

# Achievement and Non-Achievement: *Caricom's Future*

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1) If I were pressed to single out the most distinctive economic consequence of the present wave of globalisation of production, and the relentless worldwide pursuit of policies directed at the liberalisation and integration of world markets for commodities, services, finance, and skilled labour, it would be the consideration that competitive prices and the ability to innovate new and better products are now so inextricably combined, that both are absolutely indispensable for the continued survival and prosperity of all economic enterprises - including national economies. In the old days, price competitiveness alone could assure survival and continued prosperity. Today, however, the process of constant invention, re-invention, and change is as they say: "the name of the game". Only societies geared towards research and development, innovation, and the pro-active pursuit of change and renewal in a knowledge-based development strategy, will be in a position to exercise some control over their future direction.

2) Because of this circumstance, the sort of future that Caricom will have depends on a) whether innovation-driven competitiveness stems from within the Region or b) whether it stems from forces external to the region. If it is the latter, it will be driven by interests which make ours secondary, if not incidental to the process. In this sense therefore, there is always a future for Caricom and the wider-Caribbean! The real question then boils down to one where we in fact ask: what sort of future lies ahead for the Region?

3) When responding to this question it is important to take into account the belief, which many hold, that the Region's small size (and therefore its limited resources and markets) dooms it. This is wrong for two very fundamental reasons. One is that despite the external dependence and increased vulnerability to natural and human disasters which small size engenders, the Region's resource endowment (still largely untapped) is impressive by the test of the highest international standards. The other is that, on average, the Region's economic advancement since Independence has also been impressive, by the test of the highest international standards.

4) Many persons are not aware, and included among these are persons who by training and experience should know better (and here the media must be held partly responsible for this outcome) that although the Region comprises a significant number of small and mini-states, it is blessed with a rich and diversified resource endowment that is impressive by global standards. Examples of the Region's outstanding natural resource endowment include:

- More biodiversity per 1000km<sup>2</sup> than in other regions worldwide. (The wider Latin America Caribbean region has more plants, mammals and birds per 100km<sup>2</sup> than any other Region worldwide).

- Abundant potential energy resources: natural gas, solar energy, hydro-power (Kaieteur!) not to mention the potential for renewable energy from plant sources (alcohol).

- Forest and wood products.

- Good agricultural soils.

- Precious metals, especially the elephant and satellite configurations of potential gold deposits in the Guiana shield.

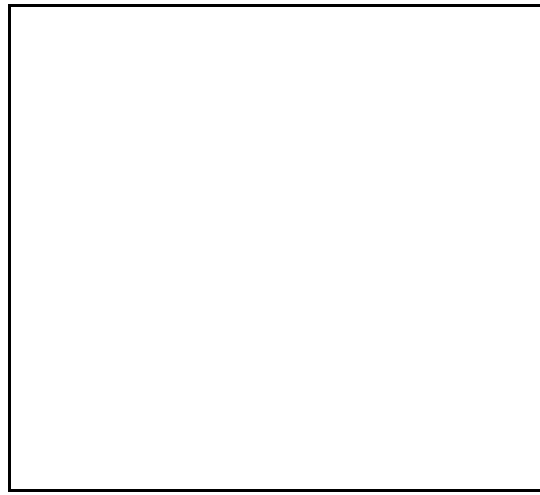
- Excellent recreational climate, (sun, sea and sand) which is vital in an age when travel tourism has become the world's largest and fastest growing economic sector.
- Despite the heightened risk of natural disasters which the Region faces, it nevertheless has excellent geographic location in terms of existing and likely networks of global communications and transport. It is also situated in the same time-zone in which the world's largest concentration of economic activity is located - the Eastern Seaboard of the USA.
- The list can go on! I have not referred to many other potential resources, such as the marine, tidal and wind resources of the Region.

5) Its human resources are also distinguished. This is perhaps best revealed in its outstanding performance on a per capita basis, since Independence, in several areas including, the arts (literature), sciences, information technology, academia, music, entertainment, sports, and leisure activities. Its racial, ethnic, and cultural diversity, while a potential source of conflict, also adds great richness to this endowment. So too, does its huge diaspora (with as many Caribbean people living outside the Caribbean as within it), which has acquired tremendous knowledge and skills living and working in some of the most thriving regions of the world.

6) Its institutional resources are no less impressive. On average its educational system (from nursery to The University of the West Indies) is considered among the best in the developing world, and for that matter comparable to those in several countries in the developed world. Despite notable shortcomings, on average also, its structures and systems of governance also compare well with the very best worldwide. Much of this achievement is reflected in the respect that the Region commands in the world community, both for its leadership and the service it has provided in a number of important international fora. The Region also has a distinctive brand name image for many of its products - although this is most satisfactorily exploited.

7) Since Independence, on average, its economic achievements have also been quite impressive. The traditional dominance of the export-oriented primary producing agriculture sector has given way to a remarkable diversification into a number of services: tourism, off-shore finance, educational services, sports, leisure and entertainment, fashion, foods, and cuisine. The importance of this diversification can be gauged from the fact that at the height of unprecedented dynamic global changes, the world's largest industry today is tourism - employing about one in every nine workers worldwide, and expected to earn \$US700 billion this year, rising to \$US1 trillion by 2010. Significantly, tourism is also the Caribbean's largest industry, accounting for 31 per cent of regional GDP, 25 per cent of its exports of goods and services, and employing about half-a-million persons. Indeed the Region is at present the most tourist-dependent world-wide. Other service sectors show considerable achievement. Thus its off-shore financial sector is also one of the world's largest.

