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# Trade Hot Topics

# Beyond Trade and GDP: Exploring the Wealth of the Commonwealth

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## 1. Introduction

Gross domestic product (GDP) and the value of trade in goods and services are macroeconomic indicators that are widely used to assess a country's level of development, economic well-being and growth prospects. Both GDP and trade are constructs developed by economists and may not necessarily align with the way citizens perceive the world. GDP is a one-dimensional measure of economic activity that captures only market transactions and disregards distributional inequalities (Box 1). It also overlooks the role played by other valuable assets such as natural resources, land, water, minerals and ecosystem services in the development process (Benjamin et al., 2021). Taken in isolation, these two macro indicators may not provide a complete picture of a country's actual wealth or growth prospects in the medium and long run.

According to the World Bank's Changing Wealth of Nations database (see Lange et al., 2018), a country's actual wealth is a combination of physical capital (such as infrastructure and buildings), human capital (such as education and skills of the workforce), natural resources (renewables and non-renewables). Using this multidimensional measure, we estimate that the total wealth of Commonwealth countries is approximately US$150 trillion.[2] This is 10 times greater than the value of their combined GDP and 30 times more significant than the value of their global exports of goods and services.[3]

In this era of multiple and interconnected crises, marked by the aftershocks of the COVID-19 pandemic, food insecurity, climate change threats and rising inflation, a country's ability to respond effectively to multiple shocks and maintain resilience hinges on its multidimensional measures of wealth. This comprehensive measure of wealth highlights Commonwealth countries' productive potential and provides insights into their trade and investment prospects, as well as their potential capacity for growth. This issue of *Trade Hot Topics* explores the composition of Commonwealth countries' collective wealth, and the implications of these assets for inclusive and sustainable growth and resilience in the face of shocks.

## 2. A granular look at the wealth of the Commonwealth

This section examines the composition of Commonwealth countries' collective wealth across four main classes of assets and explores its distribution by regions.

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2 According to the World Bank's Changing Wealth of Nations database for 2018 (released in 2021).

3 In 2022, the combined GDP of Commonwealth countries was worth $14.5 trillion, and the value of global goods and services exports was estimated at around $5 trillion.

**Box 1: 'GDP' vs 'wealth'**

GDP represents a standard measure of value addition through the production of goods and services in an economy over a certain period of time. It also reflects the income earned from that production, or the total amount spent on final goods and services (less imports). While GDP is the single most important indicator to capture economic activity, it falls short of providing a suitable measure of people's material well-being, as the output may be generated at significant environmental and social costs or it may involve the reduction of leisure time or the depletion of non-renewable natural resources.

By contrast, the wealth of a country reflects its portfolio of assets or 'stocks.' It includes produced physical capital (such as buildings, machinery and infrastructure), natural capital (such as agricultural land, forests, protected areas, fisheries, mangroves, minerals, oil, coal and gas reserves), human capital (education and skills) and net foreign assets. These assets shape the trajectory of GDP growth over the long term and provide insights into overall economic well-being and capacity to sustain growth. Change in wealth is an important indicator to assess a country's potential to grow in the future. A fall in wealth indicates that a country is depleting its assets and may not be able to sustain its future growth.

Additionally, GDP reflects previous years' economic activity, and might be better called a 'return on wealth.' Not all productive activity is included in GDP. For example, unpaid work and informal activities are excluded because they are difficult to measure and value accurately. Moreover, GDP ignores the 'wear and tear' of the capital stock used in producing output.

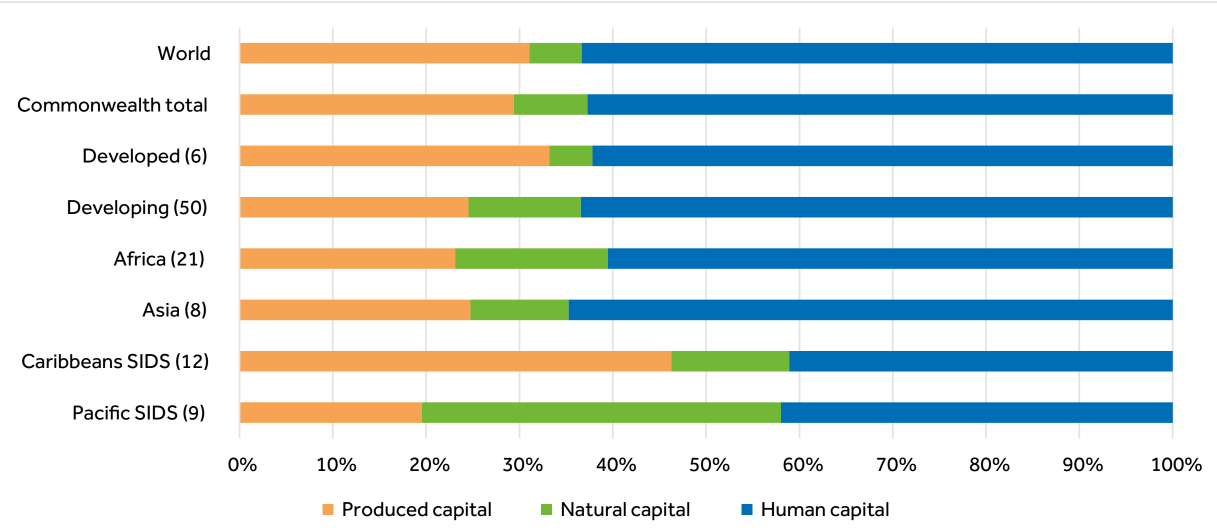
*Source: Callen (2022); OECD (2023).*

## 2.1 A snapshot of Commonwealth countries' wealth in 2018

The collective wealth of the Commonwealth's 56 member countries was valued at US$150 trillion in 2018, representing 13 per cent of global wealth ($1,152 trillion). More than half of this wealth (around 56 per cent) was held in the six developed country members: Australia, Canada, Cyprus, Malta, New Zealand and the UK. These six countries possess a larger share of produced (64 per cent) and human capital (56 per cent), while developing countries own a large share of natural resources (67 per cent). The eight Asian Commonwealth members represent about three-quarters of all three categories of developing Commonwealth countries' wealth (Table 1).

In terms of sectoral distribution, around two-thirds of this wealth comprises human resources, reflecting the large and dynamic population of the Commonwealth (see Section 2.2). This human capital wealth does not necessarily correspond with the population share: for instance, eight South Asian countries are home to about 70 per cent of

**Figure 1: Wealth composition (%) globally and by Commonwealth region, 2018**




*Note: SIDS = small island developing states. Figure excludes net foreign assets, which are negative for all country groups.*

*Source: Authors using data from the World Bank's Changing Wealth of Nations dataset for 2018.*

**Table 1: Snapshot of Commonwealth countries' collective wealth (US$ billion), 2018**

| | Total wealth | Key components | | | |
|---|---|---|---|---|---|
| | | Produced | Natural | Human | NFA |
| **World** | 1,152,005 | 359,267 | 64,542 | 732,179 | -3,983 |
| **Commonwealth** | 149,771 | 44,783 | 11,966 | 95,475 | -1,056 |
| *Of which* | | | | | |
| Developed (6) | 84,110 | 28,490 | 3,972 | 53,361 | -656 |
| Developing (50) | 65,661 | 16,292 | 7,994 | 42,115 | -400 |
| *Of which* | | | | | |
| Africa (21) | 15,176 | 3,561 | 2,521 | 9,333 | -230 |
| Asia (8) | 49,749 | 12,394 | 5,268 | 32,398 | -116 |
| Caribbeans SIDS (12) | 426 | 271 | 74 | 240 | -43 |
| Pacific SIDS (9) | 310 | 67 | 132 | 144 | -11 |

*Note: SIDS = small island developing states; NFA = net foreign assets.*
*Source: Authors using data from the World Bank's Changing Wealth of Nations dataset for 2018.*

the Commonwealth's population (1.78 billion) but contain about one-third of human capital wealth (US$32 trillion) (see Appendix Table A1). While Commonwealth countries have a larger share of natural capital compared with the rest of the world, they do lag slightly in terms of produced capital (Figure 1).

