

**A SURVEY OF PUBLIC ENTERPRISE ISSUES  
WITH PARTICULAR REFERENCE TO THE OECS**

**BY**

**SHEILA WILLIAMS**

**RESEARCH AND INFORMATION DEPARTMENT**

**EASTERN CARIBBEAN CENTRAL BANK**

*Paper Prepared for Presentation at the XXIII Annual Conference  
of the Regional Programme of Monetary Studies,  
Belize  
November 25-28, 1991*

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INTRODUCTION

Public enterprise has been a subject of much discussion in the English Speaking Caribbean for more than two decades. It became a very topical issue in the late 1960s and early 1970s with the proliferation of public enterprises particularly in Guyana, Jamaica and Trinidad and Tobago. The rapid expansion of the public sector in the 1960s and early 1970s was at the time seen as a major contributor not only to economic development but also to social and political stability. G.E. Mills (1981) for example, states that "the burgeoning of public enterprise is currently a controversial issue in Guyana and Jamaica, stemming from socialist ideologies - cooperative and democratic respectively - proclaimed by the governing parties of these States". Issues on Public Enterprise have intensified in recent years partly as a result of a growing disillusionment with their performance in the late 1970s and during the 1980s. Increasingly privatisation is being advocated as a means of improving the operations of a number of public enterprises which have been judged inefficient. Indeed, in recent years Guyana has been retreating rapidly from state control to privatising and deregulating in an effort to resuscitate its economy. Trinidad and Tobago has embarked on a review of public enterprises which is said to include privatisation or at least the self-sufficiency of these.

This paper focuses on the rationale for the establishment of public enterprises in the OECS member countries, and on some aspects of their performance over the period 1985 to 1989. In addition to discussing some limitations in the use of the

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<sup>1</sup> The Organisation of Eastern Caribbean States (OECS) comprises Antigua and Barbuda, Dominica, Grenada, St Kitts and Nevis, St Lucia and St Vincent and the Grenadines.

profitability criterion to assess performance, this paper attempts to recommend measures to improve the operations of the public enterprise sector in the OECS. Section 1 deals with a definition of public enterprise and discusses the sectoral distribution of public enterprises in the OECS member states. Section 2 discusses some of the factors that have led to the establishment and growth of public enterprises. Section 3 discusses public enterprise performance in four OECS member countries for which data is available, as well as some difficulties encountered in attempting to assess performance. Section 4 provides the summary and conclusion.

## 1. DEFINITION OF PUBLIC ENTERPRISE

The term 'public enterprise' is sometimes difficult to define as it covers a very diversified range of organisations operating in the public sector and a variety of management ownership forms. R.P. Short (1984) cited three main legal forms that may be taken by a public enterprise: (1) it may be a departmental undertaking, that is, it is operated by a government department with finances and accounts at least partly integrated with those of the government; (2) it may be a public corporation, that is, a corporation operating under a special law that may lay down particular conditions, for example, that it should be wholly government owned or that control should be exercised in particular ways; or (3) it may be a publicly owned company, that is, a company operating under private law in which the government has a controlling ownership stake. Public enterprises fitting all three descriptions can be found in the OECS.

Public enterprises have been broadly defined, in terms of two characteristics; they are government owned and controlled; and they are engaged in business activities. For the purpose of this paper a public enterprise refers to an enterprise that is wholly or partly owned by Government and produces and sells industrial, commercial, or financial goods and services to the public. This

definition, however, focuses mainly on public corporations and excludes those enterprises that are run directly as central government departments, for example, postal services, or by local government bodies.

In the OECS member countries, public enterprises can be found operating in a wide range of economic activities, including the provision of public utility services, manufacturing, marketing of agricultural produce as well as imported goods, industrial promotion, banking, housing and land development and port services. This is evident in Table 1 which provides information on the sectoral distribution of selected public enterprises operating in the OECS region. It is evident from Table 1 that public enterprises are still relatively more important in the public utilities sector, mainly electricity and water, as well as in the transport and agricultural and trading sectors. Most of the public enterprises in the agricultural and trading sectors in the OECS take the form of marketing agencies. Public enterprise participation in the manufacturing sector is however, much less widespread, and is concentrated on agro-based industries such as sugar manufacturing in St Kitts and arrowroot and dairy product manufacturing in St Vincent.

