

Caribbean Small Islands Developing States

Impacts of Globalization of Developing Countries

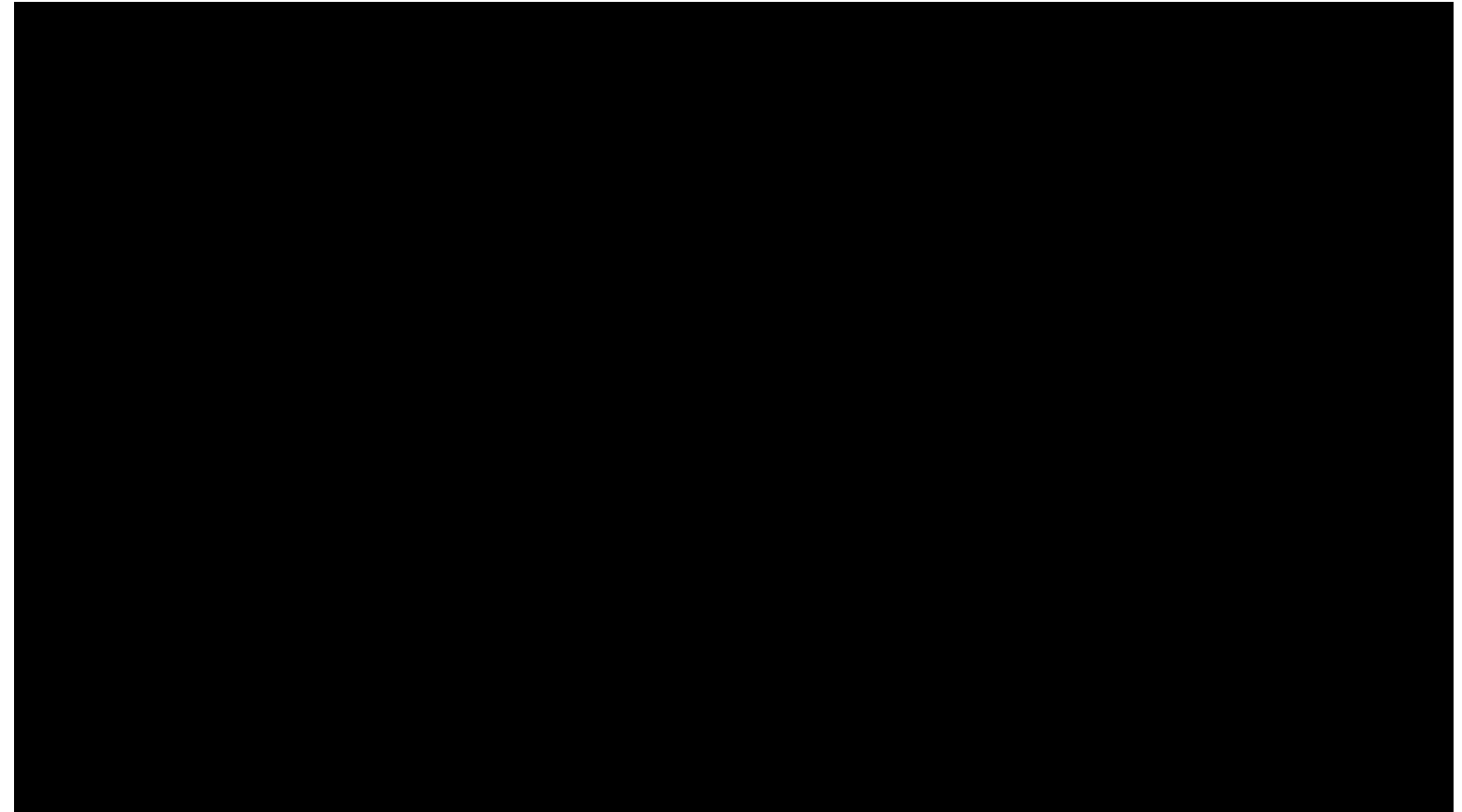
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1. Introduction



Source: <https://www.un.org/en/conferences/small-islands>

1. Introduction



Source: https://en.wikipedia.org/wiki/Caribbean#/media/File:Caribbean_general_map.png

2. Share of the country group

... on the global population

- About 43 million people live on Caribbean Small Islands
 - 0.55 % of the global population
- Population consists of people from different origins, such as African, European, Creole or Asian
- Average life expectancy for men: 71 years
- Average life expectancy for women: 75 years

