reform that was expected. While constitutional commissions have been appointed and have now reported in all territories, the protracted process of discussion within the territories and with London on the reports and on constitutional ‘advance’ point to a lack of enthusiasm for constitutional change in many of them. As such, only the TCI have completed the process and the results there show only minimal ‘advance’ (see Table Seven). The UK government has made it plain on a number of occasions that it will play an important part in any process of constitutional modernisation, pointing out that “there must be full consideration and consultation across political parties, and the community as a whole, as well as with HMG” (Scotland 2000a) and that “once completed, there must be consultation with us. We have to retain reserved powers. We also need to protect key values, such as the impartiality of the civil service (including the police) and the independence of the judiciary” (Rammell 2003). The recently concluded negotiations on the new constitution with the TCI point to the ‘red lines’ beyond which the UK will not go in granting increased self government – powers will be retained in the UK (and for the Governor) to “ensure the implementation of international obligations; to protect itself against contingent liabilities; and to ensure good governance” (Triesman 2006).

86. *The Governor*: The Governor is appointed by the UK government, usually for a period of three years. Traditionally, the post has been occupied by an experienced diplomat from the FCO as a final post before retirement, although this pattern has begun to change in recent years. It can be a very challenging position. In her opening remarks to the Governor’s Conference in May 2000, Baroness Scotland stated: “I know only too well what a difficult role you play. Often characterised as being between the rock of the FCO and a hard place of local political leaderships, being a Governor is no ordinary political task. It is far more daunting, far more directly responsible, far lonelier than any Ambassadorship” (Scotland 2000b). It is also a post with ‘divided’ responsibilities: to the UK government for ensuring the various objectives defined immediately above are fulfilled, but also to the people of the territory to ensure their ‘best interests’ are represented to the FCO and the government in London and, if necessary, to their own locally elected government.

87. The powers of the Governor are set out in the constitutions. They are least in Bermuda (and Montserrat) and relatively greater in the others where he/she has executive powers and reserved legislative powers. Typically the responsibilities include external affairs, defence, internal security (including the police), the public service (particularly senior appointments), and in several some financial oversight duties (Table Seven). He/she is also the chair of the Executive Council. Not surprisingly, these powers have come under attack from elected Chief Ministers who have sought to reduce them as part of the ‘modernisation’ process. They have been resisted by the FCO. For example, in his speech to the Consultative Council in 2003, Bill Rammell rejected demands that Governors should not chair the Executive Council on the grounds that “Governors should be involved at an early stage in the decision making process”. He also argued that they needed to retain responsibility for the public service (Rammell 2003). More generally, the FCO has insisted throughout the ‘modernisation’ process that the Governors remain the main channel of communication between the FCO and the territory government, giving them a ‘pivotal’ role in the relationship and a unique insight of the various interests involved.

88. While the Governor does have considerable ‘independent’ powers, he/she has the duty to consult and take advice from the executive council and is bound by ‘collective responsibility’ to it. The extent to which this will then shape their actions depends on personality and on the issue in question. It is here that ‘small size’ makes a difference. As noted earlier, small size exaggerates the role of personality in politics. In the Caribbean territories there are two ‘chief executives’: the

Governor and the elected Chief Minister or Premier. The relationship between these two individuals is at the core of the political process and if anything goes seriously wrong the repercussions can be quickly and easily transmitted throughout the system. This puts an even greater premium in ensuring a good working relationship between them. Necessarily, much of this must be informal – but it remains a potentially ‘explosive’ situation which the White Paper did nothing to resolve. Indeed, in many ways it has exacerbated it for it did nothing to clarify the various responsibilities between the two ‘chief executives’ and has given more powers to the Governor than before. It is this sort of issue that has led some Chief Ministers to argue for a need to ‘revisit’ the White Paper and ‘rethink’ the relationship between them to create a ‘real’ partnership as distinct from the ‘rhetorical’ partnership of the present (Observations 2004).

89. *The Government in the UK*: While the Governor has considerable discretion to administer policy within each territory he/she remains answerable to the FCO and through that to the UK government. Typically the Governor routinely reports his work through the Overseas Territory Department. The work of that Department has increased as a result of the White Paper and of the potential problems from ‘contingent liabilities’. The ‘presence’ and ‘engagement’ of London is thus now greater in the affairs of the BOTs (the Falkland Islands excepted) than it was in the 1980s. A considerable part of this is about fulfilling international obligations. One area that impinges directly on ‘good governance’ is human rights. The UK government commissioned workshops and meetings throughout the BOTs to raise awareness of human rights issues and has signed the BOTs up to a number of international conventions (which has required the BOTs to pass enabling legislation within the territories to comply). Another area is financial regulation. This has been particularly important in the Caribbean and has led to regular engagement with international organisations such as the IMF. Lastly, the commitment by the UK government to various environmental charters have led the UK government to promote Environmental Charters within each territory, supported by a special development fund.

90. In conclusion, the importance attached to ‘good governance’ in the BOTs has led to a greater involvement in their affairs by the UK government and the Governor than in the recent past. To date, this has not led to any serious rupture with any Caribbean territory. They wish to remain associated with the UK. At the same time, it is clear that attempts by the UK government to encourage greater ownership of the ‘good governance’ process within the territories via constitutional reform has met with a luke-warm response. There has also been resentment within the territories at the insistence of the UK government in having the ‘final say’ on every issue. These are both manifestations of an inherent tension in the relationship exemplified by the status issue. The Caribbean territories want ‘free association’ after the UN model which would leave them with full internal self-government (or a sui generis equivalent), but with the assurance of the link with the UK which they see as vital for their economic prosperity and security. The UK government will not grant ‘free association’ because of ‘contingent liabilities’, which have been at the centre of its concerns with the BOTs in recent years, and its negative experience with this form of association (summarised as responsibility without power) when it was applied to the ‘Associated States’ of the Eastern Caribbean between 1967-1983 (see Thorndike 1986). The White Paper did not resolve this problem. Instead, in seeking to ‘modernise’ the relationship it simply redefined the terms in which the different interests would play out their separate agendas and reasserted British dominion over the territories in the name of ‘good governance’ and various international obligations.

D. Implications for the Kingdom of the Netherlands

91. The Netherlands Antilles and Aruba are small and have a unique position even among the disparate collection of small states, island states and/or non-sovereign (island) jurisdictions worldwide. In addition, the linguistic barrier has worked to keep these six islands, as well as the overarching structure of the Kingdom of the Netherlands, at the margins of the scholarly literature on decolonisation, small scale and good governance (for comparative purposes see Oostindie and Klinkers 2003, Oostindie 2006). Therefore, this section offers a reflection of the relevance of the previous review for the Netherlands Antilles and Aruba rather than an overview of the scholarly literature.

92. A second preliminary observation is that all of the six Caribbean islands of the Kingdom should be qualified as extremely small even within the entire category of small states and territories as discussed in this paper. Added together, with well over 300,000 inhabitants, the six would qualify as one of the more populated non-independent territories (Table 2) and, by way of comparison, somewhere in the middle brackets of the category of sovereign small states (Table 1). Yet Aruba has already seceded from the Netherlands Antilles and a further dismantlement of the multi-island country is presently in the making. Curaçao would then fall somewhere in between the two categories of ‘mini’ and ‘micro’, as Aruba already does. The four remaining islands would have to be qualified as ‘micro’, St. Maarten possibly qualifying as an average micro territory, but Bonaire, St. Eustatius and Saba at the extreme pole of smallness.