## 2. RATIONALE FOR PUBLIC ENTERPRISES

Kirkpatrick, Lee and Nixson (1984) noted that economic theory traditionally has rationalised direct government participation in productive activities in terms of the imperfections in the market economy. Welfare economics demonstrates that welfare-maximising behaviour by individuals, and profit-maximising behaviour by firms in a perfectly competitive market economy, result in a Pareto optimum equilibrium; that is, for a given distribution of income, the allocations of productive factors and output are such that it would be impossible to increase any person's welfare without reducing that of someone else.

For this Pareto optimum to be achieved, it is necessary for certain efficiency conditions to be fulfilled in consumption and production decisions. The conditions necessary to achieve a competitive Pareto optimum, however, are not met in the real world. Various sources of imperfection cause the economy to diverge from the perfectly competitive norm, and from the welfare economics perspective, the establishment of public enterprises can be rationalised as a means of correcting specific forms of market imperfections and ensuring that the conditions necessary for the efficient operation of the market mechanism are met.

However, many of the important factors that motivate public policy in developing countries cannot be accommodated easily within the neo-classical analytical framework, and as a result it provides an incomplete explanation of public sector activities. Many redistributive measures, which public enterprises are generally expected to pursue, would be regarded as undesirable from a welfare economics perspective since they result in economic inefficiencies. For example, measures aimed at achieving a greater degree of income equality are important components of economic policy in many developing countries including those in the OECS.

The existing literature on public enterprises indicate that a number of factors including economic, political and social have influenced governments' decision to undertake productive activities, though the importance of these factors varied between countries and also within a given country over time.

In centrally planned countries, for example, the Soviet Union, China and Cuba, ideology provided the rationale for the public ownership of the means of production which has been achieved through extensive nationalisation. There were also periods when political and ideological factors were predominant among some developing countries, particularly Pakistan and Ghana. Ayub and Hegstad (1986) state that in Pakistan, where economic development has traditionally been more private oriented, there was a period

(1972 to 1977) of rapid increase in the size of the public enterprise sector on purely ideological grounds. In Ghana, particularly during the First Republic (1957 to 1966), an important political consideration was the breaking up of the economic power of foreign companies.

In the member countries of the OECS, the growth of public enterprises was said to reflect in some measure the greater responsibility for accelerating economic development which was assumed by the State with the attainment of Associated Statehood in the early and mid 1960s. Public enterprises were established for one or more of the following purposes:

- (a) To ensure government control over vital and strategic sectors of the economy, for example, the public utilities sector, in order to facilitate in part private sector investment and increase economic growth. Blackman (1990) noted that it was in the area of utilities that Caribbean governments tested the waters of public enterprise. Governments were frequently forced to provide utilities services as high investment costs, long periods of gestation and uncertain rates of return operated as deterrents to private investors.
- (b) To preserve jobs and rescue important industries in cases where private sector enterprises are in a state of collapse; for example, the nationalisation in 1976 of the St Kitts sugar industry, which employed nearly one third of the labour force and accounted for almost 90 per cent of merchandise exports in the early 1970s. The nationalisation of the West Indies Oil Company in Antigua in 1976 was done also in an effort to save jobs.
- (c) To raise productivity, increase employment and improve the general standard of living. Brown (1981) cited social equity and redistribution as reasons which were often given for direct state intervention in the Caribbean countries. She

noted that this was particularly marked towards the end of the 1960s as increasing unemployment and income concentration raised questions regarding the meaning of economic development.

- (d) To fill the void created by commercial banks which, as a matter of policy, do not make long term loans, other than for buildings secured by mortgage. In the OECS this is evident by the establishment of development banks in most of the member territories to provide credit and other assistance for the development of agriculture, industry and low income housing.
- (e) To serve as a catalyst for the development of sectors which are expected to have high growth potential, but for which private sector investment was initially not forthcoming; for example, hotel construction for tourism development.

### 3. PERFORMANCE OF THE PUBLIC ENTERPRISE SECTOR

As mentioned earlier public enterprises operate in a wide range of economic activities and are also prominent in key economic sectors. As such it is essential that their performance be evaluated and monitored on a regular basis since their operations can have a significant impact on economic growth and social and political stability.

Public enterprises are often expected to fulfill both economic and social objectives, consequently their performance must be assessed in terms of the achievement of their stated objectives. This process would involve the identification of objectives, the construction of performance indicators and the measurement of the degree of attainment of these objectives. This process, although it appears logical, can be very difficult to implement for a number of reasons. Firstly, there is the problem of objectives not being clearly specified or sufficiently detailed. For example, the legislation establishing an enterprise usually sets out its objects

or functions; however, these are not always clear and quite often they do not provide an appropriate basis for the establishment of workable objectives. Secondly, there are usually cases where objectives are in conflict with one another other and it might be difficult to determine which should be accorded the higher or highest priority. Thirdly, some public enterprises have a multiplicity of objectives and this situation might require the application of a variety of tests to assess performance, or a multiple-goals performance test which is usually very difficult to devise. Fourthly, there is the problem of availability of detailed data on public enterprises which would be necessary for the empirical estimation of performance measures.