## 2.2 Human capital stock

Human capital is the largest asset of Commonwealth countries, accounting for almost two-thirds of its total wealth. It is measured in terms of the present value of future earnings that can be expected from the working population over their lifetimes. It considers several factors, such as education, knowledge and skills, work experience, health and the likelihood of labour force participation at different age levels. These components have long-lasting implications for the well-being and productivity of any country.

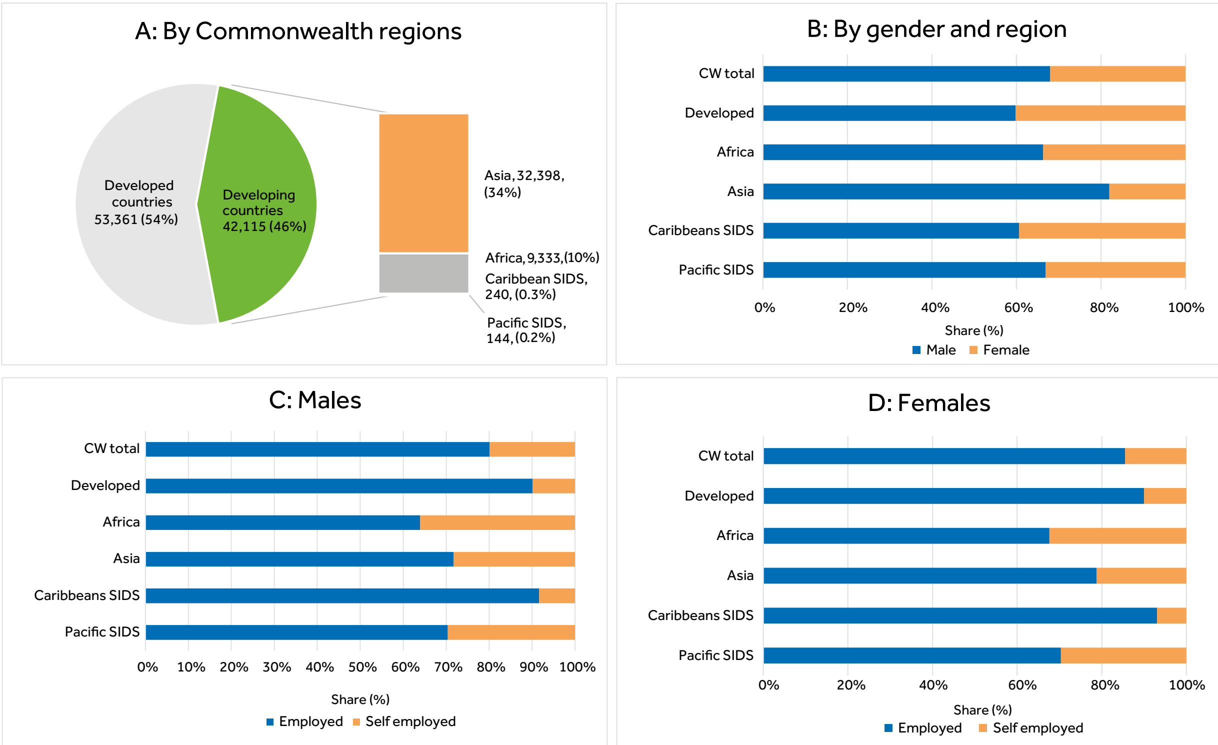
The value of human capital was estimated at US$96 trillion in 2018. More than half of this capital (54 per cent) is found in the six developed countries (Figure 2). However, when considering the distribution across gender and employment status, there are similarities between different levels of development and geographical regions. Surprisingly, approximately two-thirds of the human capital is concentrated within the male population, underscoring the substantial untapped potential for gender empowerment. While progress has been made in promoting women's participation in the Caribbean small island developing states (SIDS), other regions still lag.

In terms of employment structure, most of this human capital is concentrated within formal employment settings. This pattern holds true for both males and females across all regions. However, it is worth noting that the African region exhibits a slightly higher prominence of self-employment, which reflects the prevalence of the informal economy, including cross-border trade, in Africa.

These estimates should be interpreted with some important caveats. First, they are based on data from 2018, released in 2021. The outbreak of the COVID-19 pandemic has likely had significant impacts on the human capital landscape, particularly in member countries, where a large number of deaths and illnesses occurred, as well as learning losses (Azevedo et al., 2022). Furthermore, the erosion of human capital owing to climate change is an additional factor to take into account. Climate change not only poses immediate risks to health and well-being but also has long-lasting implications for the knowledge, skills and overall health that individuals accumulate over their lifetimes. These impacts can significantly reduce productivity and well-being on a broader scale.

On the flip side, the share of human capital in relation to other forms of capital could increase further, primarily because of rapid population growth in several populous Commonwealth countries – such as India, Pakistan, Bangladesh, Nigeria and South Africa – and the forecast that India will surpass China in terms of population. More than half of the global population growth projected until 2050 is anticipated to concentrate in just eight countries,

**Figure 2: Distribution of human capital across the Commonwealth, by regions, gender and employment status (US$ billion and share)**




*Source: Authors using data from the World Bank's Changing Wealth of Nations dataset for 2018.*

with four of them being Commonwealth countries: India, Pakistan, Nigeria and Kenya (Haq, 2022). This rise in the working-age population not only has the potential to transform the Commonwealth into a significant global consumer market but also could fuel an increase in surplus labour exports and overseas worker remittances.