93. This observation is crucial and almost serves as a disclaimer. For while this paper discusses a broad range of studies on smallness and its consequences for good governance, the great majority of these actually focus on states and non-sovereign territories with considerable higher population figures. Some of the more optimistic conclusions on the relation – or lack thereof – between smallness and quality of governance may therefore not be fully applicable to the Dutch Caribbean islands treated as separate units. If vulnerability increases with small scale and therefore heightens the need for ‘good governance’ to strengthen resilience, then these six individual islands are clearly in need of policies aiming to achieve and sustain good governance.

94. The Dutch Caribbean islands all benefit from their non-sovereign status. For while vulnerability is characteristic of small states in general, non-sovereignty is apparently an asset enhancing resilience and providing better conditions for promoting economic development. The tendency discerned in the economics literature that levels of income in the metropolis and its dependencies tend to convergence does not apply to all of the Dutch Caribbean islands. It is evident though that standard of living in the Dutch parts of the Caribbean too is well above the regional average for sovereign states (Tables 1 and 2).

95. Research on the relationship between small scale, democracy and good governance has shown that there is no real evidence to identify small scale as a disadvantage per se. Indeed, the evidence suggests that smallness may be more of a stimulus than an obstacle to democracy in sovereign states. This may partly be explained by inherited (post)colonial democratic traditions. In this respect, it seems more than coincidental that the majority of small states and territories worldwide have British antecedents. If the British apparently left a useful political and legal tradition for small states to draw on, there is the painful Dutch Caribbean counterpoint of Suriname. For this republic, sovereignty has implied very serious problems with both democracy and good governance.

96. Democracy in itself is no guarantee for 'good governance', but is believed to be a significant positive asset. In the case of the Netherlands Antilles and Aruba, the democratic system has been stable over the entire post-1954 period. Most likely the Statuut or Charter of the Kingdom (1954) with its provisions for guarantees for 'good governance' has been instrumental here. The contrast with post-independence Suriname is striking. Being non-sovereign, the islands benefit from participation in a Kingdom which significantly broadens their scale in crucial spheres of administration.

97. On the other hand, there has been recurring and apparently increasing concern about the quality of governance in the Netherlands Antilles and Aruba. This concern is related to observations on the absence or low intensity of 'good' democratic and administrative traditions and/or the failure to correct malpractices, creating in the end a culture of poor accountability. This concern has been voiced time and again in official reports, on both sides of the Atlantic but particularly on the Dutch side. Such concerns have not led to a revision of the constitutional structure of the Kingdom, in spite of Dutch attempts to revise the Charter in order to strengthen the overarching role of the Kingdom government. Dutch Caribbean opposition against this Dutch policy has been guided by reluctance to a narrowing of the present autonomy in domestic rule.

98. Islandness, the literature suggests, accentuates some of the characteristics of smallness. While this is difficult to pinpoint, research suggests the high incidence of inward-looking insularism, linking politics more to particular personalities and to clientelism than to ideological differences. On the positive side, islandness may strengthen social capital in such tightly-knit societies. It is evident that insularism has prevailed on all six islands, eventually leading to the dismantlement of the Antilles-of-the-six. In addition, there are unique linguistic characteristics underscoring insularity and fragmentation. The three Windwards islands are English-speaking, the three Leewards islands Papiamentu-speaking. This isolates the two groups of islands from one another and from their metropolis. In contrast, language does help the Windwards in connecting to their Caribbean environment. This is not the case for the Leewards islands.

99. Present policy works towards the dismantlement of the Netherlands Antilles and the relocation of the Antillean state's political power, partly to the individual islands, partly to the overarching government of the Kingdom. It is at this stage not clear what the constitutional outcome of the political negotiations will be. Neither is it clear what effects decentralisation will have for the individual islands. There will be major administrative challenges as regards the organisation of public services at the island level. These will have to be addressed in the negotiating phase. Drawbacks of small scale and insularism such as clientelism and an inward-looking mentality may be strengthened on the individual islands after the dismantlement of the Netherlands Antilles. On the other hand, there is the possible asset of a strengthening of insular social capital. At this stage, there is no evident outcome.

100. It is unlikely that the world's remaining non-sovereign entities will attain independence. Rather than aiming for sovereignty, there is a tendency in these territories to strive for more autonomy within their dependent status. This objective is particularly evident for the sub-national island jurisdictions (SNIJs). But there is an important distinction in their level of ambition. While more autonomy is sought in the fields of finance, transport, the environment and international representation, less autonomy is sought in maintaining high-cost spending departments such as the judiciary, education or health. There is a glaring contrast here with developments within the Kingdom. Whereas the SNIJs attempt to broaden their own administrative prerogatives and responsibilities, the Netherlands Antilles and Aruba are actually engaged in an attempt to retain their far higher degree of domestic rule as laid down in the constitutional order of the Charter of 1954.

101. The political process in small developing countries has been characterised under the headings of ‘exaggerated personalism’, ‘governmental pervasiveness’, ‘concerted social harmony’, and ‘pragmatic conservatism’. These characteristics arguably apply to the Netherlands Antilles and Aruba as well and will actually be accentuated after the dismantlement of the present multi-island jurisdiction of the Antilles. Perhaps ‘concerted social harmony’ will become a stronger and more constructive power in the individual islands after the break-up of the Antilles. At present, pessimism on social bonding in these islands seems to be dominant particularly on the three larger islands, where both heavy migration and drugs-related criminality exact a heavy toll. The problems for good governance identified under the remaining three characteristics will most likely be compounded. This will demand solid measures to improve the quality of governance.

102. There is an ongoing and remarkably open debate about the quality of governance and civil society in the Commonwealth Caribbean. Many of the observations in these debates might well be taken to apply to the Netherlands Antilles and Aruba as well. Among the measures taken to promote ‘good governance’ within the Commonwealth Caribbean are schemes for training and cooperation with other Commonwealth countries. This seems to be a healthy antidote to a lingering dominance of bilateral postcolonial relations with all the inevitable tensions arising from it. In this perspective not only the post-independence Surinamese-Dutch relations suffer from exclusive bilateralism, but so and even more do Caribbean-Dutch relations within the Kingdom. Unfortunately, the room for diversification is limited here because of constitutional and administrative distinctiveness as well as linguistic constraints.

103. The most obvious comparison for the Kingdom of the Netherlands is the one with Britain’s relationship to the Caribbean BOTs. Here we may observe strong parallels in the debates over promoting effective and efficient administration in all of these non-sovereign territories and the need to promote better governance. There are similar strong parallels when it comes to the metropolitan resolution to reserve ultimate administrative powers to itself and even to reassert its primacy in view of what the British have identified as ‘contingent liabilities’ and international commitments. The one major difference here may be that the British, in setting clear limits to self-rule in the BOTs, are simply confirming their own supremacy, whereas the Dutch in their policy of the past fifteen years or so of strengthening the powers of the Dutch-controlled Kingdom are seeking to constrain the autonomy extended to their Caribbean partners in 1954.