One of the most widely used measures of performance is the profitability test which gives an indication of economic performance. Killick (1983) noted that the ability of an enterprise, operating under competitive conditions, to earn profits is proof of its market strength. He further stated that profitability will affect the amount of investment, as much industrial investment is financed out of reinvested profits, and hence the contribution of the firm to the overall growth of the economy.

However, while profitability is used as a criterion for economic efficiency it has some major drawbacks when applied to public enterprises. Firstly, it is a reasonably good indicator of cost efficiency only when the enterprise is selling in a competitive market; many public enterprises are however, either monopolies or account for a large share of the market. Ayub and Hegstad (1986) noted that good financial performance may measure efficiency but may also result from market distortions and pricing policies. For example, some of the more profitable public industrial enterprises in Ghana owed their financial success almost wholly to monopolistic positions and to very high levels of protection from foreign competition. Secondly, by applying the profitability measure only, assumes that one accepts the



economist's model of the firm as a profit-maximizer, or at least as giving high priority to profit. As mentioned earlier, public enterprises have a multiplicity of objectives, some of which might conflict with commercial profit maximisation. Thirdly, current profitability might not be a good indicator of efficiency performance because public enterprise activities may generate external costs and benefits which do not enter into the estimates of financial profitability. Additionally, public enterprises might be given loans at preferential rates from government-owned financial institutions, and concessions on import duties or taxes, all of which may tend to blur any assessment of their profitability.

#### **Public Enterprise Operations in the OECS**

In the OECS member territories most of the public enterprises were established to promote economic and social development. Based on the foregoing discussion the application of the profitability measure can be regarded as a necessary but not sufficient criterion for assessing performance of public enterprises in the OECS member countries. It is essential that consideration be given to both profitability and social impact analysis when evaluating performance, as employment creation and income redistribution are among some of the important objectives pursued by public enterprises.

Data constraints permit only a limited assessment of the performance of the public enterprise sector in the OECS member territories. The performance of public enterprises in four countries, namely Dominica, St Kitts and Nevis, St Lucia and St Vincent and the Grenadines, has been taken as representative.

The relative importance of the public enterprise sector in the four countries can be gauged from Table 2 which gives the percentage shares of the public enterprise sector in consolidated public sector expenditures. Over the period 1985 to 1989, public

enterprises' expenditures accounted for an average of 61 per cent of consolidated public sector expenditure in Dominica, 28 per cent in St Kitts and Nevis, and 34 per cent and 50 per cent in St Lucia and St Vincent and the Grenadines, respectively.

Tables 3 and 4 show the current account and overall balances of the public enterprise sector<sup>2</sup> expressed as percentages of GDP over the period 1985 to 1989. These Tables show that the financial position of Dominica's public enterprise sector was favourable for most of the period 1985/86 to 1988/89. The surplus on the current account balance averaged \$6.8m or 2 per cent of GDP over the period 1985/86 to 1988/89, reflecting the strengthening of the finances of the Dominica Banana Marketing Corporation (DBMC).

Meanwhile the overall balance of the consolidated public enterprises registered a surplus averaging \$6.8m, or 2.1 per cent of GDP over the period 1985/86 to 1987/88. However, the overall balance shifted into deficit of \$2.5m or 0.6 per cent of GDP in 1988/89. The deterioration in the overall balance was as a result of an increase in capital expenditure by the enterprises during the period 1986/87 to 1988/89.

The finances of the DBMC, the dominant enterprise, benefitted from the substantial increase in banana exports during the period 1984/85 to 1987/88. Over this period DBMC's current and overall balances shifted from a deficit position to a large surplus, averaging \$6.5m and \$5.4m, respectively. However, revenue from banana sales fell sharply in 1988/89 reflecting lower export volumes (as a result of hurricane damage) and prices, while capital expenditure increased with the construction of new premises. As a result both the current and overall balance moved into deficits of \$1.9m, equivalent to 0.6 per cent of GDP, and \$3.9m, or 1.3 per cent of GDP, respectively.

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<sup>2</sup> The financial years of the various public enterprises differ.