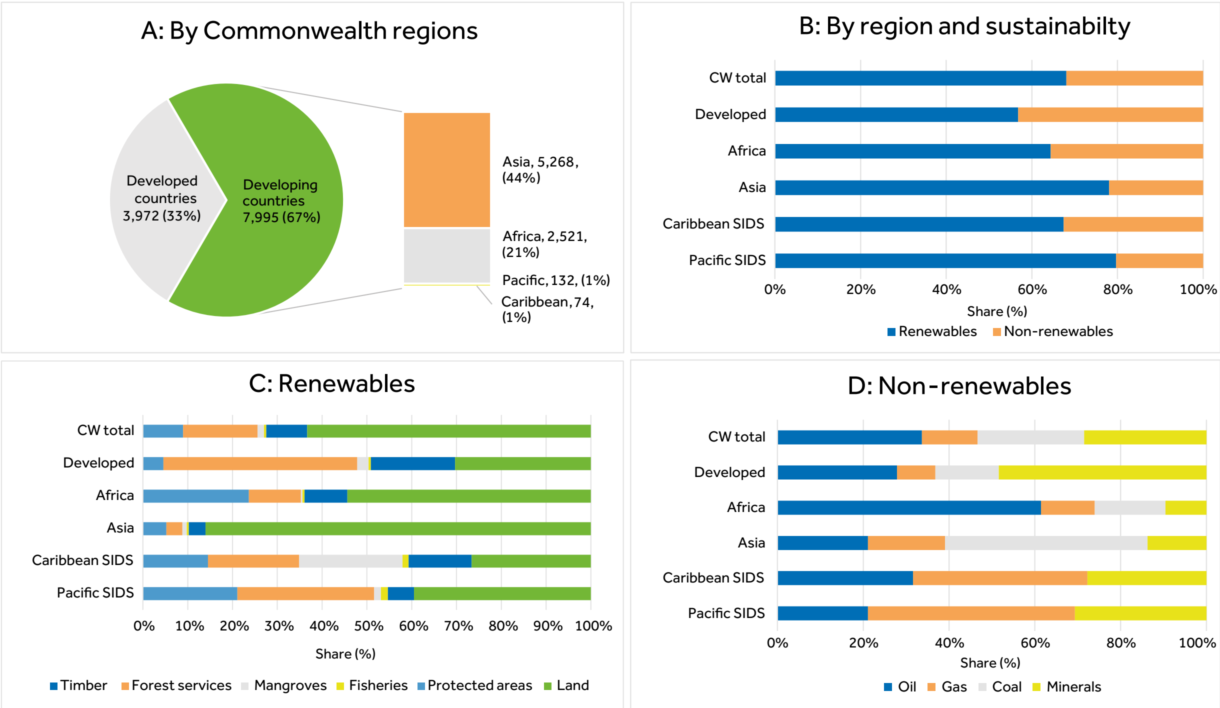
## 2.3 Natural capital stock

Commonwealth member countries possess immense in situ natural wealth in the form of tropical forests, arable lands, freshwater ecosystems and coastlines. This natural capital encompasses both non-renewable assets, including fossil fuels (such as oil, gas, and hard and soft coal) and minerals (such as bauxite, copper, gold, iron ore, lead, nickel, phosphate, silver, tin and zinc), as well as renewable assets such as agricultural land (including cropland and pastureland), forests (for timber and forest ecosystem services), blue natural capital (including mangroves and fisheries), protected areas and renewable energy resources (such as hydroelectric, solar and wind).

The value of Commonwealth countries' natural capital in 2018 was estimated at US$12 trillion. The share of renewable assets is almost twice that of non-renewables, and this pattern holds for all Commonwealth regions. Developing countries own a larger share of renewables (67 per cent) than developed countries; the share is as high as 80 per cent for Pacific SIDS. Of the 56 member countries, 49 have large coastal belts and exclusive economic zones rich in fish and other marine resources. Commonwealth countries account for 23 per cent of the global forest area, spanning nearly 900 million hectares. They account for 16 per cent of fisheries and 19.7 per cent of global forestry exports. This abundant stock of natural assets reveals their potential to promote sustainable development and ensure that economic growth is inclusive and environmentally sustainable (Commonwealth Secretariat, 2023).

These natural resources are important as countries grow and develop. Detailed natural capital accounts can help governments track important natural assets that will support adaptation to climate change – for example mangroves that can help protect against coastal flooding, as well as help with mitigation efforts. Similarly, forests can act as natural carbon sinks. Recent estimates suggest that forests absorb a net 7.6 billion metric tonnes of carbon dioxide per year (Harris et al., 2021). Tracking the transformation of forest wealth into agricultural wealth can also help countries estimate the costs associated with different development pathways. It can assist in developing policies to protect these natural resources and to use them in a

**Figure 3: Distribution of natural capital across the Commonwealth, by regions, and asset type (US$ billion and Share)**




*Source: Authors using data from the World Bank's Changing Wealth of Nations dataset for 2018.*

more sustainable way (Commonwealth Secretariat, 2023).

## 2.4 Produced capital stock

Produced capital is the second largest class of assets held by Commonwealth countries, valued at US$45 trillion. It measures the value of machinery, buildings, equipment, and residential and non-residential urban land and infrastructure. In relative terms, produced capital represents about 29 per cent of the total wealth of Commonwealth countries, slightly lower than the global average, at 32 per cent.

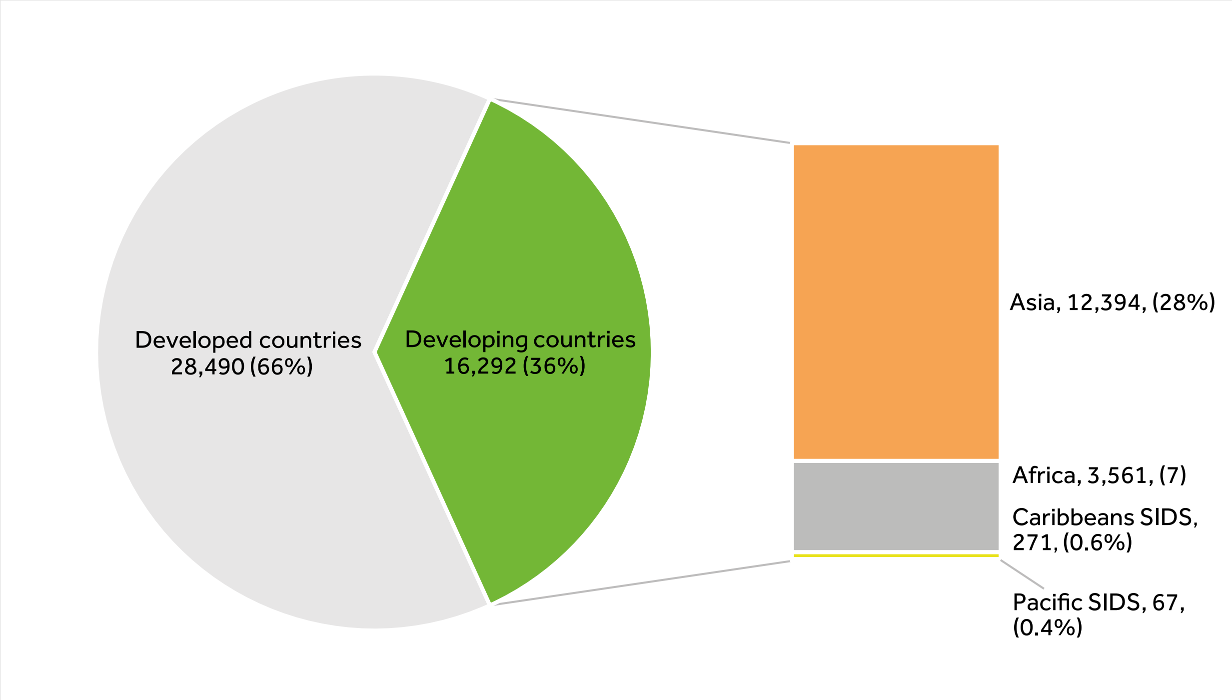
In contrast with the distribution of natural capital, developed countries hold a larger proportion of produced capital (Figure 4). However, the produced capital stock of developing countries is expanding rapidly, doubling in value terms from 1995 to 2018 (see Section 2.6). This reflects, in part, the large focus on hard infrastructure development and, in part, the rapid pace of urbanisation in these economies. The Commonwealth is home to some of the world's fastest-growing cities, particularly in Africa and Asia. Notable examples include Lagos in Nigeria, Nairobi in Kenya, Dhaka in Bangladesh, and Kolkata in India. This rapid urbanisation presents both opportunities and challenges, as it can drive economic growth and development but also contribute to environmental degradation and social inequality unless the growth is inclusive, equitable and sustainable. Recognising these challenges, Commonwealth Heads of Government adopted a Declaration on Sustainable Urbanisation in June 2022.