104. A final word on the transparency of the two postcolonial working relationships may be in order. The British model, while certainly more hegemonic and probably more authoritarian than the Kingdom’s, does have the advantage of being relatively transparent and relatively simply. There is a modest Caribbean division within the FCO, a governor and a small local staff in each of the Caribbean BOTs, and a locally elected administration with its own bureaucracy. The contrast with the Kingdom’s institutions as established in 1954 and developed since then are stark. The Kingdom has a Queen and a Kingdom Cabinet (but no Kingdom parliament) as well as two governors, presently one for the Netherlands Antilles and one for Aruba. The governor has a double function, as he serves at the same time as head of the local government. In addition, the Dutch government has its own directorate for Kingdom relations in the Ministry of the Interior and Kingdom relations in The Hague, with representative offices in Aruba, Curacao and St. Maarten. The Netherlands Antilles and Aruba have a locally elected parliament and cabinet – and, for the present Antilles, representative councils on all five islands – as well as a Ministers Plenipotentiary stationed in The Hague. Finally, a trilateral committee of parliamentarians meets twice a year, alternating between The Hague and the Dutch Caribbean islands. In all, this seems to be a very complex administrative structure with many opportunities for administrative confusion and policy conflict to the detriment of effective, efficient, transparent and accountable governance.

E: A Response to the Questions Formulated in the Terms of Reference

105. The Terms of Reference (TOR) formulated by the Dutch Ministry of the Interior and Kingdom Relations asked three specific questions:

- (a) What regularities/patterns apply to the quality of governance in small countries?
- (b) What regularities/patterns apply to the quality of governance in the Caribbean?
- (c) What type of governmental institutions and services are particularly vulnerable in small countries?

The TOR also asked for consideration to be given to ‘best practice’ in small countries.

106. In response to the first question - what regularities/patterns apply to the quality of governance in small countries? – there is no universally accepted set of features which distinguish governance issues in small states and non-independent territories from large states. The literature identifies ‘vulnerability’ to be an important economic issue, but the experience of small states and non-independent territories show that this can be offset with a range of good policy initiatives which can deliver comparatively high levels of per capita income.

107. The literature also identifies certain features which many small states share – ‘exaggerated personalism’, ‘governmental pervasiveness’, ‘concerted social harmony’, and ‘pragmatic conservatism’ – but makes the important point that these are common to many states and that while they are intensified in small states they do not act as a distinguishing feature of small states. The same goes for the concept of ‘islandness’, which a majority of small states and especially non-independent territories share, but as yet does not have any explanatory power as an independent variable affecting their quality of governance.

108. In common with the economic literature on vulnerability and resilience, the characteristic features identified above do not necessarily act to the political disadvantage of small states and non-independent territories. On the contrary, the evidence suggests that the majority of small states have good records on democracy and better records on delivering good governance than larger states. The presumption that small states are especially ‘at risk’ thus needs to be challenged – small states can achieve a great deal.

109. At the same time, the literature points to the need for ‘the politics to be correct’ if this is to be done in any meaningful way. Indeed, if the debate on small states shows anything it is the critical role of the political dimension in ensuring prosperity and stability. This applies as much to non-independent territories where autonomy has become a major political resource. In short, it is possible to argue that ‘good governance’ probably matters more in small states and non-independent territories than in large states and that particular attention must be paid to encouraging and delivering it.

110. In response to the second question - what regularities/patterns apply to the quality of governance in the Caribbean? – a necessary distinction was drawn between the experience of the Commonwealth Caribbean, overwhelmingly made up of small states and small non-independent

territories and therefore of most relevance to this study, and the mostly larger non-Commonwealth states. The former hold much in common in respect of governance while the latter do not.

111. The record shows that on the whole the Commonwealth Caribbean (including the British Overseas Territories) have better than average levels of good governance. They also have robust democracies. As noted earlier, some distinguished academics have found this surprising given the violent colonial history that has shaped the region. But the literature suggests that there have also been more ‘benign’ legacies, one among which, for small states in general and for the Commonwealth Caribbean in particular, has been the model of parliamentary government bequeathed by the British. The fact that this has been essentially ‘unmodified’ and ‘unchallenged’ in nearly all the states and non-independent territories in the last forty years or so shows that it is generally regarded as ‘fit for purpose’, with the result that there is little appetite for change – especially in the British Overseas Territories.

112. At the same time, there is gathering recognition of some need for incremental change if the current situation is to be maintained and ‘good governance’ assured in the future. The argument is about how much change and in what direction? There is little agreement on these questions among the independent Commonwealth Caribbean states and hence, at best, only slow movement. By contrast, the arguments in the British Overseas Territories are more focused as a consequence of the recent ‘modernisation’ of the relationship between them and the UK government. But even here there is recognition of the need to proceed slowly (if at all) and to take into account the differences between the territories.

113. In sum, the states and non-independent territories of the Commonwealth Caribbean share a common colonial and post-colonial experience that has given them a “distinct tradition” in which “there is an emphasis upon continuities in the political process and acceptance rather than rejection of the metropolitan legacy” (Sutton 1991: 51). This means two things. First, insofar as their experience is ‘distinct’ it is, by definition, an experience that is not readily transferable to others. Second, since this has led them to accept their governance structures largely unreformed it means that the arguments and debate on ‘good governance’ in the region is relatively undeveloped (in relation to some other regions of the developing world) and remains relatively narrow in its policy focus. The debate on governance in the region has therefore been engaged but is not yet at a sufficiently advanced level to enable robust conclusions (as opposed to diagnostic generalities) to be reached.

114. The response to the third question – what type of governmental institutions and services are particularly vulnerable in small countries? – is also limited by a relative lack of research and debate as noted in paragraphs 13 and 57. It is also subject to the observation in paragraph 22 that the experience of regime change in small states since independence does not specify a specific generic regime type but rather leaves options open, although there is some evidence that parliamentary systems are especially suitable for them. As such, it is almost impossible to be precise.

115. We do know that small size acts as a constraint on the effective delivery of government services and that it is necessary to guard against the twin dangers of ‘exaggerated personalism’ and governmental pervasiveness’ in the creation of institutions and the conduct of government and administration. But at what level of size this makes a real difference (e.g. above or below a specific per capita income, a specific population size, or a specific land area – or more likely a combination of all three) we do not know, as the early abandonment of the categories of micro-state and mini-state so clearly demonstrates. Similar qualifications attach to the question of ‘islandness’ which may, or may not, act as a support.

