

THE ONE VILLAGE ONE PRODUCT (OVOP) MODEL AND ECONOMIC DEVELOPMENT ON GUAM

Ning Li, University of Guam
Fred R. Schumann, University of Guam

ABSTRACT

Guam is a small island state in the western Pacific Ocean. The island's tourism industry has served as an engine for its economic growth. However, the local community of Guam is not maximizing the benefits of tourists' spending due to a high level of leakage. This paper proposes that the One-Village-One-Product (OVOP) strategy be implemented on Guam so that Guam residents may benefit more from the tourism industry by building up linkages with goods and services suppliers on Guam. Candidate products for each village on Guam are identified, indicating that Guam is ready for a One-Village-One-Product strategy. Policy recommendations are given for fostering Guam's tourism industry.

INTRODUCTION

Guam is a tropical island in the western Pacific Ocean. It is the southernmost and largest island in the Mariana island chain. It is also the largest island in Micronesia. Yet Guam is still considered a small island state measured by its geographical size and population. Guam has an area of 212 square miles (549 km²). Inhabiting this tropical island are approximately 160,000 people with diverse racial and cultural backgrounds. In terms of racial breakdown of Guam, the largest group is Chamorro, which accounts for 37.1% of the total population. Other groups are Filipino (25.5%), White (10%), Chinese, Japanese and Korean (8%), and Pacific Islanders and others (20%).

Besides commerce between the island's inhabitants, like many other small islands around the world, the tourism industry serves as one of the major sector of the island's economy. Guam receives more than one million tourists annually, among which about 80% are from Japan, about 10% are from Korea, and the rest are from Taiwan, Hong Kong, United States, and etc.

Unlike many of the small island states, Guam's economy also benefits from its military-related service sector. Due to its strategic location, Guam hosts two military bases of the United States in this island, namely the Andersen Air Force Base and the U.S. Navy Joint Region Marianas. In addition, it has been forecasted that the impending relocation of U.S. Marines from military bases in Okinawa, Japan, to Guam may bring drastic changes to this island's socio-economic landscape. However, the changing political, social, and economic dynamics in Japan

and the United States complicate this military relocation and, as a result, many critical issues relative to this military buildup remain unclear.

This paper posits that although the proposed military buildup may provide good opportunities for Guam to boost its economy and enhance the living standard of Guam people, the extent and timing of the military relocation to Guam is still fraught with high level of uncertainty. On the other hand, Guam's tourism industry provides a more promising path of Guam's long-term economic growth. Further, this paper argues that implementing the One-Village-One-Product (OVOP) strategy will bring about positive results for Guam's economic growth by bringing in more tourist arrivals and encouraging tourist spending with minimal leakage of revenue. The remaining parts of this paper will review the significance of Guam's tourism industry, investigate whether Guam is ready for an OVOP strategy, and make some policy recommendations for fostering Guam's tourist industry.

DEVELOPMENT ECONOMICS FOR SMALL ISLAND ECONOMY

Economic growth and structural change are key concerns of development economics. Various theories and methods that provide guidance for public policy-making and implementation at both domestic and international levels have been created. The aim is to ensure economic growth for developing economies and to improve living standard of the population. Among these theories, two strands of literature in development economics deserve special mention: the five-stage growth model and the structural change theory.

The five-stage growth model was proposed by W.W. Rostow. In his classics *The Stages of Economic Growth: A Non-Communist Manifesto*, Rostow (1960) asserts that all countries must go through a series of five consecutive stages of development: (1) the traditional society in which products are primarily consumed by producers; (2) the preconditions for take-off under which increased specialization generates surpluses for trading; (3) the take-off, when industrialization increases with concentration in one or two manufacturing industries; (4) the drive to maturity, when the economy is diversifying into new areas; and (5) the age of high mass-consumption, when service sector dominates the economy. According to Rostow, the primary means of promoting economic growth is through accelerated accumulation of capital. In other words, development requires substantial investment in capital. Rostow's model may be good for most nations of the world, but it does not always apply to small island states such as Guam. Most small island states do not have enough savings and thus lack necessary capital goods capacity to drive economic growth.