## 2.5 Net foreign assets

Net foreign assets (NFA) are a measure of cross-border assets and liabilities (Lane and Milesi-Ferretti, 2017). They reflect the balance of inward versus outward investment stocks, including portfolio equity, debt securities, foreign direct investment and other financial capital held in other countries (Figure 5).

NFA are negative for all country groups, indicating more liabilities than assets. Overall, Commonwealth countries account for about 27 per cent (or US$1.056 trillion) of global NFA, with two-thirds of this belonging to developed countries. Among developing member countries, African nations have the largest amount of foreign liabilities in absolute terms, nearly double that of Asian members. When considering the share of total wealth, apart from Asian members (0.23 per cent), all regions within the Commonwealth have higher liabilities compared with the global average (0.35 per cent). African members have liabilities equivalent to 1.52 per cent of their total wealth, while Caribbean and Pacific SIDS have liabilities amounting to 10 per

**Figure 4: Distribution of produced capital stocks across the Commonwealth (US$ billion and share)**




*Source: Authors using data from the World Bank's Changing Wealth of Nations dataset for 2018.*

cent and 3.55 per cent, respectively. The recent wave of multiple and overlapping crises is likely to have further increased their indebtedness, as many countries have incurred significant debts during this period. Consequently, this can reduce the fiscal space available and create long-term challenges for economic and trade growth.

### 2.6 Evolution of Commonwealth countries' wealth over time

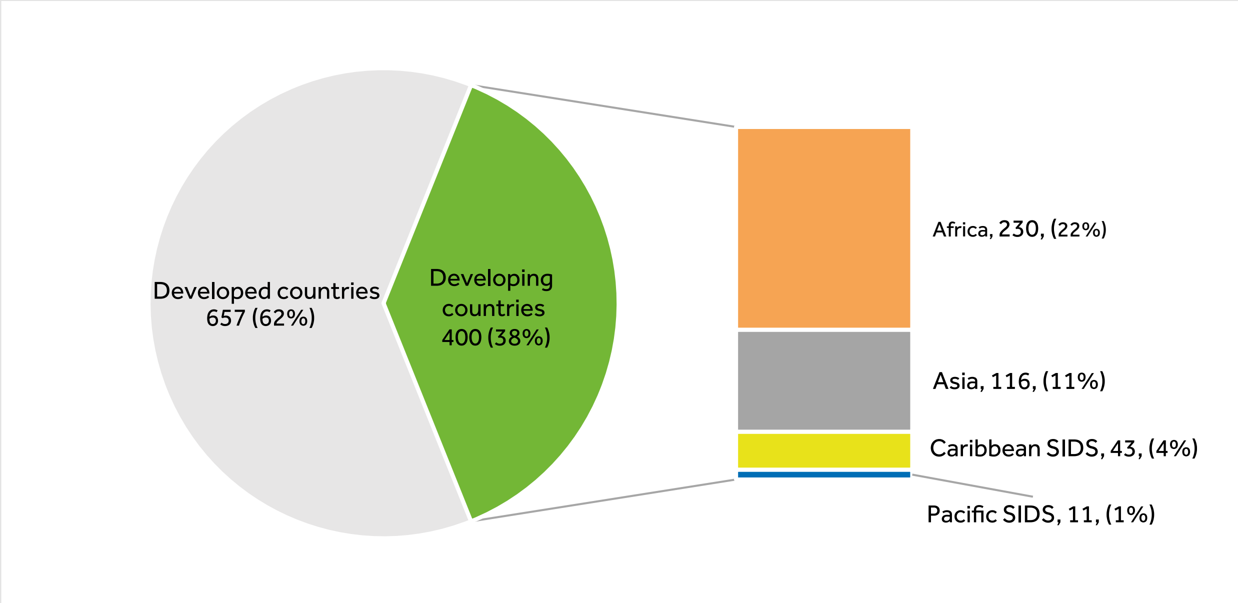
During the past two decades, Commonwealth countries' wealth has grown by more than 108 per cent, surpassing the growth in global wealth (90 per cent) in the same period (Figure 6). This growth has marginally raised the share of Commonwealth countries in global wealth from 12 per cent to 13 per cent (Table 2). In absolute terms, the combined value of the three types of capital (human, natural and produced) in Commonwealth countries has more than doubled, soaring from US$72 trillion in 1995 to $150 trillion in 2018. The primary driver of this increase has been human resources, which saw a 112 per cent increase during this period. This highlights the importance and value of investing in human capital and skills and knowledge that individuals bring to the development process.

On the other hand, growth in the value of natural capital has been relatively subdued, pointing to the depletion of natural resources in the process of economic growth and development. This underscores the need for sustainable practices and policies to ensure the responsible management of natural resources for the benefit of current and future generations (Commonwealth Secretariat, 2023). In contrast, produced capital has exhibited faster growth, reflecting significant investments in infrastructure and rising urbanisation within Commonwealth countries. These investments have been instrumental in enhancing productivity, improving connectivity and supporting economic development.

The faster pace of wealth growth in Commonwealth countries compared with the global average (3.28 per cent vs 2.85 per cent) can be attributed to the significant expansion of produced and human capital in the developing countries of Asia and Africa (see Appendix Table A1). Notably, Asian Commonwealth countries such as India and Singapore have witnessed a remarkable growth of over 200 per cent in their wealth during this period, surpassing the growth rate of advanced economies, which has increased by 70 per cent.

The increase in wealth among developed countries has been accompanied by a significant reduction in the share of wealth held by high-income countries, from 69 per cent in 1995 to 64 per cent in 2018. This suggests that developing countries are making progress in converging with high-income countries, albeit at a gradual pace. However, the convergence in the Pacific and Caribbean SIDS still lags.