116. It is therefore once again impossible to be specific with any confidence. The most that can be recommended is an awareness of these issues in the creation of institutions and the design of practices to ensure ‘good governance’. Among the most important in small-scale societies are mechanisms to ensure accountability and oversight of the executive functions of government. These can include parliamentary committees, independent public service commissions, financial regulations governing the disclosure of the interests and assets of legislators, independent auditors, and an ombudsman to investigate and redress complaints in the operation of the public services. There have also been proposals to limit the terms of the executive head of state (usually to two consecutive terms). Independent well-qualified regulators are essential to oversee the operation of any offshore financial service. It is also vital to ensure the rule of law. In the Commonwealth Caribbean the occasional use of the Judicial Committee of the Privy Council in London, and now the newly created Caribbean Court of Justice as well, provides an appeal mechanism beyond the local context of the country and fosters confidence in the judicial system. However, as in all countries, the most important mechanism is a vigorous civil society ready to expose wrongdoing and advocate local causes. In very small-scale societies with strong traditions of ‘concerted social harmony’ this is not easy to achieve as it can divide families and communities. Here the need for open communal debate as a means to achieve consensus – what is known in the South Pacific as ‘the Pacific way’ – would be a practice that should be encouraged.

117. Lastly, the TOR asked for consideration to be given to ‘best practice’ in other small countries. This immediately raises the question of ‘which countries’? The approach taken in this study has been to focus on the Caribbean. But even here the caution expressed by the World Bank in paragraph 62 and above in paragraph 113 come into play. There is little room for gross generalisations.

118. There are also larger considerations. In a recent publication the celebrated thinker Francis Fukuyama has turned his attention to ‘state building’ (2005). He argues that there are four aspects of ‘stateness’ that need to be addressed to understand institutional capacity: organisational design and management (public administration); institutional design (political science broadly considered); the basis of legitimisation (political science); and cultural and structural factors (sociology and anthropology). The first of these – organisational design – is transferable, although even here he argues there cannot be “a unified theory of organizations” (Fukuyama 2005: 31) relevant to all situations. The second and third components have medium and medium to low transferability respectively, but this comes with a warning that to “an even greater extent than public administration or organizational theory, the existing body of knowledge concerning institutional design at the state level yields little by way of formal theory or universally applicable principles” (32), while ‘legitimation’ remains strongly influenced by “a normative dimension” (34) which hinders universal acceptance as the debate on democracy versus authoritarianism in economic development demonstrates. Finally, the fourth dimension of cultural and structural factors has low transferability since “norms and cultural values can be manipulated by public policy only at the margin” (43).

119. Taking these arguments together it is clear that ‘state building’ is a very difficult exercise about which little is known with certainty and what little is known is difficult to transfer. As such, caution needs to be exercised in believing that ‘best practice’ elsewhere will automatically yield the same results when transferred to a different situation somewhere else, whether it be small states or much larger ones. As the World Bank always claims in its publications (though often ignores in its own practice) ‘one size does not fit all’.

120. Nevertheless, there are some points that can be taken from the experience of the Commonwealth Caribbean. The regional dimension is here particularly significant since it has provided support for 'good governance' in a number of ways. In 1990 the Heads of Government of CARICOM issued the Kingston Declaration on Democracy and Popular Participation and more importantly in 1997 adopted a Charter for Civil Society to encourage and empower civil society and to foster good practice among member states. A similar profile has supported regional efforts to improve public administration. The Heads of Government approved a programme of public sector reform and administrative restructuring in 1995 to be implemented through national and regional efforts with the support and encouragement of the Caribbean Centre for Development Administration, which was specifically charged with spreading good practice throughout the region.

121. The Commonwealth Caribbean has also directly benefited from support from the Commonwealth Secretariat based in London. The Commonwealth defines 32 of its 53 members as small states and the Secretariat has run programmes in support of 'good governance' for many years. These range from the use of the Commonwealth Secretary General's 'good offices' to settle sensitive 'internal' conflicts in member states, through initiatives which support and encourage 'good governance' through publications and meetings to disseminate good practice, to targeted programmes in support of public administration such as regular meetings of electoral officers, judicial officers and public officials providing the whole range of government services. Together these provide an invaluable inventory of 'good practices' which can inform and help embed 'good governance' in a variety of otherwise dissimilar small states. More generally, the Commonwealth has also supported a website on small states through which innovatory 'good practice' can be shared.

122. In conclusion, the literature on small states and the experience of the Commonwealth Caribbean (independent and non-independent) provide insights into building states and fostering 'good governance', but they do not provide templates. It is important to be aware of what has been important to them. But even more important is the need to be aware of the unique history, traditions and (increasingly small) scale of the Netherlands Antilles and Aruba, along with their unique international status, in creating new institutions for their future.

123. From this perspective, it may be useful for all engaged in the present debate on the restructuring of the Kingdom of the Netherlands to reflect on the following: if indeed, as many seem to think, governance on the islands does not clearly qualify as 'good', this may well be attributed to the lack of a solid administrative tradition and infrastructure. But this only begs the next question: should this be attributed to an inadequate, perhaps overly complex institutional structure (i.e. the structure and functions of the institutions), or to the poor use made of them (i.e. the political process itself). If it is the former, then institutional change will help deliver 'good governance', but if it is the latter then more fundamental changes of the political culture will be needed and these take a long time, sometimes generations, to achieve.

References

- Anckar, Dag, 1999, 'Homogeneity and Smallness: Dahl and Tufte Revisited', *Scandinavian Political Studies* 22 (1).
- Anckar, Dag, 2004a, 'Direct Democracy in Microstates and Small Islands', *World Development* 32 (2).
- Anckar, Dag, 2004b, 'Regime Choices in Microstates: The Cultural Constraint', *Journal of Commonwealth and Comparative Politics* 42 (2).
- Anckar, Dag and Carsten Anckar, 1995, 'Size, Insularity and Democracy', *Scandinavian Political Studies* 18 (4).
- Armstrong, Harvey and Robert Read, 2000, 'Comparing the Economic Performance of Dependent Territories and Sovereign Microstates', *Economic Development and Cultural Change* 48 (2).
- Armstrong, Harvey and Robert Read, 2006, 'Determinants of Economic Growth and Resilience in Small States', in L. Briguglio, G. Cordina and E.J. Kisanga, *Building Economic Resilience in Small States* (London/Malta: Commonwealth Secretariat/University of Malta).
- Atkins, Jon, S. Mazzi and C. Easter, 2000, 'A Commonwealth Vulnerability Index for Developing Countries: The Position of Small States', *Commonwealth Secretariat Economic Papers, No. 40*. (London: Commonwealth Secretariat).
- Baldacchino, Godfrey, 2004, 'Autonomous but not Sovereign? A Review of Island Sub-Nationalism', *Canadian Review of Studies in Nationalism* 31 (1-2).
- Baldacchino, Godfrey, 2005a, 'The Contribution of "Social Capital" to Economic Growth: Lessons from Island Jurisdictions', *The Round Table* 94.
- Baldacchino, Godfrey, 2005b, 'The World's Non-Sovereign Island Jurisdictions: A Research Agenda', Presentation to a Workshop on Sub-National Island Jurisdictions, Institute of Commonwealth Studies, University of London, April 18-19, 2005.
- Barrow-Giles, Cynthia and Tennyson Joseph, 2006, *General Elections and Voting in the English-Speaking Caribbean 1992-2005* (Kingston: Ian Randle Publishers).
- Bertram, Geoffrey, 2004, 'On the Convergence of Small Island Economies with their Metropolitan Patrons', *World Development* 32 (2).
- Briguglio, Lino, G. Cordina, N. Farrugia and S. Vella, 2006, 'Conceptualising and Measuring Economic Resilience', in L. Briguglio, G. Cordina and E.J. Kisanga (eds), *Building Economic Resilience in Small States* (London/Malta: Commonwealth Secretariat/University of Malta).