The structural change theory focuses on the change of economic structures in the process of the transition from a primarily agricultural society into a modern, urbanized, industrial, and service economy. Unlike Rostow's assertion that all nations follow the same path of growth, the structural change theory holds that different nations become wealthy through different trajectories. Chenery (1960, 1968) argues that a nation's choice of trajectories of growth

depends on various factors such as size, resource endowment, population, current income level, and comparative advantages relative to other nations. Demas (1965), in his study of Caribbean nations, concludes that very small countries should follow a different pattern of growth from that of large continental countries. He argues that, since it is generally difficult for small nations to ensure capital goods capacity and internally self-sustaining growth, these nations should seek externally oriented growth engines.

Among small countries, small island states manifest some unique characteristics. Various studies have identified typical advantages and disadvantages of small island economies. Here, small island economies are defined as island states with less than one million inhabitants and less than 2,000 square miles (or 5,000 km²) in area. There are close to fifty small island economies in the world.

On the negative side, size constraints are the major considerations. First, because of their small domestic markets, economies of scale are typically difficult to obtain (Knox, 1967). Second, the geographic location which often specifies remoteness and isolation brings about many difficulties for development in small islands (Brookfield, 1990). This is still true today, even though technological advances have produced state-of-the-art air transportation systems. Third, due to their susceptibility to natural disasters (typhoon, earthquake, tsunamis, etc.), small island states suffer from macroeconomic instability, especially if the island has a strategy of export specialization and concentration (Briguglio, 1995). This is why small island states are often characterized with import dependence. Finally, in terms of social and cultural impacts, some (Armstrong and Read, 1998; Benedict, 1967) argue that, due to intense kinship ties and ethnic heritages, policy consensus is often difficult to achieve and decision-making is often rather subjective than objective.

On the positive side, small island states generally endowed with natural beauty such as sun, sea, sand, and cliff (Aguilo et al, 2005). Island demography with the propensity to migrate and progress is another positive perspective, as it will in turn bring back remittances and financial aid (Bertram and Watters, 1985), and it will provide long-run metropolitan links (Bertram, 2004). In addition, due to their small size, these island states can take advantage of relatively easily implementing domestic policy in restructuring island economies towards service sectors (i.e., tourism and off-shore banking) and towards export-oriented manufacturing (McElroy and Mahoney, 2000). An empirical study by McElroy (2006) proves promoting tourism industry is a viable strategy for economic growth in small island states.

SIGNIFICANCE OF THE TOURISM INDUSTRY ON GUAM

Guam's tourism industry has served as an engine for its economic growth. Tourism has produced jobs and income for people, generated revenue and profits for business, and harvested tax money for government. In addition, tourism has brought in investment and even business relations and new residents to Guam, as it has been known to do in many destinations (Kotler et

al, 2002). The tourism industry has helped Guam obtain a self-sustaining economy and higher standard of living.

Guam still lacks statistics and calculations on its macroeconomic indicators. The recent estimate of Guam's gross island product (GIP) was around \$4 billion (Ruane, 2012). The Government of Guam is considered a major employer on the island. The two critical sectors that contribute largely to Guam's economy are U.S. military and tourism. Military-related businesses as well as those that indirectly provide goods and services are expected to benefit with the planned relocation of U.S. Marines from Okinawa, Japan to Guam. However, it is still unclear when and how many marines will be relocated. On the other hand, the tourism industry is more dependable and sustainable as a source of revenue for the island. The average number of tourist arrivals in recent years has been around 1.2 million. The ratio of tourist arrivals to inhabitants on Guam is about 7.5, higher than most major tourist destinations.