In St Kitts and Nevis the financial operations of the consolidated public enterprises fluctuated over the period 1985 to 1989. In 1985 the current account balance of the consolidated public enterprises registered a deficit of \$5.9m, equivalent to 2.9 per cent of GDP, reflecting in part a fall in output of the St Kitts Sugar Manufacturing Corporation (SSMC), the dominant enterprise. However, the consolidated current account balance moved to a surplus averaging \$1.8m, equivalent to 0.6 per cent of GDP, over the period 1987 and 1988 as a result of the combined effect of an improvement in sugar operations and in the Port Authority performance. In 1986 port charges were increased by 63 per cent, and government reorganised the sugar industry by merging the agricultural and manufacturing operations and consolidating management. Furthermore, in 1987 government assumed approximately \$56m of the sugar industry's debt to commercial banks, accumulated over a period of about ten years. However, the consolidated current account moved back into deficit of \$4.5m, or 1.2 per cent of GDP in 1989, partly as a result of hurricane damage to the sugar-cane crop and harvesting problems due to labour shortages.

Over the period the overall balance of the consolidated public enterprises of St Kitts and Nevis remained in deficit. However, with the improvement in the current account in the years 1986 to 1988, the overall deficit narrowed from 3.3 per cent of GDP in 1985 to 1.2 per cent in 1988. Notwithstanding, the deficit widened to 3.5 per cent of GDP in 1989, due largely to capital expenditure by SSMC on mechanical harvesters, and the deterioration in its current account balance.

In St Lucia the current account operations of the consolidated public enterprises improved over the period 1985/86 to 1989/90 with the surplus increasing from \$10.4m, or 2.2 per cent of GDP in 1985/86 to \$23m or 3.1 per cent in 1989/90. However, the overall balance registered deficits for most of the period, except in fiscal year 1987/88 when a surplus equivalent to 1 per cent of GDP

was realised. In the period 1988/89 to 1989/90 the deficit on the overall balance averaged roughly \$19m, equivalent to 3 per cent of GDP, reflecting an increase in investment outlays by the St Lucia Electricity Services Ltd (LUCELEC).

Current surpluses realised by LUCELEC in 1988 and 1989 were reinvested to meet the costs of a power project and a new power station construction which commenced in 1988. Most of the financing requirement of LUCELEC for the period 1988 to 1989 was met by external borrowing on concessional terms.

The other two major enterprises namely, the Air and Sea Ports Authority and the Water and Sewerage Authority, maintained current account surpluses over the period, which helped to cover part of the domestic financing requirement for their capital expenditure programme.

In the case of St Vincent and the Grenadines, the consolidated current account operations of the public enterprises also showed some improvement over the period 1985/86 to 1989/90. The current account balance moved from a surplus of \$2.8m, equivalent to 0.9 per cent of GDP in 1985/86 to one of \$15.4m or 3 per cent of GDP in 1989/90. This performance reflected measures undertaken by government, which included the increasing of utility rates and port charges and the overhaul of the management of a number of public enterprises.

The overall balance of the public enterprise sector, dominated over most of the period by the operations of VINLEC, registered a deficit from 1985/86 through 1988/89. The overall deficit averaged almost 3 per cent of GDP during the years 1986/87 to 1987/88 which was a period of peak spending by VINLEC on a hydro-electric project. With the winding down of VINLEC's capital expenditure programme in 1988/89, the consolidated public enterprises achieved an overall surplus equivalent to 0.4 per cent of GDP in 1989/90. The public enterprises were able to reduce

their indebtedness to the domestic banking system, despite their large capital investments over the past few years, as most of their investment programme was financed with external grants and concessionary loans.

VINLEC underwent a major capital expansion programme during the period 1986 to 1988 mainly for the construction of a hydro-electric project. Consequently, its overall balance registered a deficit of nearly 4.5 per cent of GDP in 1987. However, current operations have resulted in a surplus of roughly 1.5 per cent of GDP for the period 1987 to 1989, partly reflecting tariff increases in 1986 and 1988.

The analysis showed that while the overall deficit is a valuable indicator of performance, it cannot be used by itself to assess performance, as some of the factors that contribute to deficits might be outside the control of the enterprise; for example, natural disasters, unfavourable weather conditions or depressed world commodity prices have been partly responsible for overall deficits, in the case of the St Kitts sugar industry and the Dominica Banana Marketing Board. Additionally, the existence of public enterprise deficits need not always be a cause of much concern as borrowing to finance part of its investment programme may be fully justified, particularly if it is generating adequate revenues to meet its financing costs.