- Briguglio, Lino, Bishnodat Persaud and Richard Stern, 2005, 'Toward an Outward-Oriented Development Strategy for Small States: Issues, Opportunities, and Resilience Building', in *A Review of the Small States Agenda Proposed in the Commonwealth/World Bank Joint Task Force Report of April 2000*. Final Draft Report, August 8, 2005.
- Brown, Deryck, 2005, 'The Private Sector as a Social Partner: The "Barbados" Model' in S. Ryan and A. M. Bissessar (eds), *Governance in the Caribbean* (Trinidad: SALISES, University of the West Indies).
- CARICOM, 2000, 'Cost of Governance', Meeting of the Caribbean Technical Committee on Small States, Barbados, January 10, 2000.
- Caruana, Peter, 2000, 'Address at Wilton Park Conference of the Overseas Territories, 3-5 April, 2000'.
- Clague, Christopher, Suzanne Gleason and Stephen Knack, 2001, 'Determinants of Lasting Democracy in Poor Countries: Culture, Development and Institutions,' *The Annals of the American Academy of Political and Social Science* 573.
- Commonwealth Secretariat, 1985, *Vulnerability: Small States in the Global Society* (London: Commonwealth Secretariat).
- Commonwealth Secretariat, 1997, *A Future for Small States: Overcoming Vulnerability* (London: Commonwealth Secretariat).
- Commonwealth Secretariat/World Bank, 2000, *Small States: Meeting Challenges in the Global Economy* (London/Washington D.C.: Report of the Commonwealth Secretariat/World Bank Joint Task Force on Small States).
- Corbin, Carlyle, 2001, 'Direct Participation of Non-Independent Caribbean Countries in the United Nations: A Method for Self-Determination', in Aaron Gamaliel Ramos and Angel Israel Rivera (eds), *Islands at the Crossroads: Politics in the Non-Independent Caribbean* (Jamaica/London: Ian Randle/Lynne Rienner).
- Dahl, R. and E.R. Tufte, 1973, *Size and Democracy* (Stanford: Stanford University Press).
- Dollar, David. 2000. 'Governance and Social Justice in Caribbean States', Report No. 20449-LAC. (Washington D.C: Development Research Group, World Bank).
- Dominguez, Jorge et al. 1993. *Democracy in the Caribbean: Political, Economic and Social Perspectives* (Baltimore: Johns Hopkins University Press).
- Duncan, Neville, 2003, 'Governance in Small Societies: The Importance of Strong Democracy', in K.O. Hall and D. Benn (eds), *Governance in the Age of Globalisation: Caribbean Perspectives* (Kingston, Jamaica: Ian Randle Publishers).
- Farrugia, Charles. 1993. 'The Special Working Environment of Senior Administrators in Small States', *World Development* 21, no.2.

- Fernandes Mendes, Hugo, 2001, 'Parliamentary Structures Reconsidered: The Constitutional System of Suriname', in Rosemarijn Hoefte and Peter Meel (eds), *20th Century Suriname. Continuities and Discontinuities in a New World Society* (Kingston/Leiden: Ian Randle Publishers/KITLV Press).
- Fraenkel, Jon, 2004, 'The Coming Anarchy in Oceania? A Critique of the "Africanisation" of the South Pacific Thesis', *Commonwealth and Comparative Politics* 42 (1).
- Freedom House, 2004, *Freedom in the World* (www.freedomhouse.org).
- Fukuyama, Francis, 2005, *State Building: Governance and World Order in the Twenty-First Century* (London: Profile Books).
- Gonsalves, Ralph, 2003, 'New Conceptions of Governance in Small States', in K.O. Hall and D.Benn (eds), *Governance in the Age of Globalisation: Caribbean Perspectives* (Kingston: Ian Randle Publishers).
- Grindle, Merilee, 2004, 'Good Enough Governance: Poverty Reduction and Reform in Developing Countries', *Governance* 17.
- Hadenius, Axel, 1992, *Democracy and Development* (Cambridge: Cambridge University Press).
- Hein, Philippe, 1985, 'The Study of Microstates', in E. Dommen and P. Hein (eds), *States, Microstates and Islands* (London: Croom Helm).
- House of Commons, 1997/98, *Contingent Liabilities in the Dependent Territories* (London: HMSO).
- Kaufmann, Daniel, Aart Kray and Massimo Mastruzzi, 2005, 'Government Matters IV: Governance Indicators for 1996-2004', *World Bank Policy Research Working Paper 3630* (Washington D.C.: World Bank).
- Lewis, Sir Arthur, 1965, *The Agony of the Eight* (Bridgetown: Advocate Commercial Printery).
- Lijphart, Arend, 1991, 'Constitutional Choices for New Democracies', in Larry Diamond and Marc Plattner (eds.), *The Global Resurgence of Democracy* (Baltimore: The Johns Hopkins University Press).
- Lowenthal, David, 1987, 'Social Aspects', in Colin Clarke and Anthony Payne (eds.), *Politics, Security and Development in Small States* (London: Allen and Unwin).
- McElroy, J. and K. de Albuquerque, 1995, 'The Social and Economic Propensity for Political Dependence in the Insular Caribbean', *Social and Economic Studies* 44 (2-3).
- McElroy, J. and H. Mahoney, 1999, 'The Propensity for Political Dependence in Island Microstates', *Insula* 9(1).
- Newitt, Malyn, 1992, 'Introduction', in H. Hintjens and M. Newitt (eds), *The Political Economy of Small Tropical Islands: The Importance of Being Small* (Exeter: University of Exeter Press).

Observations, 2004, 'Observations by the Authors of Comments made by Chief Ministers and Opposition Leaders at the Conference on Britain and the Overseas Territories', Wilton Park, 25-28 November 2004.

ODI, 2006, 'Governance, Development and Aid Effectiveness: A Quick Guide to Complex Relationships', *ODI Briefing Paper*, March 2006.

Oostindie, Gert, 2006, 'Dependency and Autonomy in Sub-national Island Jurisdictions: The Case of the Kingdom of the Netherlands', *The Round Table* 95.

Oostindie, Gert and Inge Klinkers, 2003, *Decolonising the Caribbean. Dutch Policies in Comparative Perspective* (Amsterdam: Amsterdam University Press).

Ott, Dana, 2000, *Small is Democratic: An Examination of State Size and Democratic Development* (New York and London: Garland Publishing, Inc.).

Partnership for Progress and Prosperity: Britain and the Overseas Territories (Command 4264).

Peters, Donald, 1992, *The Democratic System in the Eastern Caribbean* (New York: Greenwood Press).

Rammell, Bill, 2003, 'Speech by the Parliamentary Under-Secretary of State for the Foreign and Commonwealth Office at the Conclusion of the Overseas Territories Council, London, 10 December 2003'.

Ramos, Aaron Gamaliel and Angel Israel Rivera (eds), 2001, *Islands at the Crossroads: Politics in the Non-Independent Caribbean* (Jamaica and London: Ian Randle Publishers and Lynne Rienner Publishers).