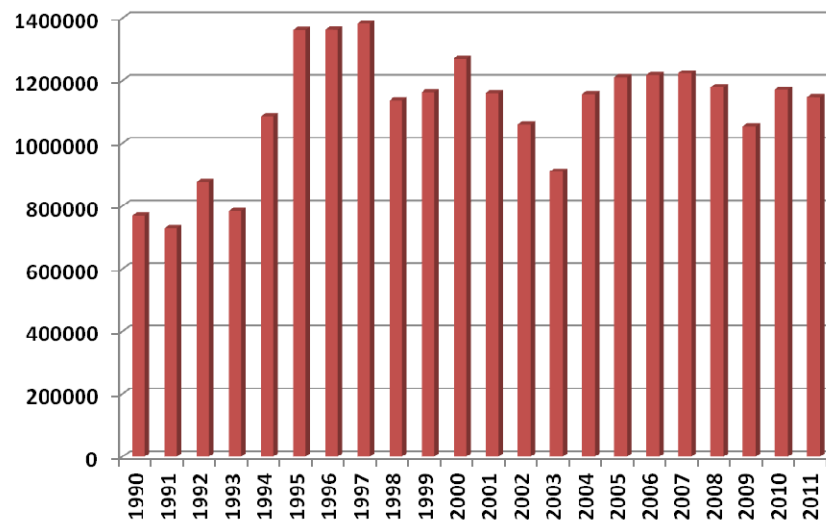
Guam's tourism industry began to take off in the 1960s with the growth of air travel. The first commercial airplane loaded with international tourists to Guam was from Japan operated by Pan American Airways in the year 1967. Other airlines followed soon after. In late 1980s and early 1990s, the tourism industry on Guam benefited tremendously from the buildup of hotels in the area of Tumon Bay, with most of the investments coming from Japan. Today, Guam is the home of many famous international hotels chains, including Nikko, Westin, Marriott, Hilton, Sheraton, Hyatt, and Outrigger brands. Figure 1 shows tourist arrivals over the years from 1990 to 2011.

The tourism industry on Guam is vulnerable to natural disasters, socio-economic situations in the source markets, and, to some extent, the international social, political, and economic performance. Figure 1 reflects those impacts. For example, the Gulf War in 1991, the terrorist attack on September 11 of 2001, the Iraq War in 2003, and SARS outbreak in 2003-04 imposed negative influences to Guam's tourist arrivals. The significant appreciation of Japanese Yen against U.S. dollars in mid-1990s brought in a significant increase of Japanese tourist to Guam. In 1997, Guam reached its peak in tourist arrivals with the record of 1.38 million. The Asian financial crisis in 1997-1998, joined by Typhoon Paka in December 1997, dragged tourist arrivals down by almost 300,000. Natural disasters also brought about negative impacts. Examples included Typhoon Omar in August 1992, an 8.2 Earthquake in August 1993, Typhoon Chataan, Halong, and Ponsonga in 2002. A more recent event with negative impact was the 2011 Earthquake in Japan.

For small island economies, the tourism industry has the potential to contribute significantly to economic growth and increase income. According to a study conducted by Global Insight, Inc. (Pike, 2007), Guam's tourism industry accounts for 20 percent to one-third of the island's aggregated economy. In the year 2005, the tourism industry generated 20% of Guam's GIP or 32% of Guam's non-government GIP, paid 36% of non-government wages, and supported 35.5% of the private employment base.

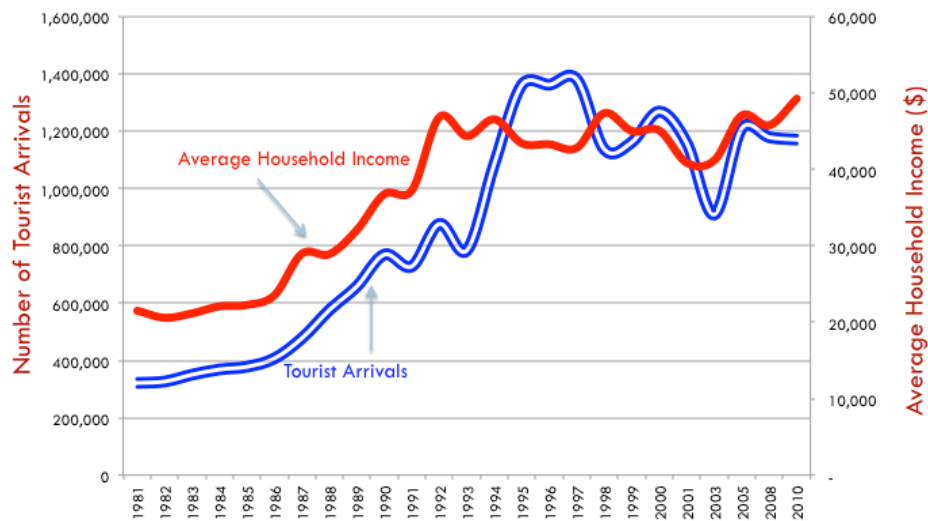
Empirical studies of Caribbean countries show a significant correlation between tourism industry and economic performance (Jayawardena and Ramajeessingh, 2003). Figure 2 presents the evolution of Guam's tourist arrivals and average household income from 1981 to 2010. The two curves reveal a general trend of increase in both tourist arrivals and average household income from 1981 to the early 1990s and a pattern of fluctuation in both thereafter.