**Figure 5: Distribution of net foreign assets across the Commonwealth (US$ billion and share)**




*Source: Authors using data from the World Bank's Changing Wealth of Nations dataset for 2018.*

*Note: Net foreign assets are negative for all regions and country groups.*

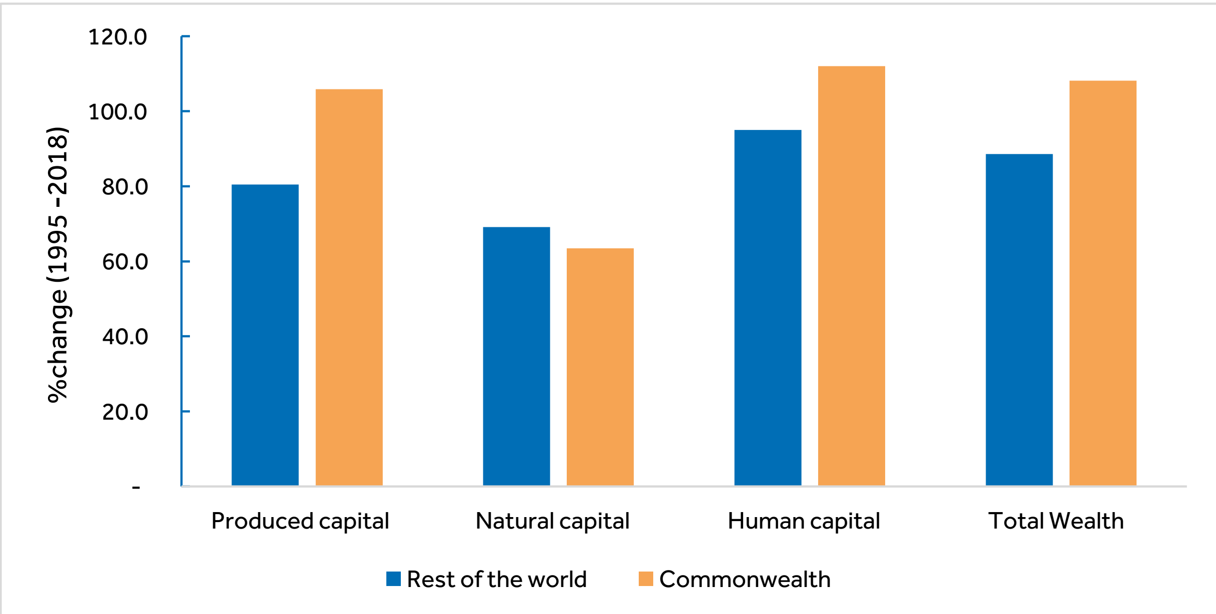
## 3. Implications of wealth accounting for the Commonwealth

This multidimensional stock of wealth within Commonwealth countries provides valuable insights into their potential to enhance productivity and economic growth, expand trade and investment flows, and build resilience in the face of climate change.

### 3.1 Productivity and economic growth

The productive potential of Commonwealth countries encompasses a range of factors, including physical stock, natural capital and human capital.[4] A large stock of each category of these assets held within Commonwealth countries reflects their capacity to achieve economic growth, create jobs and reduce poverty. While Commonwealth countries possess abundant natural capital,

**Figure 6: Evolution of Commonwealth countries' wealth (% change), 1995–2018**




*Source: Authors using data from the World Bank's Changing Wealth of Nations dataset for 2018*

4 Another measure of productive potential is the Productive Capacity Index (PCI) developed by the United Nations Conference on Trade and Development (UNCTAD) (2021). The PCI accounts for a country's technological capacity and institutional framework, in addition to natural, human and physical capital stocks.

**Table 2: Growth in Commonwealth countries' wealth over time (US$ trillion and share)**

| | Change during 1995-2018 | | | |
|---|---|---|---|---|
| | **1995** | **2018** | **Value** | **%** |
| **Global total** | 603.5 | 1,152.0 | 548.5 | 90 |
| **Common-wealth total** | 72.0 | 149.8 | 77.8 | 108 |
| *Of which* | | | | |
| Produced capital | 21.7 | 44.8 | 23.0 | 106 |
| Natural capital | 7.3 | 12.0 | 4.6 | 63 |
| Human capital | 45.0 | 95.5 | 50.4 | 112 |
| Net foreign assets | -1.4 | -1.1 | 0.3 | -22 |

*Source: Authors using data from the World Bank's Changing Wealth of Nations dataset for 2018.*

their most significant wealth lies in their human resources.

The Commonwealth has 1.5 billion young people below the age of 30. This youth demographic not only represents a substantial consumer market but also provides a big pool of tech-savvy workers, essential to boost production and drive trade, particularly in the services sector. Since developing countries own the bulk of this youth capital, it can provide another development pathway through the services-led structural transformation.

Leveraging the power of this young population can unlock substantial economic opportunities for Commonwealth countries. By investing in education, skills development, entrepreneurship and technology, these countries can harness the potential of their human capital to drive economic growth, increase productivity and expand trade, especially in the services sector. This services-led structural transformation can create employment opportunities, enhance competitiveness and contribute to inclusive and sustainable development.

In addition to its abundant productive potential, this broad class of assets has implications for how we measure economic growth, typically assessed in terms of GDP. However, a narrow emphasis on GDP fails to reflect the unsustainable nature of fossil fuel-driven development or the hidden costs associated with the exploitation of different types of assets. Conventional economic approaches to growth, such as diversifying products and exports beyond commodities, may result in the accumulation of assets in emission-intensive manufacturing and land use. To promote sustainable development, it is crucial to manage these assets more prudently, necessitating the measurement and monitoring of each category of wealth alongside GDP.

### 3.2 International trade and investment

Commonwealth countries, with their abundant sources of renewable energy (wind, water, sunshine), human capital and natural resources, possess significant potential to boost trade in manufactured goods, food products and services. The ongoing restructuring of regional and global value chains offers numerous opportunities for Commonwealth members to leverage their abundant natural wealth to promote sustainable production and trade (Commonwealth Secretariat, 2023). In fact, they possess a larger share of natural capital compared with the rest of the world. Currently, a major global shift in supply chains is underway, driven by the need to enhance resilience against food and energy insecurity, climate shocks, geopolitical tensions and the pursuit of a green energy transition and a lower-carbon future (Aiyar et al., 2023).

Within the growing focus on environmental concerns, Commonwealth countries are well positioned to provide a wide range of environmental goods and services, including natural resources; renewable energy; horticulture; and various business, health and transport services. They also hold a substantial stock of critical minerals required for the clean energy transition and digitalisation. In this period of polycrisis and slowing global growth, international businesses are seeking to engage with countries that demonstrate high growth potential and promising trade and investment prospects. This creates numerous opportunities to attract investment in emerging sectors, such as climate adaptation, renewables and digital technologies.

### 3.3 Resilience-building

With the growing emphasis on sustainability and resilience, this multidimensional stock of wealth provides insights into ways to enhance the resilience of economic development to external factors like climate change and global decarbonisation. Climate shocks threaten to exacerbate poverty, reduce pathways to prosperity and deepen inequalities within and between countries. However, by investing in human capital, Commonwealth countries can help protect people from the worst effects of climate change and unlock their productive potential to drive the transition to a green economy. These vital assets can contribute to the establishment of resilient systems that enhance people's capacity to adapt and prepare for employment in green jobs. This presents numerous possibilities for bolstering sustainability while reducing reliance on non-renewable resources such as oil, gas and certain minerals.

## 4. Way forward

Commonwealth countries possess abundant stocks of natural, human and produced capital. This multidimensional stock of wealth reflects their ability to produce goods and services to meet present and future generations' needs, while contributing to sustained economic growth and development. Human resources account for around two-thirds of this wealth, making them the most important form of capital in the digital and information age. The distribution of this wealth is changing over time, with the human capital share increasing by 2 percentage points between 1998 and 2018. While Commonwealth countries have a larger share of natural capital compared with the rest of the world, they lag behind slightly in terms of produced capital.