Ramsoedh, Hans, 2001, 'Playing Politics: Ethnicity, Clientelism and the Struggle for Power', in Rosemarijn Hoefte and Peter Meel (eds), *20th Century Suriname. Continuities and Discontinuities in a New World Society* (Kingston/Leiden: Ian Randle Publishers/KITLV Press).

Robinson, A.G., 1960, *The Economic Consequences of the Size of Nations* (London: Macmillan).

Ryan, Selwyn, 1995, 'Democratic Governance and the Social Condition in the Anglophone Caribbean', in *Governance and Democratic Development in Latin America and the Caribbean* (New York: United Nations Development Programme).

Ryan, Selwyn, 1999, *Winner Takes All: The Westminster Experience in the Caribbean* (Trinidad: ISER, University of the West Indies).

Ryan, Selwyn, 2002, 'Levels of Satisfaction with Governance in the Eastern Caribbean and in Guyana and Trinidad and Tobago', Paper presented to a UNDP Conference of Donors, Jamaica, November 2002.

Scotland, Baroness, 2000a, 'Speech by the Parliamentary Under-Secretary of State for the Foreign and Commonwealth Office, Wilton Park, 3 April 2000'.

Scotland, Baroness, 2000b, 'Opening Remarks to the Governors' Conference, May 2000'.

- Sutton, Paul, 1987, 'Political Aspects', in Colin Clarke and Anthony Payne (eds.) *Politics, Security and Development in Small States* (London: Allen and Unwin).
- Sutton, Paul, 1991, 'Politics in the Commonwealth Caribbean: The Post-colonial Tradition', *European Review of Latin American and Caribbean Studies* 51.
- Sutton, Paul, 2006, *Modernizing the State: Public Sector Reform in the Commonwealth Caribbean* (Kingston: Ian Randle Publishers).
- Symons, Baroness, 1999, 'Speech by the Parliamentary Under-Secretary of State for the Foreign and Commonwealth Office to the Royal Commonwealth Society, London, 21 May 1999'.
- Taylor, Charles, 1971, 'Statistical Typology of Micro-states and Territories: Towards a Definition of a Micro-state', in United Nations Institute for Training and Research (UNITAR), *Small States and Territories: Status and Problems* (New York: Arno).
- Thorndike, Tony, 1986, 'The Political Economy of Independence of the Former Associated States of the Commonwealth Caribbean', in Paul Sutton (ed.), *Dual Legacies in the Contemporary Caribbean: Continuing Aspects of British and French Dominion* (Frank Cass: London).
- Thorndike, Tony, 1991, 'Politics and Society in the South-Eastern Caribbean', in Colin Clarke (ed.), *Society and Politics in the Caribbean* (London: Macmillan).
- Triesman, Lord, 2006, 'A Successful Future', Speech by Lord Triesman, Minister for the Overseas Territories, Turks and Caicos Islands, 24 April, 2006.
- Turner, Mark and David Hulme, 1997, *Governance, Administration and Development* (London: Macmillan).
- UNITAR, 1971, *Small States and Territories: Status and Problems* (New York: Arno).
- United Nations, 1965, *GAOR*, Doc.A/6001/Add.1.
- United Nations, 2005, 'Mauritius Strategy for the Further Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States', paragraph 81.
- Watts, Ronald, 2000, 'Islands in Comparative Constitutional Perspective', in G. Baldacchino and D. Milne (eds.), *Lessons from the Political Economy of Small Islands: The Resourcefulness of Jurisdiction* (Basingstoke: Macmillan).
- West Indian Commission. 1992. *Time for Action* (Barbados: Report of the West Indian Commission).

Appendix

Table 1. Small states by population and GNI per capita

<i>Country</i>	<i>Population in thousands 2000</i>	<i>GNI in US\$ per capita 2003</i>
Estonia	1,393	16,700*
The Gambia	1,303	310
Trinidad and Tobago	1,294	7,260
Gabon	1,230	3,580
Guinea Bissau	1,199	140
Mauritius	1,161	4,090
Swaziland	925	1,350
Fiji Islands	814	2,300
Cyprus	784	12,320
Guyana	761	900
Timor Leste	737	400*
Comoros	706	450
Bahrain	640	11,260
Djibouti	632	910
Qatar	565	12,000
Equatorial Guinea	457	930
Solomon Islands	447	600
Luxembourg	437	43,940
Cape Verde	427	1,490
Suriname	417	4,100*
Malta	390	10,780
Brunei Darussalam	328	24,100
The Bahamas	304	14,920
Maldives	291	2,300
Iceland	279	30,810
Barbados	267	9,270
Western Sahara	252	n/a
Belize	226	3,370
Vanuatu	197	1,180
Samoa	159	1,600
Saint Lucia	148	4,050
Sao Tomé and Príncipe	138	320
Micronesia	123	3,900*
Saint Vincent and the Grenadines	113	3,300
Tonga	99	1,490
Grenada	94	3,790
Andorra	86	24,000*
Kiribati	83	880
Seychelles	80	7,480
Dominica	71	3,360
Antigua and Barbuda	65	9,160
Marshall Islands	51	2,300*
Saint Kitts and Nevis	38	6,880
Monaco	33	27,000*
Liechtenstein	33	25,000*
San Marino	27	34,600*
Palau	19	5,800*
Nauru	12	5,000*
Tuvalu	10	1,100*
Vatican City	1	n/a*

Sources

Population: Unites Nations Population Division, 2000.

GNI per capita: *Small states: Economic review and basic statistics* (Commonwealth Secretariat, 2006).

* Figures are GDP per capita PPP (various years) from *CIA Fact Book* (accessed via web on 11-09-2006).

Table 2. Non-independent territories by population

<i>Country</i>	<i>Population in thousands 2000</i>	<i>GDP in US\$ per capita</i>
Reunion	721	4,800
China, Macao SAR	444	22,000*
Guadeloupe	428	9,000
Martinique	383	11,000
French Polynesia	233	10,800
New Caledonia	215	15,000
Netherlands Antilles	215	11,400
French Guiana	165	8,300*
Guam	155	21,000
Channel Islands	144	Guernsey 40,000 Jersey 40,000*
United States Virgin Islands	121	15,000
Aruba	101	28,000
Isle of Man	75	18,800
Northern Marianas Islands	73	12,500
American Samoa	68	8,000
Bermuda	63	33,000
Greenland	56	20,000
Faroe Islands	46	20,000
Cayman Islands	38	24,500
Gibraltar	27	27,900*
British Virgin Islands	24	16,000
Cook Islands	20	5,000
Turks and Caicos Islands	17	7,300
Wallis and Futuna Islands	14	2,000
Anguilla	11	8,200
Saint Pierre and Miquelon	7	11,000
Saint Helena	6	2,500
Montserrat	4 **	5,000
Falkland Islands	2	19,000
Niue	2	2,800
Tokelau	1	1,000*
Pitcairn	.047	n/a*

Sources

Population: Unites Nations Population Division, 2000.

GDP per capita (various years): G. Bertram, 'On the convergence of small island economies with their metropolitan patron', *World development* (2003).

* Figures are GDP per capita PPP (various years) from *CIA Fact Book* (accessed via web on 11-09-2006).