Figure 1: Tourist Arrivals on Guam 1990-2011



Source: Guam Visitors Bureau

Figure 2. Tourist Arrivals vs. Average Household Income on Guam: 1981-2010

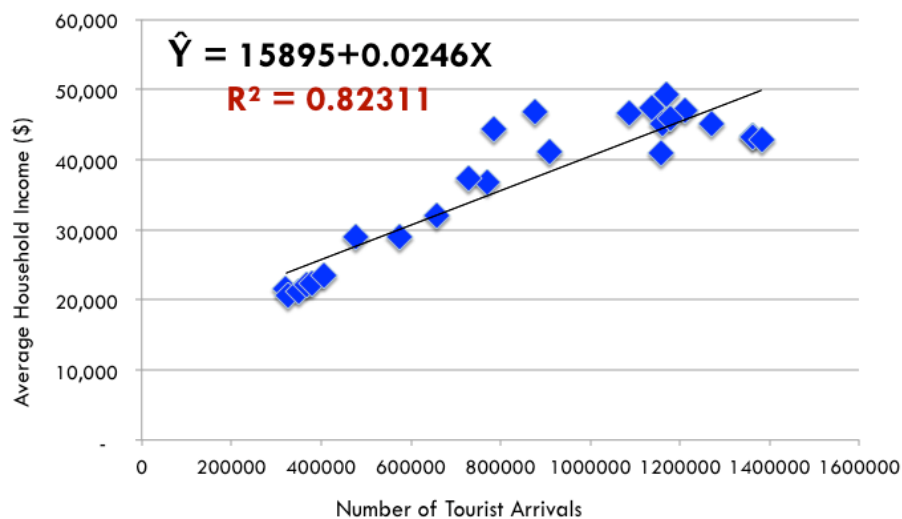


Source: Guam Visitors Bureau, Guam Department of Labor

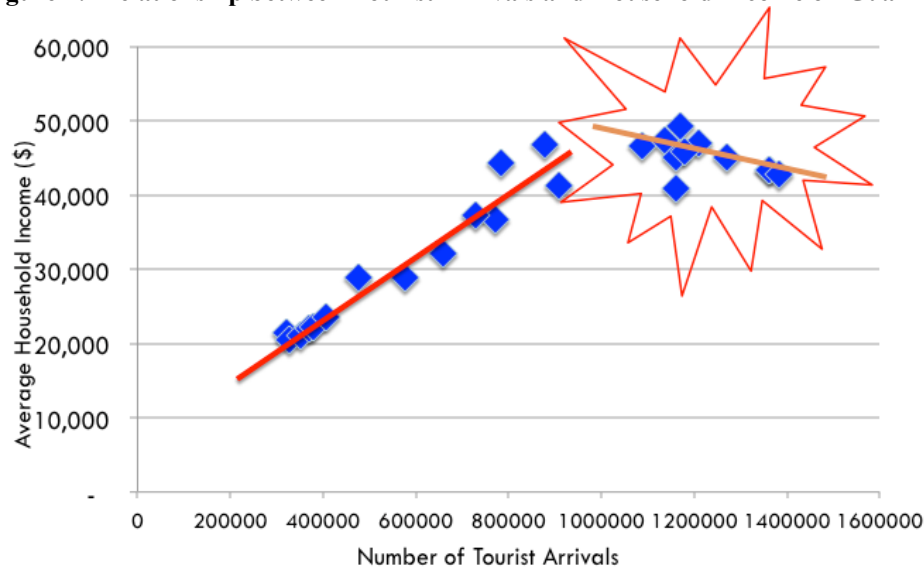
In order to determine whether there is a linear relationship between average household income level and tourist arrivals on Guam, a simple regression model was constructed: $Y = \alpha + \beta X + \varepsilon$, where Y is average household income, X is number of tourist arrivals, and ε is the error term. The result of regression analysis shows a strong positive linear relationship between the two variables ($R^2 = 0.82$, $F = 107$, $p < 0.001$). Hence, number of tourist arrivals is a significant contributor to Guam's household income. In other words, over the years, the increase of tourist arrivals on Guam has resulted in increase in average household income. Figure 3 shows the scatter diagram and the estimated regress line.