This diversification has led to modest positive growth of GDP in the majority of Caricom countries, On average its social indicators and per capita incomes are high relative to other developing areas. The end result is that in the UNDP 1999 Human Development Report as many as 7 Caricom countries rank among the top one-third of the 174 countries covered worldwide, and three fall in the top category of "high level of human development", which includes all the developed economies. On balance, the smaller economies of the OECS have done better than the Region as a whole.



*Tourism is the region's largest industry*

The Region has also displayed considerable innovativeness. Thus within the tourist sector, the Region has made significant improvements to the all-inclusive concept, leads the world in the international scuba diving segment of tourism and in cruise ship holidays. Some of its large firms, e.g., banking (Republic) and food processing (Grace), have earned formidable international business reputations for the region. Small firms like Walkerswood spices and condiments and Island Grill of Jamaica have done the same - to the point where the latter is seeking to move into franchising and the provision of overseas outlets.

I say all this not to be simply celebratory, or indeed to encourage smugness and an overdose of self-satisfaction. That would be the worst thing to do in front of such a distinguished media gathering. Instead I have taken this approach so as to establish the positives or the benchmarks against which, we should measure our failure to achieve.

Without this balance, without this explicit recognition of both achievement and non-achievement (i.e., that the glass is both half-filled and half-empty) it is more than likely that our discourse over the next few days may not be particularly constructive.

Impressive as the achievements have been, as we contemplate the future of Caricom we must also keep the non-achievements to the forefront.

First, most of the economic achievements I have drawn attention to, have been propelled by externally driven initiatives led by multilateral agencies, donor governments and private transnational firms, which have led to the liberalization of trade, finance, foreign exchange and the inflow of foreign private investment, aid and technical assistance. The consequence of this has been that inadequate attention is paid to the human, social, and environmental costs of these achievements, and their long run sustainability. Thus the preferences we depend on are in their terminal phase and external concessional capital flows to the Region have severely declined. Regrettably these costs we carry for present policies are disproportionately borne by ordinary Caribbean folk.

Second, most of the achievements have been grounded in reaction, and more often than not crisis reaction, to events occurring elsewhere. There is little evidence of strategic planning and a systematic pro-active approach to global development. The result is that the interests of the Region, based as these should be on the needs and expectations of the broad mass of our citizenry, are not the leading ones driving the processes of change in Caricom.

Third, as the Region encounters the relentless pressure for change and adaptation, most of the effort of most of our governments has been directed at special-pleading, which is meeting with increasing external resistance as "fatigue" over concession-granting has increased. Our political leadership more often than not presents mendicancy as the best path for our development. The pursuit of aid, debt-relief, special concessions, and technical assistance overwhelms all else, and

has become ends in themselves. This is often bragged and promoted by the media as the highest test of governmental achievement. Not unexpectedly our population mimics this mendicancy of our leadership. Instead of independent initiative, self-activity, and self-improvement becoming the principle vehicles for economic advancement, favours from the state and the private capture of economic rents from political activity are seen as the surest ways to economic betterment.

All this raises, what is perhaps the most fundamental dilemma of all. The Caribbean person, as citizen with rights, entitlements, and obligations has given way to the neutral, if not neutering language of the media, which presents us as mere "stakeholders" or "clients" - conjuring the image of a society that is nothing more than an economic enterprise, in which we are producing and consuming cogs, neither human nor citizens, and detached from any meaningful "collectivity" of citizens interacting within, and through their communities. The result is that our Independence has not provided a flourishing environment for our maturing into Caribbean nationhood. Indeed many among us are quick to advocate abandoning the notions of Caribbean nationhood as outdated and backward, for a supposedly global world without nation states, which it is said is already upon us. It would be extremely dangerous for the future of the Caribbean if we were to ape this gospel of post-modernity. The grim reality is that no country serious about its future in a globalised world does anything more than pay lip-service to this ideology, while resolutely pursuing its strategic self-interests.

This failure to develop a deep sense of nationhood helps to explain our (and the media's) lack of outrage at, if not tolerance for, the jobless growth and the continuing inequalisation of income, consumption, wealth, social and political influence that characterize Caribbean society. With this has come the privatisation and commodification of the basic rights and entitlements of Caribbean citizens and the marginalisation and social exclusion of several sections and layers of our humanity.

This leads us back to where I began. In a world economy where innovation plays such a central role, the media should be playing a leading role in helping us all to recognise that the old adage is now truer than ever: There is nothing more practical than a good idea. Good ideas, however, can only come from people. In turn these are derived from the collective product of our knowledge, common-sense, wisdom, training and education. Our human resources, and the ideas they generate, are therefore. Ultimately, the key to our future. Creating societies in which we are all involved, and where development is therefore people-centred, empowering, and knowledge-based is the only secure way to build a future for the peoples of Caricom in our present age of rapid globalisation and irresistible liberalisation world-wide.