** 11 before volcanic eruption.

Table 3. Small states: governance indicators 2004

<i>Country</i>	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>
<i>Average</i>	49.9	49.9	49.9	49.8	49.9	49.5	
Estonia	85.0	79.1	81.3	93.6	81.2	80.3	+ 6
The Gambia	32.0	58.7	35.6	46.3	43.5	33.5	– 5
Trinidad and Tobago	62.1	49.0	66.8	70.0	56.0	58.1	+ 5
Gabon	28.2	48.1	34.6	34.5	39.1	35.5	– 6
Guinea-Bissau	31.1	33.0	8.7	18.7	8.7	30.0	– 6
Mauritius	74.8	78.2	70.7	62.6	78.3	67.0	+ 6
Swaziland	10.2	53.9	31.3	37.9	19.3	13.8	– 5
Fiji Islands	51.0	51.0	32.7	37.9	47.8	54.2	– 3/+ 3
Cyprus	79.1	56.8	82.7	87.7	78.7	79.3	+ 6
Guyana	66.0	33.0	49.0	47.3	40.1	44.8	– 5
Timor Leste	52.9	29.1	10.1	35.5	34.8	48.3	– 5
Comoros	42.2	43.7	3.8	14.3	15.0	7.4	– 6
Bahrain	27.7	49.5	75.5	72.9	69.1	76.8	+ 4
Djibouti	25.2	34.5	24.5	21.7	33.8	14.3	– 6
Qatar	26.7	79.1	78.4	45.8	76.8	72.4	+ 4
Equatorial Guinea	4.4	36.9	4.8	20.7	14.5	00.0	– 6
Solomon Islands	49.5	26.2	1.4	6.4	10.1	5.4	– 6
Luxembourg	95.6	99.5	98.1	100.0	99.0	96.6	+ 6
Cape Verde	71.4	68.4	50.0	61.1	59.4	66.5	+ 6
Suriname	65.5	58.3	46.2	30.0	46.4	69.0	– 3/+ 3
Malta	91.7	95.6	83.7	89.7	87.4	87.7	+ 6
Brunei	17.5	85.4	74.0	84.2	65.2	63.1	+ 5
The Bahamas	86.4	80.6	87.0	74.9	88.4	88.2	+ 6
Maldives	19.9	72.3	66.8	51.7	36.7	60.6	+ 4
Iceland	96.6	100.0	99.0	98.5	100.0	99.0	+ 6
Barbados	87.9	97.6	85.6	77.3	87.0	79.8	+ 6
Western Sahara	n/a	n/a	n/a	n/a	n/a	n/a	
Belize	73.3	65.5	61.1	62.1	58.5	54.7	+ 6
Vanuatu	67.5	63.1	31.3	39.4	51.2	37.4	– 3/+ 3
Samoa	68.4	76.7	59.1	63.5	67.1	59.1	+ 6
Saint Lucia	77.2	94.2	61.5	66.5	72.0	64.5	+ 6
Sao Tomé and Príncipe	64.6	50.5	18.3	34.0	37.2	32.0	– 5
Micronesia	80.1	72.8	42.3	52.7	61.4	47.8	+ 4
Saint Vincent	76.2	92.2	62.5	67.0	73.4	67.5	+ 6
Tonga	38.3	69.9	25.0	35.5	49.8	31.5	– 5
Grenada	71.8	81.6	59.6	63.1	62.3	71.9	+ 6
Andorra	90.3	92.7	89.9	90.1	90.8	84.7	+ 6
Kiribati	72.8	71.4	30.8	31.0	58.5	56.7	+ 4
Seychelles	44.7	73.8	44.2	10.8	48.8	57.6	– 4
Dominica	85.0	89.3	63.9	67.5	68.1	64.0	+ 6
Antigua and Barbuda	61.7	91.3	63.9	73.4	81.2	81.3	+ 6
Marshall Islands	86.4	66.5	36.5	29.1	49.8	22.7	– 4
St. Kitts and Nevis	70.4	94.2	52.4	64.5	70.0	67.5	+ 6
Monaco	73.3	86.9	90.4	n/a	74.4	n/a	
Liechtenstein	92.2	93.7	91.3	94.1	89.4	92.1	+ 6
San Marino	88.8	90.3	46.2	n/a	74.4	n/a	
Palau	89.3	66.5	65.9	n/a	74.4	n/a	
Nauru	82.5	66.5	5.8	n/a	74.4	n/a	
Tuvalu	74.8	76.2	24.0	74.4	73.4	25.1	+ 4
Vatican	n/a	n/a	n/a	n/a	n/a	n/a	

Source: World Bank

Column 1 Voice and accountability
 Column 2 Political instability and violence
 Column 3 Government effectiveness
 Column 4 Regulatory burden
 Column 5 Rule of law
 Column 6 Control of corruption
 Column 7 + .. : number of times country exceeds average
 – .. : number of times country falls below average.

Table 4. Non-independent territories: governance indicators 2004

<i>Territory</i>	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>
Reunion	81.6	72.8	83.7	77.3	80.2	83.7
China Macao Sar	50.0	87.9	82.2	91.6	91.8	91.6
Martinique	67.5	96.1	77.4	75.4	82.6	75.4
Netherlands Antilles	58.3	66.5	76.4	75.4	72.0	83.7
French Guiana	58.3	61.2	72.6	58.1	63.8	73.4
Guam	63.1	65.0	66.3	69.0	80.7	70.4
United States Virgin Islands	67.0	68.9	76.0	79.8	87.9	81.3
Aruba	66.5	82.5	77.4	78.8	83.6	84.7
American Samoa	58.3	70.4	58.2	70.4	77.3	59.6
Bermuda	78.6	84.5	88.9	82.8	84.5	81.3
Cayman Islands	70.9	98.5	88.9	79.8	86.5	84.7
Cook Islands	n/a	n/a	50.0	59.6	65.7	50.2
Anguilla	69.9	77.7	78.4	79.8	83.6	77.3

Source: World Bank

Column 1 Voice and accountability
Column 2 Political instability and violence
Column 3 Government effectiveness
Column 4 Regulatory burden
Column 5 Rule of law
Column 6 Control of corruption

Table 5. Sub-national island jurisdictions (SNIJs, N = 106)