However, more insights are revealed if the scatter diagram is reorganized based on the number of tourist arrivals. Data points in the scatter diagram are grouped into two clusters: those with less than one million tourist arrivals and those with over one million. As shown in Figure 4, there is a strong positive linear relationship between tourist arrivals and average household income on Guam when Guam receives less than one million tourist arrivals ($R^2 = 0.94$, $F = 184$, $p < 0.001$), and the relationship presents a somewhat negative pattern after the number of tourist arrivals reaches one million ($R^2 = 0.25$, $F = 3.05$, $p = 0.11$). This finding is both interesting and surprising. Although it is not clear about the dynamics behind this negative cause-and-effect relationship, one thing seems certain: there is still much room for realizing the potential benefits of the tourism industry on Guam. Therefore, a call for new strategies is imperative.

Figure 3: Relationship between Tourist Arrivals and Household Income on Guam (a)



Sources: Guam Visitors Bureau, Guam Department of Labor

Figure 4: Relationship between Tourist Arrivals and Household Income on Guam (b)

Sources: Guam Visitors Bureau, Guam Department of Labor

Meyer (2006) argues that over the years an increasing number of tourist destinations have learned from their experience about the fallacy of paying too much attention on the number of tourist arrivals. Instead, the focus has been switched to increasing the benefits to the local economy. According to Meyer (2006), there are three strategies a small island state may use to increase benefits to the local economy: (1) “increasing spending per visitor”; (2) “increasing local participation in the industry”; and/or (3) “increasing backward linkages and thus reducing leakages.” Here, the term “linkage” refers to the collaboration and usage of other business sectors on island so that to improve the local economy as a whole, and leakage is usually the percentage of the tourist spending that leaves or never reaches the island due to the involvement of intermediaries. The key point of these strategies is that the focus should be put on increasing the number of tourist arrivals, as well as on encouraging involvement of local business and on using local agricultural and other products for import substitution so that the benefits of tourist industry will remain on island. In Guam’s case based on estimates by Global Insight, Inc., for every dollar spent by tourists in Guam, 34 cents go to the local tourism services or goods, 12 cents goes to local suppliers (linkage), and 54% goes to off-shore suppliers (leakage) (Pike, 2007). More than half of the tourist spending is lost due to import leakages, with unrealized benefits in the destination where goods and services are provided to the tourist. It appears that Meyer’s three strategies could be implemented through one development model: the one-village-one-product (OVOP) model.

THE OVOP STRATEGY AS GUAM'S CHOICE TO IMPROVE THE TOURISM INDUSTRY

The OVOP movement was originated in Oita Prefecture of Japan as a regional development program in 1979, when Oita lagged behind the other parts of Japan in terms household income level. The movement was advanced by Oita's former governor Morihiko Hiramatsu. As governor, he advocated that communities should selectively produce goods with highly added value and one village should produce one product that was competitive and stable and use this particular product to gain sales revenue in the market. This movement was successfully implemented and eventually over 300 products were selected by villages in Oita. As a result, the average annual income in Oita doubled from \$13,000 in 1979 to \$26,000 in 2003 (Shoji, 2008). Today, the OVOP products are sold in Narita International Airport and Kansai International Airport, making revenues for villages involving in the OVOP movement.

The success of the OVOP movement has given other developing countries and regions hope to use it as a development strategy. Many developing countries, such as India, Egypt, Tanzania, Nepal, Myanmar, and Madagascar, have adopted the OVOP model for regional development. A few typical OVOP products from these countries include: different types of incense with aromas such as raspberry and strawberry (India), bookmarks featuring wall painting as reproductions of the oldest paper made in ancient times (Egypt), cellphone charms attached with animal and mask designs made of animal bones (Tanzania), Buddhist painting paper (Nepal), gripping stars made of natural wood as massage tool (Myanmar), and model bicycles made from waste cans (Madagascar). Each of these handicrafts is embedded in the village's unique social and cultural settings.