2. Share of the country group

... on the global area

- Territory covers area of 2.7 million km²
- Pure area of land masses is only 221,000 km²
- Land area of the earth is about 149.4 million km²
- 0,15 % of the global area

2. Share of the country group

... on the global GDP

- Average GDP per capita is approx. 9,200 USD
 - corresponds to 0.44 % of the world's GDP
- GDP has increased throughout the Caribbean in recent years (GDP in 2000: 4,350 USD)
- Haiti has the lowest GDP of the Caribbean islands with 868 USD
- The Bahamas (32,218 USD) and the US Virgin Islands (35,938 USD) have the highest GDP

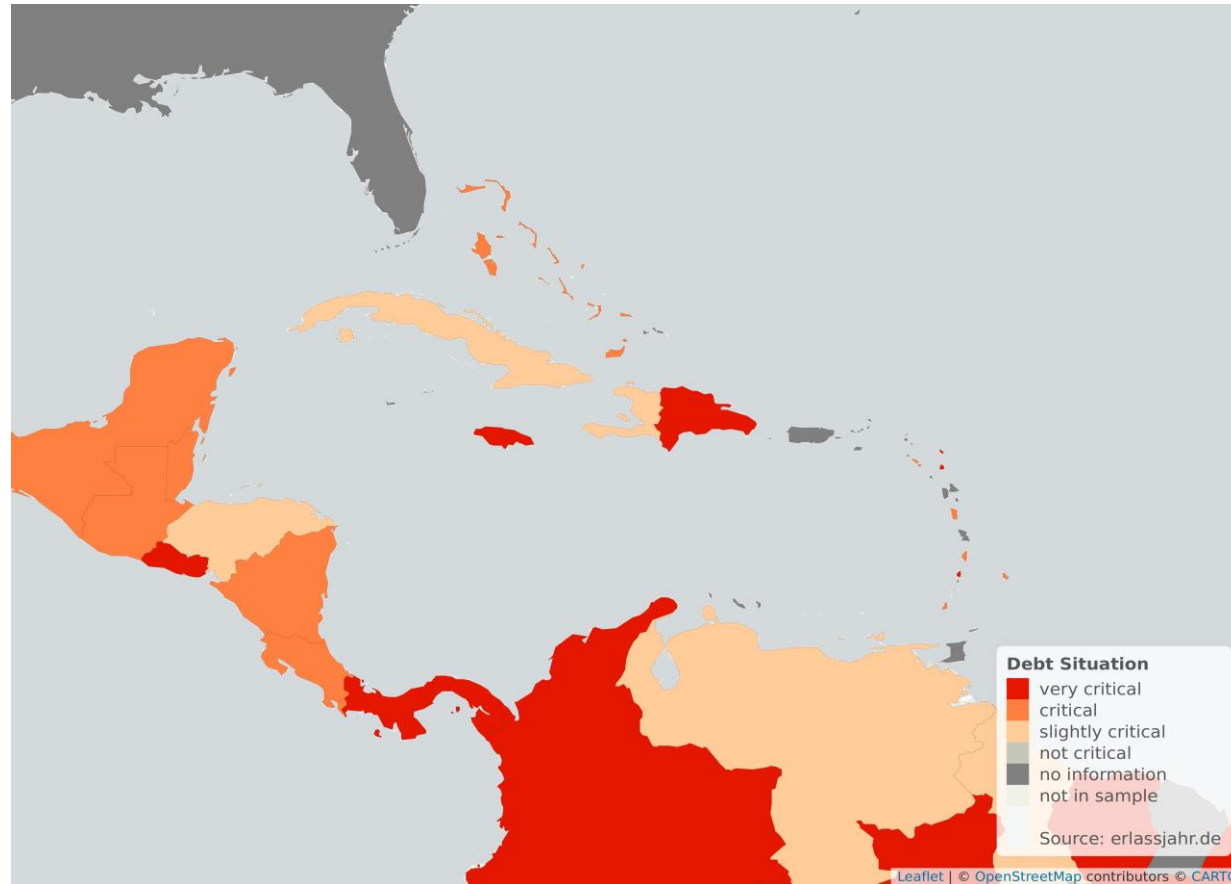
2. Share of the country group

... on the global imports and exports

- Imports of the Caribbean Islands 2019: 142.1 billion USD
 - 3,352 USD per capita
 - Corresponds to 0.59 % of the global imports
 - Imports have increased in recent years
- Exports of the Caribbean Islands 2019: 148.9 billion USD
 - 3,513 USD per capita
 - Corresponds to 0.60 % of the global exports
 - Exports have decreased slightly since 2013 (152.4 billion USD)