<i>West Atlantic/Caribbean (20)</i>	<i>South, Central and North-East Atlantic, all related to Britain (10)</i>	<i>Scandinavia/Baltic (9)</i>	<i>South Pacific (24)</i>	<i>North-West Atlantic (6)</i>	<i>Mediterranean and East Atlantic (9)</i>	<i>Indian Ocean/ East Africa (10)</i>	<i>South Asia, East Asia and North Pacific (18)</i>
Anguilla Aruba and Netherlands Antilles (Bonaire, Curaçao, Saba, St. Eustatius, St. Maarten) Barbuda Bermuda British Virgin Islands Cayman Islands Guadeloupe Martinique Montserrat Nevis Puerto Rico San Andres y Providencia Tobago Turks and Caicos Islands United States Virgin Islands	Falklands Guernsey Isle of Man Jersey Northern Ireland Scotland Shetland Islands South Georgia and South Sandwich Islands St. Helena and its dependencies Wales	Åland Bornholm Faroe Gotland Greenland Hiiuamaa Lofoten Saaremaa Svalbard	Admiralty Islands/Manus American Samoa Banaba Bougainville Chatham Island Cocos (Keeling) Islands Cook Islands Easter Island/Rapa Nui French Polynesia Galapagos Kosrae Macquarie Island New Caledonia Niue Norfolk Island Pitcairn Pohnpei Rotuma Tasmania Tokelau Torres Strait Islands Truk Wallis and Futuna Yap	Baffin Island/Nunavut Cape Breton Island Newfoundland and Labrador Prince Edward Island Rhode Island St. Pierre et Miquelon	Territories associated with European Union member/ applicant countries: Azores Balearics Canaries Corsica Gozo Madeira North Cyprus Sardinia Sicily	Andaman and Nicobar Lakshadweep Mayotte Njazidja Mwali Nzwani Pemba Reunion Rodrigues Zanzibar	Aceh Aleutians Guam Hainan Hawaii Hong Kong Jeju/Cheju Kurile Islands Labuan Macao Mindanao Northern Marianas Okinawa Queen Charlotte Islands/ Haida Gwaii Sakhalin South Moluccas Tamil Eilam Taiwan

Source: G. Baldacchino, 'The World's Non-Sovereign Island Jurisdictions'.
Presentation at the Institute of Commonwealth Studies, University of London, April 2005.

Table 6. Six forms of political relations combining autonomy and partnership in the contemporary Caribbean (after Watts 2000)

1 Unions	Polities compounded in such a way that the constituent units preserve their respective integrities primarily or exclusively through their participation in the common organs of general government rather than through dual government structures.	St Vincent and the Grenadines, Trinidad and Tobago
2 Constitutional decentralized unions	Basically unitary in form but incorporate constitutionally protected sub-units government which have some functional jurisdiction and autonomy.	Antigua and Barbuda, Anguilla, Bermuda, British Virgin Islands, Montserrat, Turks and Caicos Islands, US Virgin Islands
3 Federations	Compound polities, combining strong constituent units and a strong general government, each government possessing sovereign powers delegated to it by the people through a constitution, each government empowered to deal directly with the citizens in the exercise of its legislative, administrative and taxing powers, and each government elected directly by its citizens.	St Kitts and Nevis (historical example – West Indies Federation 1959-62, composed of ten island units it was the most decentralised modern federation that has existed)
4 Confederations	Several pre-existing polities join together to form a common government for certain limited purposes such as foreign affairs, defence or common trade policy, but the common government is dependent upon the constituent governments.	The Caribbean Community and Common Market (CARICOM), the Organisation of Eastern Caribbean States (OECS)
5 Federacies	Asymmetrical federal relationships where a smaller unit or units are linked to a larger polity, often a former colonial power, but the smaller unit or units retain considerable autonomy, have a minimal role in the government of the larger, and the relationship can be dissolved only by mutual agreement of the larger.	Puerto Rico to the USA
6 Associated states	Involving radically asymmetrical relationships, are similar to federacies, but differ in that they can be dissolved by either of the units acting alone on prearranged terms established in the constitution document or treaty.	Netherlands Antilles to the Netherlands

Source: Ronald Watts 'Islands in Comparative Constitutional Perspective' in Baldacchino and Milne (eds), *Lessons from the Political Economy of Small Islands* (2000)

Table 7. Constitutional profiles of the British Overseas Territories in the Caribbean (as of 1/9/2006)

	Constitution	Political status	Governor	Executive Council	House of Assembly	Legislative Council	Senate	Last general elections	Constitutional Issues
Bermuda	adopted 1968 (amended 5 times)	internally self-governing ministerial system	Reserved powers only in internal affairs. Responsible for external affairs, defence and internal security (including the police), with some of these powers delegated to ministers. Advised by a Governor's Council.	Headed by the majority leader in the House of Assembly as Premier. The Premier chooses the Cabinet (at least 6 other members of the House of Assembly).	36 elected members		11 appointed members	24 July 2003	In December 2004 the Premier announces the formation of the Bermuda Independence Commission to examine options for independence, which reported in August 2005. The report has not been acted upon. Opinion polls on 1 July 2006 suggest 20% in favour of independence and 65% opposed.
Anguilla	adopted 1982 (amended 1990)	largely internally self-governing ministerial system	Responsible for external affairs, defence, internal security (including the police), offshore finance and the public service. 'Appoints' and chairs the Executive Council.	Headed by the Chief Minister plus 3 other elected members of the House of Assembly, and 2 ex-officio (Attorney General and Deputy Governor).	7 elected members. 2 nominated, 2 ex-officio plus Speaker			21 February 2005	Commission appointed to review reform.
British Virgin Islands	adopted 1976 (amended 1998 and 2000)	largely internally self-governing ministerial system	Responsible for external affairs, defence, internal security (including police), the public service and the administration of the courts. 'Appoints' and chairs Executive Council.	Headed by Chief Minister plus 4 other elected members of the Legislative Council.		13 elected members plus Attorney General plus Speaker		16 June 2003	Following a constitutional review in 1993 'voting-at-large' was introduced in 1995 for 4 out of the 13 seats in the Legislative Council. Constitution review commission reports in April 2005. Talks with FCO proceeding.
Cayman Islands	adopted 1972 (amended 1994)	largely internal self-governing 'ministerial' system	Responsible for external affairs, defence, internal security (including police) and the public service. 'Appoints' and chairs Executive Council.	Headed by Leader of Government Business plus 5 from the Legislative Assembly and 3 ex-officio members (Chief Secretary, Attorney General and Financial Secretary).		15 elected members, plus 3 ex-officio and Speaker		11 May 2005	Constitutional reform commission reported in 2002 but process suspended 2004.
Montserrat	1990	largely internal self-governing ministerial system	Responsible for external affairs, defence, internal security (including police), the public service and offshore finance. 'Appoints' and chairs Executive Council.	Headed by Chief Minister plus 3 other elected members of Legislative Council, plus Attorney General and Financial Secretary.		9 elected members		31 May 2006	Constitutional commission appointed 1999 recommends changes to electoral system following volcanic eruption. Constitutional review commission reports in 2002, Legislative Council reviews in 2005, talks with FCO ongoing.
Turks and Caicos Islands	adopted 9 August 2006 (previously 1988). (Following description mostly refers to 1988 Constitution.)	largely internal self-governing ministerial system	Responsible for external affairs, defence, internal security (including police), offshore finance and the public service. 'Appoints' and chairs Executive Council.	Headed by Chief Minister plus 5 other elected members of the Legislative Council, plus Chief Secretary and Attorney General.		19 members, 13 elected, 3 nominated plus 3 ex-officio (Chief Secretary, Attorney General and Speaker)		24 April 2003	Constitutional reform commission reports 2002 and following discussions in TCI and London new constitution approved. Chief Minister to be called Premier, Executive Council renamed Cabinet, Executive Council renamed Cabinet, Legislative Council renamed House of Assembly. Future elections to House of Assembly to contest 15 elected members, 4 nominated, 1 ex-officio (Attorney General) plus Speaker.