



THE ROYAL COMMONWEALTH SOCIETY
AT THE COMMONWEALTH CLUB

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Commonwealth members enjoy up to 50% trade advantage

New research published today by the Royal Commonwealth Society shows that a Commonwealth country's trade with another member is likely to be a third to a half more than with a non-member, even after taking into account other possible contributory factors such as proximity, level of development and language.

The research also reveals that, over the last two decades, the importance of Commonwealth members to each other as sources of imports and destinations for exports has grown by around a quarter and third respectively.

Other key findings include:

- Between them, Commonwealth countries traded around US\$4 trillion worth of goods in 2008.
- Intra-Commonwealth trade accounts for about one-sixth of total Commonwealth members' trade, with an average for each member of around one-third.
- The share of intra-Commonwealth trade has grown steadily from around 12 per cent in 1990 to around 16 per cent in 2008.
- The Commonwealth dominates trade in some countries; for example more than four-fifths of Botswana's and Namibia's imports come from other Commonwealth countries; and more than 90 per cent of the exports from Saint Vincent and Samoa go to other Commonwealth countries.
- The value of trade between pairs of Commonwealth member states is between 38 and 50 per cent higher than between pairs of countries where one or both are not Commonwealth members, controlling for other factors.

Dr Danny Sriskandarajah, Director of the RCS, said: "The Commonwealth may be best known for its Games, but it seems to be delivering some serious Gains on the trade front. Though founded on shared political bonds, the Commonwealth's future may lie in promoting economic ties. "

Robert Alston, Past Master of the World Traders Company, said: "The Company welcomes this opportunity to help to raise awareness of the benefits of trade among the members of the Commonwealth."

Notes to Editors

'Trading places: the 'Commonwealth effect' revisited', is published by the Royal Commonwealth Society (RCS). Using a revised methodology, this research develops work first carried out in the late 1990s by Lundan and Jones in a project funded by the Commonwealth Business Council which showed a significant 'Commonwealth Effect' on trade and investment.

The paper is to be presented at the 'Commonwealth Trade – Time for action!' seminar to be held on 30 September 2010 at Marlborough House, London. The research has been carried out by a team from the Royal Commonwealth Society, Landman Economics and the University of York, with financial support from the Worshipful Company of World Traders.

The Royal Commonwealth Society: is the oldest and largest civil society organisation devoted to the Commonwealth. Founded in 1868, the RCS conducts a range of events and activities aimed at promoting international understanding. Headquartered at the Commonwealth Club in London, the RCS has some 5000 members in the UK and a presence in some 40 Commonwealth countries through a network of branches and Commonwealth societies. www.thercs.org

The Commonwealth: was established with 8 members in 1949. In 2010, it has 54 members with a total population of nearly 2 billion. It is an association of governments and peoples, built around shared language, institutions, challenges, aspirations and values. The Commonwealth promotes democracy, development, and diversity within its member countries and across the world.

The Worshipful Company of World Traders: has been one of the 108 Livery Companies of the City of London since 2000. Most of its Members are involved in international trade and business. It supported this research from its educational Trust and has organised the seminar on 'Commonwealth Trade - time for Action' at Marlborough House on 30 September at which the research will be presented. www.world-traders.org

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