Although Guam has not adopted the OVOP strategy, there is strong evidence to show that Guam has great potential to benefit from such a development model and that of the OVOP model.

Because tourism serves as a major business sector and an engine for Guam's economic growth, it is necessary to combine the OVOP model with the development strategy of Guam's tourism industry. In fact, there has been a relatively strong connection between Guam's tourist industry and various village products in terms of agriculture, culture, history, and natural beauty. This is truly a unique feature favorable for the adoption of the OVOP strategy in Guam. Guam has 19 villages. In adoption of the OVOP model, by pursuing a specialization strategy, each village may identify one or two products (goods or services) that will eventually create a specific image to attract visitors and investments. For example, the OVOP model will help with import substitution strategy for agricultural goods by pursuing economies of scale. Therefore, the one village one product (OVOP) model seems to be a good strategy that Guam can adopt for its rural development and for the island's tourism industry. By doing so, Guam will be able to increase the linkage and reduce the leakage.

Guam's tourism products that normally attract visitors can be categorized into the following:

- Natural Beauty: sea, sand, sun, cliff, and mountain
- Culture/History/People: Chamorro culture, Spanish heritage, and Chamorro people
- Sports: golf course, surfing, hiking, and camping
- Handicrafts: local arts, and hand-made decorations
- Agriculture: tropical fruits
- Lodging: 5-star hotels
- Food: restaurants
- Shopping: shopping centers and malls
- Wedding: wedding services
- Recreation: entertainment facilities

In order to take the OVOP model into consideration for Guam, it is necessary to determine whether at least one tourism product could be identified for each of the villages. Guam is divided into 19 municipalities called villages. Villages vary greatly in size measured by population, ranging from 782 in the village of Umatac to 44,943 in the village of Dededo. Table 1 lists the 19 villages on Guam and their population sizes.

Table 1: Guam's Villages and Populations	
Villages	Population
Agana Heights	3,808
Agat	4,917
Asan	2,137
Barrigada	8,875
Chalan Pago-Ordot	6,822
Dededo	44,943
Hagåtña	1,051
Inarajan	2,273
Mangilao	15,191
Merizo	1,850
Mongmong-Toto-Maite	6,825
Piti	1,454
Santa Rita	6,084
Sinajana	2,592
Talofofo	3,050

Tamuning	19,685
Umatac	782
Yigo	20,539
Yona	6,480
GUAM TOTAL	159,358
Source: United States Census 2010	

Table 2 lists OVOP products candidates for almost every village on Guam. The table is compiled through investigation of each village's major points of interest. The purpose is to show that each village has some uniqueness in terms of its history, culture, agriculture, natural beauty, or facilities. Therefore, Guam has the foundation and potential to benefit from the OVOP model. Note that two villages, Chalan Pago-Ordot and Mongmong-Toto-Maite, are labeled question marks. No specific OVOP candidates were easily identified for these two villages, indicating further detailed investigation is required.

Table 2: OVOP Product Candidates in Guam's Villages	
Villages	Candidate OVOP Products
Agana Heights	Fort Santa Agueda (history), Fonte River (sports), Coconut Theme Park (culture & agriculture)
Agat	Agat Beach (history), Agat Small Boat Marina (Recreation), Mango Festival (culture & agriculture)
Asan	Asan Beach (history: War in the Pacific National Historical Park)
Barrigada	Admiral Nimitz Golf Course (sports)
Dededo	Guam National Wildlife Refuge (natural beauty), Coco Palm Resort (natural beauty), Dededo Flea Market (culture & agriculture), Dededo Skate Park (sports), Micronesian Mall and Theaters (shopping), Stars Golf Course (sports), Tanguisson Beach Park (sports: hiking)
Hagåtña	Latte Stone Park (culture), Japanese World War II Caves (history), Plaza de España (history), Cathedral-Basilica (culture), Chamorro Village Night (culture and recreation)
Inarajan	Gef Pa'go Cultural Village (culture & history), Talofofo Bay Beach Park (sports: surfing)
Mangilao	Onward Mangilao Golf Club (sports), Academic Region (UOG and GCC)
Merizo	Cocos Island (natural beauty), Merizo Festival of the Sea (culture)
Piti	Fish Eye Marine Park (underwater observatory), Piti Bomb Holes Preserves (sports: swimming and diving), Mahogany Forest (agriculture)
Santa Rita	Namo Falls Tropical Garden (natural beauty and agriculture)
Sinajana	Ada's Funeral Home (culture)
Talofofo	Ipan Beach Resort (sports: camping and hiking), Jungle Riverboat Cruise (natural beauty), Talofofo Falls and Caves (natural beauty), Talofofo Golf Course (sports)
Tamuning	Guam Premier Outlets (shopping), Two Lover's Point, Tumon- Tourist District (lodging, shopping, entertainment), Ypao Beach Park (natural beauty and sports),
Umatac	Spanish Forts (history), Guam Veteran's Memorial (history)
Yigo	Mt. Santa Rosa (natural beauty: highest point in Northern Guam), Pacific Peace Memorial Park (history: Japanese Memorial for WWII)
Yona	Hamamoto Tropical Fruit World (agriculture), Windward Hills Country Club (sports), LeoPalace Resort (recreation)