2. Share of the country group

... on the global debt



Source: <https://erlassjahr.de/en/information/map-highly-indebted-countries-worldwide/>

2. Share of the country group

... on the global debt

- Debt-to-GDP ratio averages 73 %
 - Equivalent to only 66% of global debt
- But there are big differences between the individual Caribbean countries
 - Debt of Barbados: 122 % (global rank 10)
 - Debt of Trinidad and Tobago: 45 % (global rank 109)

2. Share of the country group

... on the global CO₂ emissions

- Average CO₂ emission per capita is 3.79 t
 - Corresponds to 0.79 % of global emissions
- There are also large differences between the countries
 - CO₂ emission of Trinidad and Tobago: 26,19 t (global rank 3)
 - CO₂ emission of Haiti : 0,33 t (global rank 154)

3. More specific characteristics

Sustainability

- Caribbean Islands rely heavily on imported fossil fuels -> spending an ever-larger proportion of their GDP on energy imports
- Understanding the need to move towards low-carbon and climate resilient economies -> Caribbean Community (CARICOM) implemented plan for climate change-resilient development
- Renewable technologies have the advantage of providing energy at a lower cost than fossil fuels
- Example: Barbados has been successful in adopting the use of solar water heaters
- Other potentials: increase economic benefits of marine resources through aquaculture and sustainable tourism

3. More specific characteristics

Climate change

- Caribbean Islands are some of regions most vulnerable to climate change
- Due to their proximity to water, they are especially vulnerable to the marine effects of climate change like sea level rise, ocean acidification, marine heatwaves, and the increase in cyclone intensity
- Economies are based on natural resources, such as ecotourism, fishing, or agriculture -> sea level rise, coastal erosion, and severe storms have the potential to severely impact their economies
- Caribbean Islands also have reduced financial and human capital to mitigate climate change risk, as many rely on international aid to cope with disasters like severe storms

4. Impacts of Globalization on the example of Jamaica

General information about Jamaica

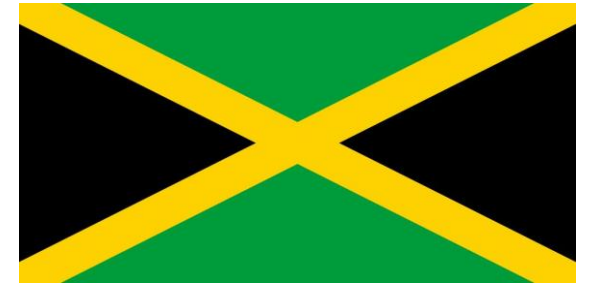


Source: <https://geology.com/world/jamaica-map.gif>

4. Impacts of Globalization on the example of Jamaica

General information about Jamaica

- Capital: Kingston
- Official language: English
- Area: 10,991 km²
- Population: 2,726,667 (2018)
- GDP per capita: 5,393 USD



Source: <https://www.countryflags.com/wp-content/uploads/jamaica-flag-png-large.png>

- birthplace of the Rastafari religion and reggae music

4. Impacts of Globalization on the example of Jamaica

Social impacts

- Gap between rich and poor is widening
 - Crime rate has risen in the last years
- Most common crimes are gang crime and drug smuggling
 - Transshipment point between markets in North America and cultivation areas in the south