### Sources of Financing

The sources of financing of public sector deficits are important in that they may have implications for economic performance. Public enterprises' finance from the banking system may have distributional effects on the availability of credit, while borrowing from external sources may have implications for the balance of payments, for example in terms of the repayment of the resulting debt. Opponents of public enterprises often argue that they have been a drain on the public purse and an inefficient user

of bank credit. As noted earlier, in St Kitts and Nevis government assumed a substantial portion of the SSMC's debt in 1987; and in St Vincent and the Grenadines, government's net financing to VINLEC averaged \$12.5m over the period 1985/86 to 1989/90.

Information on the public enterprise sector's share of commercial banks' credit is shown in Table 5. Over the period 1985-1989 the share of public enterprise credit was particularly large for St Kitts and Nevis, and St Vincent and the Grenadines, averaging 14 per cent and 15 per cent respectively. In Dominica and St Lucia the shares were much smaller, averaging 3.6 per cent and 1 per cent of the total, respectively. The effect of borrowing from the commercial banks in St Kitts and Nevis and in St Vincent and the Grenadines may, in some years, have limited the availability of credit to the private sector. Data on the use of external sources of financing by the public enterprise sector during the period 1985/86 to 1989/90 are shown in Table 6. The use of external funding varied considerably among the four countries. However, in Dominica and St Kitts and Nevis the public enterprise sector did not rely, to any significant extent, on external sources as a means of financing, while in St Lucia and St Vincent and the Grenadines external borrowing was much more extensive.

#### 4. SUMMARY AND CONCLUSION

Public enterprises have played and continue to play an important role in the economic development process in most OECS countries, although their performance has tended to deteriorate in recent years. Efforts should be concentrated on evaluating the role and performance of this sector in light of developments in the international, regional and domestic economies. A number of enterprises were established under different economic circumstances, some two decades ago, for example, when private sector activity was dormant or was not as vibrant as it has been in recent times. Consequently an evaluation and review of the rationale for the establishment of enterprises might be necessary

to determine the following; whether:

- (a) the private sector is at present fulfilling some of these objectives;
- (b) these objectives are indeed being fulfilled by the enterprise concerned;
- (c) there are other alternatives for achieving these objectives;  
or
- (d) new objectives, for example environmental, need to be considered.

This should be followed by an evaluation of the economic and financial performance of public enterprises, and an examination of the factors, both internal and external, that have contributed to their performance. The examination must not be limited only to those enterprises whose performance has been unsatisfactory as there might be important lessons to be learned from those which have been successful.

Based on the review and evaluation and taking into account existing economic, social and political constraints, one would need to develop a strategy for reform. The evaluation needs to consider whether privatisation is necessary and if so to what extent. For some enterprises that are being privatised, it might be necessary for government to maintain some degree of control by going into joint venture operations; telecommunications and electricity are cases in point.

The reform process might involve short term, medium term and long term strategies as it would be necessary to identify those public enterprises which ought to be privatised immediately, those which would need to be rehabilitated before privatisation, those which would remain as public enterprises but for which

rehabilitation would be necessary, and those which are inherently unprofitable and need to be liquidated.

For those enterprises which would remain in the public sector, measures to improve their performance should include the following:

- (a) the setting of precise objectives and the prioritising of these objectives;
- (b) the setting of realistic targets and the establishment of criteria for assessing performance;
- (c) the preparation of timely and adequate statistics on the operations of public enterprises for use in evaluating performance;
- (d) a clear demarcation of the roles and responsibilities of government, the board of directors and the management of the enterprise;
- (e) liberalising of the price control system; and
- (f) the introduction of a system of periodic performance monitoring and assessment.

The need for public enterprise reform has been widely recognised by OECS governments, and already a number of them has implemented measures, (including merger of companies, sale of assets, privatisation and liquidation) to relieve the budget of the financing burden of public enterprise. What is required, however, is the preparation of a five year rolling plan of action for reform of the public enterprise sector, which should be monitored and reviewed annually.