CONCLUSIONS AND PUBLIC POLICY IMPLICATIONS

Its unique strategic location and the impending military build-up have offered Guam great opportunities for rapid economic growth in the near future. However, Guam still needs proper public policy and strategies to build up its indigenous capability to ensure sustainable development. One can identify two major business sectors on Guam--the military-related service sector and tourism. The former is plagued with a high level of uncertainty as the planned military buildup is still unclear in terms of scope and timing. The latter seems more promising as there is still much room for Guam's tourist industry to improve its performance with new strategies.

Over history, Guam's tourist industry has served as an engine for economic growth and has contributed to increasing income levels on Guam. This paper found a strong positive relationship between the number of tourist arrivals and the average household income. Research also revealed that when the number of tourist arrivals exceeds one million, the above positive relationship switches into negative. This may be an indicator that Guam is not fully benefiting from tourist spending as there is a high level of leakage. This finding is consistent with the findings of the study conducted by Global Insight, Inc. (Pike, 2007).

In order to promote the linkage and to reduce the leakage in tourism industry, this paper argues that the OVOP model seems to be a good strategy that Guam can adopt for its rural development and for the island's tourism industry. Investigation of each of Guam's 19 villages results in a list of candidate OVOP products for most of the villages, indicating Guam has potential to benefit from the OVOP strategy.

However, the OVOP strategy will not be successful without the support from public policy. It is recommended that the local governments on Guam need to work closely with agriculture and tourism industry officials to develop public policies that promote the OVOP movement. Specifically, in order to successfully implement the OVOP strategy for Guam's tourist industry, the Government of Guam needs to address the following (Sheldon, 2005; Shoji, 2008):

- **Consensus of the need to change:** Guam's tourism industry has been doing a good job in bring more visitors to Guam from different source markets. In recognition of the fact that this industry has a high level of leakage, there is a need to switch the focus to building up more linkages so that the local community will benefit more from tourist spending on Guam. A consensus of needing change and public support will ensure full involvement of the community in implementing new strategies towards the changing of focus.
- **Empowerment of the local community and culture:** The uniqueness of Guam's local culture and history is one of its major selling points to attract tourists. Providing tourists with the opportunities to enjoy and appreciate the local culture requires empowerment of the local community. Guam is currently

undergoing a cultural revival of sorts and must continue to make efforts to showcase its unique culture to both residents and tourists. This could be done through local festivals, arts, language programs, story-telling, and memory of traditions (Sheldon, 2005).

- **Persistence with the OVOP strategy:** Once the OVOP strategy has been put in place, persistence becomes the key to success. Relevant government agencies should be assigned the task of measuring the effectiveness and efficiency of the OVOP strategy while constantly monitoring the implementation of the strategy.
- **Investigation to identify products (goods or services) of high value-added:** Identifying the OVOP product for a village means taking other products out of focus. Thus, careful investigation and thorough consideration are needed in making decision on the selection of the OVOP product. Products of high value-added should have higher priority.
- **Marketing and market diversification:** When marketing OVOP products (goods or services), aiming at generating the highest expenditure for the island, the focus should be on the quality visitors in terms of their expenditures and length of stay. A market diversification approach is also needed to attract visitors from various source markets and from different levels of income. In this way the profitability of OVOP products will be enhanced.
- **Human resource development:** Human resource or human capital is key to successfully implementing public policy and business strategy. Despite all the advances in technology to streamline business operations, tourism is a people-oriented industry that relies on properly trained people. Formal education and training programs are needed for people in the tourism industry as well as for general residents. The international tourism and hospitality program at the University of Guam, as well as other educational institutions, require continuous support to develop human resources. Various training programs should be planned and provided on a regular basis for Guam to maintain competitiveness as a destination.