Over time, the stock of wealth in Commonwealth countries has increased significantly, driven primarily by rapid growth in Asia, and low- and middle-income countries are narrowing the gap. However, there remains a disparity between the potential of the Commonwealth and the actual realised 'return' on wealth, as traditionally measured by indicators like GDP.

Sustaining a decent pace of economic growth while ensuring social and environmental sustainability requires effective management of a diverse portfolio of assets, including natural, human and produced capital. Comprehensive national wealth accounts provide insights into a country's ability to sustain long-term growth and develop resilience against unforeseen shocks. Development policies should focus on translating the potential presented by this comprehensive wealth account into meaningful developmental outcomes such as economic growth, poverty reduction and structural transformation.

This *Trade Hot Topics* has explored human and natural capital stocks while briefly summarising physical capital and net foreign assets. Future work could delve into the trade and development implications of these important asset classes – namely, physical stock and NFA. It is also important to examine the gender dimensions of the human capital stock, especially how increasing female labour force participation could expand the country's wealth. It would be interesting to investigate the factors driving faster asset growth in the Commonwealth compared with the rest of the world. Additionally, an analytical framework is needed to transform this in situ wealth into actual wealth.

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# 6. Appendix

**Table A1: Composition and distribution of Commonwealth countries' wealth (US$ billion), 1995–2018**

| | 1995 | | | | | 2018 | | | | | % change (1995-2018) | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Country/region | Physical | Natural | Human | Total Wealth | Population (million) | Physical | Natural | Human | Total Wealth | Population (million) | Physical | Natural | Human | Total Wealth | Population (million) |
| **Africa** | **1,787.8** | **2,342.1** | **3,102.5** | **6,965.5** | **316.0** | **3,561.0** | **2,521.0** | **9,332.6** | **15,175.6** | **565.6** | **99.19** | **7.64** | **200.81** | **117.87** | **79.02** |
| *Of which* | | | | | | | | | | | | | | | |
| Botswana | 13.5 | 16.0 | 45.2 | 80.0 | 1.5 | 64.4 | 18.2 | 93.3 | 181.7 | 2.3 | 378 | 13 | 106 | 127 | 53 |
| Cameroon | 48.4 | 74.9 | 135.8 | 244.1 | 13.6 | 110.7 | 150.5 | 345.4 | 596.5 | 25.2 | 129 | 101 | 154 | 144 | 85 |
| Eswatini | 7.6 | 6.5 | 17.7 | 31.8 | 0.9 | 9.7 | 8.4 | 35.1 | 54.0 | 1.1 | 27 | 30 | 98 | 70 | 23 |
| Gabon | 23.5 | 39.7 | 30.3 | 85.2 | 1.1 | 47.7 | 69.8 | 40.5 | 145.3 | 2.1 | 103 | 76 | 33 | 71 | 95 |
| Ghana | 130.0 | 105.3 | 145.3 | 366.2 | 17.0 | 261.6 | 179.5 | 534.4 | 948.4 | 29.8 | 101 | 70 | 268 | 159 | 75 |
| Kenya | 72.0 | 169.8 | 266.3 | 486.5 | 27.8 | 183.3 | 185.9 | 784.2 | 1,133.5 | 51.4 | 155 | 10 | 195 | 133 | 85 |
| Lesotho | 5.3 | 2.1 | 14.7 | 21.9 | 1.9 | 11.5 | 3.2 | 21.2 | 35.2 | 2.1 | 117 | 56 | 44 | 61 | 11 |
| Malawi | 10.7 | 29.6 | 21.8 | 57.7 | 9.8 | 14.7 | 74.2 | 56.4 | 142.9 | 18.1 | 38 | 151 | 159 | 148 | 84 |
| Mauritius | 18.1 | 2.8 | 38.7 | 59.1 | 1.1 | 39.9 | 2.1 | 61.6 | 125.4 | 1.3 | 120 | -26 | 59 | 112 | 13 |
| Mozambique | 3.7 | 28.8 | 19.3 | 44.8 | 15.5 | 39.9 | 99.9 | 104.7 | 191.9 | 29.5 | 984 | 247 | 443 | 328 | 91 |
| Namibia | 7.9 | 24.6 | 56.8 | 89.6 | 1.6 | 32.0 | 19.7 | 112.4 | 161.9 | 2.4 | 303 | -20 | 98 | 81 | 50 |
| Nigeria | 623.0 | 1,173.6 | 743.3 | 2,430.2 | 107.9 | 1,129.1 | 842.6 | 3,717.1 | 5,606.2 | 195.9 | 81 | -28 | 400 | 131 | 81 |
| Rwanda | 3.1 | 17.5 | 13.3 | 32.9 | 5.8 | 19.4 | 35.9 | 89.0 | 139.2 | 12.3 | 527 | 105 | 571 | 323 | 111 |
| Seychelles | 4.3 | 0.2 | - | - | 0.1 | 9.3 | 0.9 | - | - | 0.1 | 118 | 259 | | | 28 |
| Sierra Leone | 5.0 | 16.1 | 9.4 | 28.7 | 4.3 | 8.6 | 28.9 | 34.3 | 70.2 | 7.7 | 71 | 79 | 263 | 145 | 78 |
| South Africa | 683.9 | 302.6 | 1,199.1 | 2,152.2 | 41.4 | 1,165.1 | 399.9 | 2,115.3 | 3,719.0 | 57.8 | 70 | 32 | 76 | 73 | 39 |
| Tanzania | 33.8 | 194.8 | 171.6 | 375.5 | 29.6 | 186.6 | 182.4 | 527.4 | 866.1 | 56.3 | 453 | -6 | 207 | 131 | 90 |
| The Gambia | 1.2 | 2.1 | 6.8 | 9.8 | 1.1 | 3.6 | 4.0 | 11.3 | 17.9 | 2.3 | 202 | 86 | 67 | 82 | 102 |
| Togo | 11.8 | 8.4 | 27.4 | 45.2 | 4.2 | 21.5 | 16.0 | 71.0 | 107.4 | 7.9 | 82 | 90 | 159 | 138 | 87 |
| Uganda | 12.6 | 57.4 | 61.4 | 127.2 | 20.4 | 77.9 | 59.5 | 324.6 | 444.6 | 42.7 | 517 | 4 | 429 | 249 | 109 |
| Zambia | 68.4 | 69.3 | 78.3 | 196.9 | 9.1 | 124.4 | 139.5 | 253.4 | 488.5 | 17.4 | 82 | 101 | 224 | 148 | 91 |