Table 1  
SECTORAL DISTRIBUTION OF SELECTED PUBLIC ENTERPRISES  
IN THE OECS

COUNTRY/ SECTOR	ELECTRICITY/WATER	AGRICULTURAL EXPORT, MARKETING & INT. DISTRIBUTION	TRANSPORT/COMMUNICATIONS	MANUFACTURING	AGRICULTURE/FORESTRY	HOUSING/LAND DEVELOPMENT	DEVELOPMENT	FINANCE/GENERAL
ANTIGUA	Antigua Public Utilities Authority	Central Marketing Corporation	Antigua Port Authority				Deep Bay Dev. Corp. St. Johns Dev. Corp.	
DOMINICA		Dominica Export/Import Agency	Port Authority		Dominica Banana Marketing Corp.			Dominica Broadcasting Corporation
GRENADA	Central Water Authority Grenada Electricity Services	Marketing & National Importing Board	Grenada Port Authority		Banana Growers' Association			
ST. KITTS & NEVIS		Central Marketing Corporation	St. Kitts & Nevis Port Authority	St. Kitts Sugar Manufacturing Corp.			Frigate Bay Dev. Corporation	Development Bank of St. Kitts & Nevis
ST. LUCIA	Water & Sewerage Authority	Marketing Board	Air & Sea Ports Authority				National Development Corporation	
ST. VINCENT & THE GRENADINES	St. Lucia Electricity Services St. Vincent Electricity Servs. Central Water & Sewerage Authority	Marketing Corporation	Port Authority	Arrowroot Industry Association Diamond Dairy		Housing & Land Development	Development Corporation	Philatelic Services

Table 2

Expenditure of Public Sector  
As % of Consolidated Public Sector Expenditure

	1985/86	1986/87	1987/88	1988/89	1989/90
Dominica	44.5	64.1	70.4	64.7	n.a.
St Kitts and Nevis	29.7	29.3	24.0	28.0	29.4
St Lucia	32.7	29.6	31.1	36.6	38.8
St Vincent and the Grenadines	56.2	58.8	50.6	42.2	40.0

Table 3

Public Enterprises Sector  
Current Account Balance

(EC\$M)

	1985/86	1986/87	1987/88	1988/89	1989/90
Dominica	5.1	11.2	8.9	2.1	
St Kitts and Nevis	-5.9	-2.6	2.4	1.2	-4.5
St Lucia	10.4	15.3	15.6	22.2	22.9
St Vincent and the Grenadines	2.8	7.3	11.7	10.3	15.4

Current Account Balance  
(% of GDP)

Dominica	1.8	3.5	2.5	0.5	
St Kitts and Nevis	-2.9	-1.0	0.8	0.4	-1.2
St Lucia	2.2	2.8	2.6	3.3	3.1
St Vincent and the Grenadines	0.9	2.0	2.8	2.2	3.0

Table 4

Overall Surplus/(Deficit) of Public Enterprises  
(EC\$M)

	1985/86	1986/87	1987/88	1988/89	1989/90
Dominica	5.5	9.5	5.4	-2.5	n.a.
St Kitts	-6.6	-4.1	-5.6	-4.1	-13.1
St Lucia	-3.7	-0.9	6.2	-10.5	-28.4
St Vincent and the Grenadines	-4.1	-10.4	-11.9	-3.8	2.2

Overall Surplus (Deficit) of Public Enterprises  
(As % of GDP)

Dominica	1.9	2.9	1.5	-0.6	n.a.
St Kitts	-3.3	-1.6	-1.9	-1.2	-3.5
St Lucia	-0.8	-0.2	1.0	-1.6	-3.9
St Vincent and the Grenadines	-1.3	-2.8	-2.9	-0.8	0.4

Table 5

## Commercial Banks Loans to Non-Financial Public Enterprises

(As % of Domestic Credit)

	1985	1986	1987	1988	1989
Dominica	6.2	2.1	0.9	4.2	4.4
St Kitts and Nevis	30.6	29.3	1.4	3.8	6.7
St Lucia	1.0	0.6	0.8	0.7	1.9
St Vincent and the Grenadines	27.9	13.2	12.3	11.9 <sup>2</sup>	9.7

Table 6

## Public Enterprises - Net External Financing

(EC\$M)

	1985/86	1986/87	1987/88	1988/89	1989/90
Dominica	1.3	0.4	-1.0	-0.3	n.a.
St. Kitts and Nevis	-	-	3.4	-	-
St Lucia	9.4	4.5	0.7	14.5	32.2
St Vincent and the Grenadines	4.0	4.4	2.0	2.8 <sup>2</sup>	0.7
Net External Financing (% of GDP)					
Dominica	0.5	0.1	-0.3	-0.1	n.a.
St Kitts and Nevis	-	-	1.2	-	-
St Lucia	2.0	0.8	0.1	2.2	4.5
St Vincent and the Grenadines	1.3	1.3	0.5	0.6	0.1

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