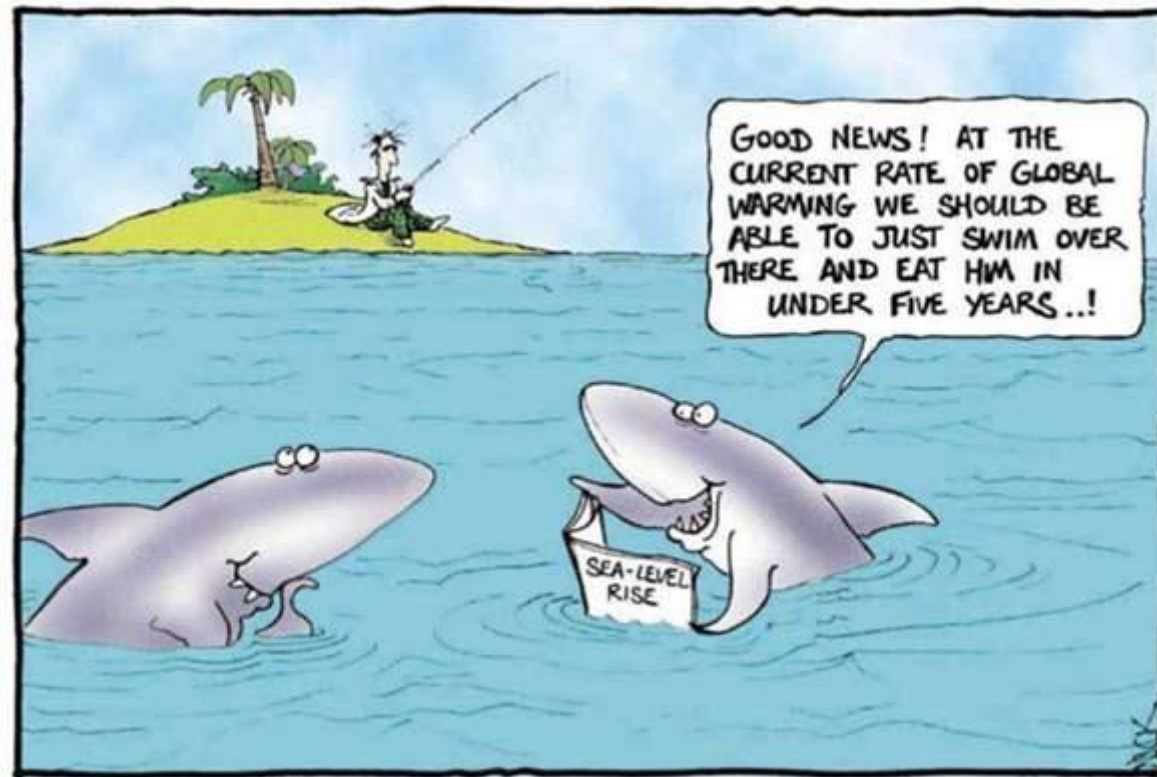
4. Impacts of Globalization on the example of Jamaica

Economic impacts

- One of the richer countries in the Caribbean
 - Nevertheless, every 5th inhabitant lives below the poverty line
- Economy heavily dependent on the US dollar
 - High prices due to globalization
- Economy is mainly characterized by the export of agricultural goods
- Agriculture is strongly dependent on the weather
 - Problem: global warming and its consequences for the environment

4. Impacts of Globalization on the example of Jamaica

Economic impacts



Source: https://images.gutefrage.net/media/fragen/bilder/cartoon-anlysis-hilfe/o_big.jpg?v=1585134079819

4. Impacts of Globalization on the example of Jamaica

Impacts on tourism

- Develops into the main economic sector
- Globalization increases mass tourism through package tours and cruise ships
 - Land and nature are treated ruthlessly and destroyed
 - Tourism often brings little financial benefit to the population
- For a few years now, emphasis has been placed on ecological tourism
 - ecologically sensible and sustainable tours should not only show tourists the beauty of the island, but also protect and preserve it and its nature

4. Impacts of Globalization on the example of Jamaica

Impacts of the Covid-19 pandemic

- 1/3 of Jamaica's population is directly or indirectly employed in the tourism sector
- One-sided focus on tourism shows its dark side in the Corona crisis
- Huge losses due to lockdown measures and entry restrictions
- Main travel season in winter has already been cancelled twice
- Questionable whether normality will return for the winter season 2021/22
- Another problem: Jamaica imports about 80 % of the food it needs -> due to the Corona crisis, there are supply bottlenecks and rising import costs

4. Impacts of Globalization on the example of Jamaica

Impacts of the Covid-19 pandemic

- Increase in inequality, poverty and unemployment
- GDP is estimated to fall by 9.1 %
- This corresponds roughly to the level of 2020 -> means a step backwards of 10 years (!)

5. Summary



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Source: <https://www.inquirer.com/opinion/cartoons/hurricane-dorian-donald-trump-bahamas-20190911.html>

5. Summary

Through globalization, the Caribbean islands have the opportunity to address existing poverty and strengthen the economy, especially the tourism sector.

Nevertheless, the gap between rich and poor is widening.

The one-sided focus on the tourism sector also harbors dangers, as the ongoing Corona crisis clearly shows.

Compared to other developing countries, the Caribbean Small Islands Developing States face particular problems. These states are ecologically very sensitive and are repeatedly set back in their development by environmental disasters, for example. Furthermore, island states are particularly affected by global warming.

6. Sources

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Thank you for listening!