| | 1995 | | | | | 2018 | | | | | % change (1995-2018) | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Country/region | Physical | Natural | Human | Total Wealth | Population (million) | Physical | Natural | Human | Total Wealth | Population (million) | Physical | Natural | Human | Total Wealth | Population (million) |
| **Developed** | **16,601.6** | **2,067.3** | **32,109.1** | **49,322.1** | **110.3** | **28,490.2** | **3,971.9** | **53,360.5** | **84,110.3** | **135.0** | **71.61** | **92.13** | **66.18** | **70.53** | **22.41** |
| *Of which* | | | | | | | | | | | | | | | |
| Australia | 3,551.0 | 717.1 | 5,657.1 | 9,539.2 | 18.1 | 7,580.7 | 2,030.0 | 11,787.9 | 20,673.4 | 25.0 | 113 | 183 | 108 | 117 | 38 |
| Canada | 4,855.9 | 876.0 | 12,461.2 | 17,813.3 | 29.3 | 8,761.2 | 1,396.1 | 19,753.5 | 30,475.3 | 37.1 | 80 | 59 | 59 | 71 | 26 |
| Cyprus | 65.6 | 5.8 | - | - | 0.9 | 106.7 | 4.0 | - | - | 1.2 | 63 | -31 | - | - | 39 |
| Malta | 14.3 | 0.6 | 41.4 | 58.2 | 0.4 | 37.3 | 0.7 | 97.0 | 143.8 | 0.5 | 161 | 5 | 134 | 147 | 28 |
| New Zealand | 429.7 | 151.1 | - | - | 3.7 | 857.7 | 230.8 | - | - | 4.8 | 100 | 53 | - | - | 32 |
| United Kingdom | 7,685.2 | 316.6 | 13,949.4 | 21,911.4 | 58.0 | 11,146.6 | 310.2 | 21,722.1 | 32,817.8 | 66.5 | 45 | -2 | 56 | 50 | 15 |
| **Asia** | **3,166.3** | **2,726.7** | **9,565.0** | **15,149.0** | **1,245.7** | **12,393.7** | **5,267.6** | **32,398.2** | **49,749.5** | **1,786.0** | **291.43** | **93.18** | **238.71** | **228.40** | **43.37** |
| *Of which* | | | | | | | | | | | | | | | |
| Bangladesh | 153.3 | 115.5 | 665.1 | 905.0 | 115.2 | 862.6 | 197.4 | 2,087.1 | 3,108.5 | 161.4 | 463 | 71 | 214 | 243 | 40 |
| Brunei Darussalam | 36.6 | 34.4 | - | - | 0.3 | 76.7 | 45.5 | - | - | 0.4 | 110 | 32 | | | 44 |
| India | 1,814.2 | 1,656.2 | 5,758.6 | 9,082.0 | 963.9 | 8,302.4 | 3,922.6 | 21,155.7 | 32,600.9 | 1,352.6 | 358 | 137 | 267 | 259 | 40 |
| Malaysia | 345.3 | 511.4 | 1,191.3 | 1,983.9 | 20.5 | 1,018.8 | 546.5 | 3,731.8 | 5,276.8 | 31.5 | 195 | 7 | 213 | 166 | 54 |
| Maldives | 1.2 | 1.1 | 5.6 | 7.4 | 0.3 | 12.4 | 0.1 | 19.5 | 26.2 | 0.5 | 919 | -90 | 246 | 254 | 103 |
| Pakistan | 322.7 | 362.7 | 944.8 | 1,571.2 | 123.8 | 627.4 | 504.2 | 2,468.3 | 3,476.0 | 212.2 | 94 | 39 | 161 | 121 | 71 |
| Singapore | 391.2 | 0.8 | 911.0 | 1,376.5 | 3.5 | 1,160.5 | 0.4 | 2,619.1 | 4,611.6 | 5.6 | 197 | -55 | 187 | 235 | 60 |
| Sri Lanka | 101.8 | 44.5 | 88.4 | 223.0 | 18.2 | 333.1 | 51.0 | 316.7 | 649.5 | 21.7 | 227 | 14 | 258 | 191 | 19 |

| | 1995 | | | | | 2018 | | | | | % change (1995-2018) | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Country/region | Physical | Natural | Human | Total Wealth | Population (million) | Physical | Natural | Human | Total Wealth | Population (million) | Physical | Natural | Human | Total Wealth | Population (million) |
| **Caribbean** | **154.0** | **86.8** | **179.3** | **342.4** | **5.8** | **270.8** | **74.0** | **240.4** | **426.3** | **6.8** | **75.84** | **-14.78** | **34.06** | **24.50** | **16.16** |
| *Of which* | | | | | | | | | | | | | | | |
| Antigua and Barbuda | 3.6 | 0.2 | - | - | 0.1 | 9.0 | 0.5 | - | - | 0.1 | 149 | 175 | - | - | 40 |
| Barbados | 9.5 | 0.5 | - | - | 0.3 | 14.8 | 0.3 | - | - | 0.3 | 56 | -39 | - | - | 8 |
| Belize | 2.1 | 5.5 | 3.6 | 10.9 | 0.2 | 4.9 | 4.6 | 7.6 | 14.6 | 0.4 | 137 | -15 | 109 | 34 | 85 |
| Dominica | 1.2 | 0.5 | - | - | 0.1 | 2.0 | 0.5 | - | - | 0.1 | 67 | 2 | - | - | 1 |
| Grenada | 2.5 | 0.3 | - | - | 0.1 | 5.1 | 0.6 | - | - | 0.1 | 101 | 117 | - | - | 11 |
| Guyana | 8.7 | 30.7 | 10.7 | 50.2 | 0.8 | 10.5 | 22.7 | 19.1 | 48.9 | 0.8 | 21 | -26 | 78 | -3 | 2 |
| Jamaica | 81.8 | 30.5 | 82.2 | 185.3 | 2.5 | 107.3 | 14.8 | 100.2 | 198.8 | 2.9 | 31 | -51 | 22 | 7 | 16 |
| Saint Lucia | 3.2 | 0.5 | - | - | 0.1 | 8.0 | 0.5 | - | - | 0.2 | 148 | -10 | - | - | 24 |
| St Kitts and Nevis | 3.4 | 0.1 | - | - | 0.0 | 7.7 | 0.0 | - | - | 0.1 | 129 | -33 | - | - | 25 |
| St Vincent and the Grenadines | 2.5 | 0.5 | - | - | 0.1 | 5.3 | 0.7 | - | - | 0.1 | 116 | 51 | - | - | 2 |
| The Bahamas | 26.3 | 3.5 | - | - | 0.3 | 64.8 | 7.8 | - | - | 0.4 | 146 | 121 | - | - | 38 |
| Trinidad and Tobago | 9.2 | 14.1 | 82.8 | 96.0 | 1.3 | 31.3 | 20.8 | 113.5 | 164.0 | 1.4 | 238 | 47 | 37 | 71 | 11 |
| **Pacific** | **39.8** | **97.3** | **76.1** | **183.9** | **6.9** | **66.9** | **131.7** | **143.6** | **309.5** | **10.9** | **68.19** | **35.42** | **88.77** | **68.28** | **58.67** |
| *Of which* | | | | | | | | | | | | | | | |
| Fiji | 5.6 | 6.5 | - | - | 0.8 | 10.2 | 5.0 | - | - | 0.9 | 82 | -23 | - | - | 14 |
| Kiribati | 0.7 | 0.6 | - | - | 0.1 | 0.7 | 0.7 | - | - | 0.1 | 4 | 16 | - | - | 49 |
| Nauru | - | - | - | - | 0.0 | - | - | - | - | 0.0 | - | - | - | - | 20 |
| Papua New Guinea | 29.3 | 79.4 | 68.8 | 170.1 | 5.2 | 50.2 | 109.3 | 131.4 | 284.1 | 8.6 | 71 | 38 | 91 | 67 | 66 |
| Samoa | - | 1.4 | - | - | 0.2 | - | 1.4 | - | - | 0.2 | - | -4 | - | - | 15 |
| Solomon Islands | 1.8 | 5.3 | 7.2 | 13.9 | 0.4 | 1.0 | 12.3 | 12.0 | 25.4 | 0.7 | -41 | 131 | 68 | 83 | 82 |
| Tonga | 0.9 | 0.8 | - | - | 0.1 | 1.6 | 0.7 | - | - | 0.1 | 71 | -16 | - | - | 8 |
| Tuvalu | - | 0.0 | 0.1 | - | 0.0 | - | 0.0 | 0.2 | - | 0.0 | - | 4 | 46 | - | 24 |
| Vanuatu | 1.5 | 3.2 | - | - | 0.2 | 3.2 | 2.4 | - | - | 0.3 | 113 | -25 | - | - | 74 |
| Commonwealth all | 21,749.5 | 7,320.2 | 45,032.1 | 71,963.0 | 1,684.6 | 44,782.7 | 11,966.2 | 95,475.3 | 149,771.2 | 2,504.3 | 105.90 | 63.47 | 112.02 | 108.12 | 48.65 |