With OVOP on Guam, residents will be implementing a strategy in an industry that to some extent (unlike the military buildup), Guam's residents have control and have the ability to sustain. In addition, it will be increasing employment opportunities for village residents, teaching skills to produce local products, and establishing pride in village and island products. Most importantly, it will be increasing opportunities for residents around the island to interact directly with tourists to sell their specialty products, thereby increasing linkage and minimizing leakage.

REFERENCES

- Aguilo, E., J. Alegre, and M. Sard (2005). The persistence of the sun and sand tourism model. *Tourism Management*, 26 (2), 219-232.
- Armstrong, H. and R. Read (1998). Trade, competition and market structure in small states: The role of contestability, *Bank of Valletta Review* 18(1), 1-18.
- Benedict, B. (1967). Sociological aspects of smallness, in B. Benedict (ed.), *Problems of smaller territories* (pp. 45-55). London: Athlone Press.
- Bertram, G. (2004). On the convergence of small island economies with their metropolitan patrons. *World Development*, 32(2), 343-364.
- Bertram, G. and R.F. Watters (1985). The MIRAB economy in South Pacific microstates. *Pacific Viewpoint*, 26(3), 497-519.
- Briguglio, L. (1995). Small island developing states and their economic vulnerabilities. *World Development*, 23(10), 1615-1632.
- Brookfield, H.C. (1990). An approach to islands. In W. Beller, P. d'Ayala and P. Hein (eds.), *Sustainable development and environmental management of small islands* (pp. 23-33). Paris: UNESCO-Parthenon.
- Chenery, H.B. (1960). Patterns of Industrial Growth. *The American Economic Review*, 50(4), 624-654
- Chenery, H.B. and L. Taylor (1968). Development Patterns: Among Countries and Over Time. *The Review of Economics and Statistics*, 50(4), 391-416.
- Demas, W.G. (1965) *The economics of development in small countries*. Montreal: McGill University Press.
- Knox, A.D. (1967). Some economic problems of small countries. In B. Benedict (ed.), *Problems of smaller territories*. London: Athlone Press.
- Jayawardena, C. and D. Ramajeesingh (2003). Performance of tourism analysis: a Caribbean perspective. *International Journal of Contemporary Hospitality Management*, 15, 176-179.
- Kotler, P., M. A. Hamlin, I. Rein, and D. H. Haider. (2002). *Marketing Asian Places: Attracting Investment, Industry, and Tourism to Cities, States, and Nations*, Singapore: John Wiley & Sons (Asia) Pte Ltd
- McElroy, J.L. and M. Mahoney (2000). The propensity for political dependence in island microstates. *International Journal of Island Affairs*, 9(1), 32-35
- McElroy, J. L. (2006). Small island tourist economies across the life cycle. *Asia Pacific Viewpoint*, 47(1), 61-77.
- Meyer, D. (2006). Caribbean tourism, local sourcing and enterprise development: Review of the literature. *PPT Working Paper* No. 18
- Pike, C. (2007). *Guam Tourism Economic Impact: Preliminary Results*, Global Insight, Inc.
- Rostow, W. W. (1960). *The Stages of Economic Growth: A Non-Communist Manifesto*, Cambridge University Press
- Ruane, M.C. (2012) *First Hawaiian Bank 2011-12 Economic Forecast, Guam-CNMI Edition*, Retrieved May 5, 2012, from https://www.fhb.com/pdf/FHB_GuamCNMIEconForecast2011.pdf
- Sheldon, P. J. (2005). *The Challenges to sustainability in island tourism*. School of Travel Industry Management, University of Hawaii, Occasional Paper, 2005-1
- Shoji, K. (2008). "The 'One Village, One Product' Movement Spreading throughout the World", Speech on OVOP APEC 2008, Retrieved April 30, 2012, from <http://www.apecovop.org/ebs01-1.asp?page=&forid=4&toDir=15&nouse=2247>