*Source: Authors using data from the World Bank's Changing Wealth of Nations dataset for 2018.*

# International Trade Policy Section at the Commonwealth Secretariat

This *Trade Hot Topic* is brought out by the International Trade Policy (ITP) Section of the Trade Division of the Commonwealth Secretariat, which is the main intergovernmental agency of the Commonwealth – an association of 56 independent countries, comprising large and small, developed and developing, landlocked and island economies – facilitating consultation and co-operation among member governments and countries in the common interest of their peoples and in the promotion of international consensus-building.

ITP is entrusted with the responsibilities of undertaking policy-oriented research and advocacy on trade and development issues and providing informed inputs into the related discourses involving Commonwealth members. The ITP approach is to scan the trade and development landscape for areas where orthodox approaches are ineffective or where there are public policy failures or gaps, and to seek heterodox approaches to address those. Its work plan is flexible to enable quick response to emerging issues in the international trading environment that impact particularly on highly vulnerable Commonwealth constituencies – least developed countries (LDCs), small states and sub-Saharan Africa.

### Scope of ITP Work

ITP undertakes activities principally in three broad areas:

- It supports Commonwealth developing members in their negotiation of multilateral and regional trade agreements that promote development friendly outcomes, notably their economic growth through expanded trade.
- It conducts policy research, consultations and advocacy to increase understanding of the changing international trading environment and of policy options for successful adaptation.
- It contributes to the processes involving the multilateral and bilateral trade regimes that advance more beneficial participation of Commonwealth developing country members, particularly, small states and LDCs and sub-Saharan Africa.

### ITP Recent Activities

ITP's most recent activities focus on assisting member countries in their negotiations in the World Trade Organization and various regional trading arrangements, undertaking analytical research on a range of trade policy, emerging trade-related development issues, and supporting workshops/ dialogues for facilitating exchange of ideas, disseminating informed inputs, and consensus-building on issues of interest to Commonwealth members.

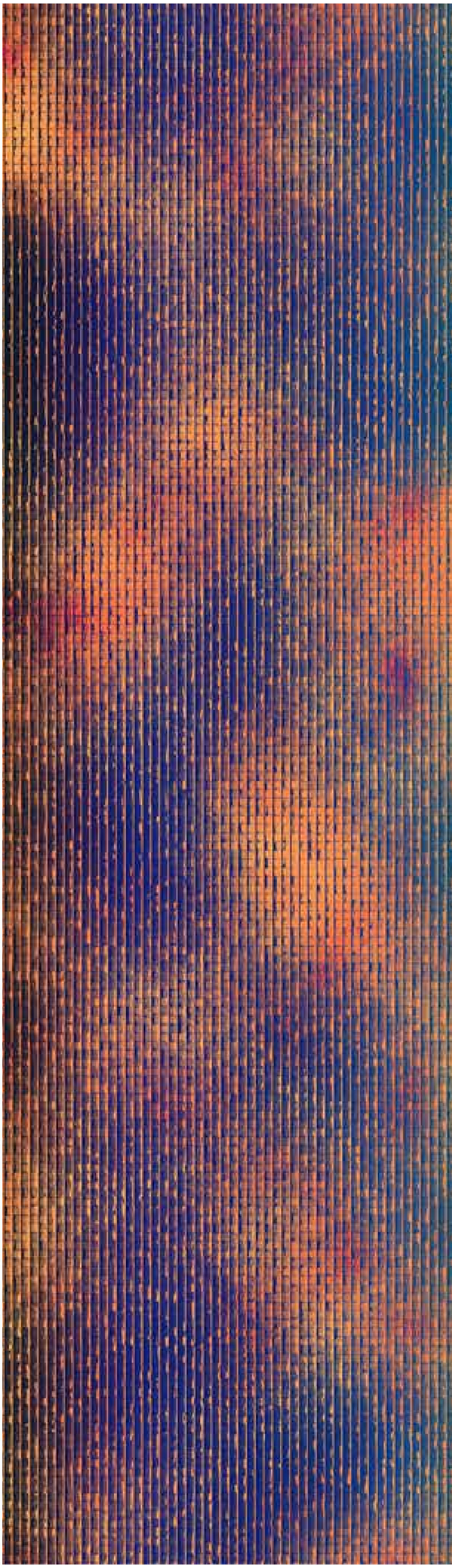
### Selected Recent Meetings/Workshops Supported by ITP

21 March 2023: Public event on Assessing the Business and Trade Dimensions of the 2022 Birmingham Commonwealth Games, in partnership with the UK's Department for Business and Trade. The event reflected on the legacy of the Commonwealth Games and explored how businesses can capitalise on the trade and investment relationships established during the Games.

16 November 2022: Public event on Enabling Climate Smart Trade and Investment: From Policies to Actions, organised for the ICC's Make Climate Action Everyone's Business Forum. The event examined how trade and trade policies can support climate action and how countries can integrate environmental and social considerations into trade agreements to achieve the SDGs.

2 November 2022: Public event on Maximising the Gains from Digital Trade: Solutions and Priorities for Developing Countries and LDCs, organised jointly with the Enhanced Integrated Framework (EIF) and hosted at the WTO in Geneva. The event reflected on lessons from country experiences and EIF projects, explored the concept of Aid for Digital Trade and identified innovative new ways to support LDCs, and particularly their MSMEs, to build capacity for digital trade.

31 October 2022: Joint Commonwealth Secretariat-UNCTAD workshop on Understanding the IPR-related Landscape for Graduating LDCs: Issues and Challenges. The workshop, hosted at the United Nations in Geneva, was attended by technical experts from the Centre for Policy Dialogue, United Nations Committee for Development Policy, ODI, South Centre, UNCTAD, WIPO and WTO, who discussed issues, challenges and opportunities related to intellectual property rights for graduating LDCs.



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