

**Whither ACE?
A retrospective evaluation of nine years of the Association of Caribbean
Economists**

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- by -

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1. THE ACE MISSION AND ITS ROOTS

ACE--the Association of Caribbean Economists--was founded in the mid-1980s, at the height of the neoliberal resurgence². ACE's founding mission was to critique structural adjustment, and to formulate alternative, people-oriented development strategies for the Caribbean. Pan-Caribbean cooperation--across language areas and political systems/status--would be a means to this end. The ACE Constitution defines its objective as promoting professional exchange and collaboration amongst the region's economists to the end of contributing to the "economic development and sovereignty of the peoples and states of the Caribbean, and to economic cooperation and integration within the Caribbean region"³. I argue in this

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²The first planning meeting for ACE was held in October 1986 in Barbados. The First Conference of Caribbean Economists, which established the organization, was held in Kingston, Jamaica, in July 1987

³From Article 3(a) of the ACE Constitution

paper that this mission remains highly relevant in the mid-1990s, although the specific concerns and modalities of our work may change.

The historical and philosophical roots of ACE go further back than the conjunctural circumstances of the mid-1980s. The idea of establishing a Pan-Caribbean association of economists had been mooted by the late George ("GBeck") Beckford during the Congress of the Association of Third World Economists (ATWE) held in Havana in April 1981. GBeck had convened a caucus of about 30 economists from different Caribbean countries attending the ATWE meeting. The group adopted his proposal to form a Caribbean Association of Political Economists (CAPE) with a Steering Committee representing the four principal language areas of the Caribbean. "The Caribbean" was defined as the archipelago plus the three Guianas and Belize. This definition was later adopted in the ACE Constitution (Art. 2).

CAPE never held any meetings due to lack of financing. But the Interim Chairman, the present writer, eventually secured funds from the Friedrich Ebert Foundation (FES) to organize the first Conference of Caribbean Economists in Kingston in July 1987⁴ which launched ACE. By that time "Political Economists" had been replaced with the more politically neutral "economists" in the name of the proposed organization⁵. The aim was to be as inclusionary as possible, given the changed ideological climate of the 1980s. However in keeping with ACE's ancestry and orientation the Constitution deliberately includes the subject of "political economy" within the ambit of the discipline of "economics" (Art. 3(a)). The differentiation between the essentially political economy orientation of ACE and the increasingly conservative bent of mainstream economics has persisted and, if anything, has grown sharper since then.

The CAPE/ACE project also responded to the vision of a unified, integrated Caribbean that has fascinated Caribbean thinkers for decades. Both Beckford and I had been members of the New World Group, which was a strong intellectual influence in the Anglophone Caribbean in the 1960s. The Pan-Caribbeanism of the New World Group derived from a view of the region as having a common historical experience resulting from the pervasiveness of Plantation Economy-type structures and institutions. This frame of reference was associated with the work of Beckford, Lloyd Best and Kari Levitt in the late 1960s and 1970s. Its spirit was captured in the evocative words of Lloyd Best on his receipt of the first George Beckford Award at the ACE Conference in Santo Domingo in 1991:

Beckford's work did indeed alter our perspective not only through the relevance of its

⁴The support of Michael Weichert, head of the Caribbean regional office in Jamaica, and Judith Wedderburn, then project officer and now head of the Caribbean office, was decisive in the sponsorship of the first ACE Conference. Ford Foundation also provided assistance.

⁵"Political Economy" is strongly associated with Marxist economics, but the wider sense of Political Economy would embrace any kind of economic analysis which takes into account class and property relationships, and structures of power, and their impact on resource allocation, income distribution, and economic growth. Anglophone readers of Spanish language literature should also be careful not to confuse the term "politica economica", ("economic policy" in English), with the term "economia politica" (political economy).

concerns but also through its insistence on encompassing the whole of the region. The scope of Beckford's vision excluded none of the parishes whether hispanophone, francophone, creoleophone, nederland spreken or English-speaking; whether island, mainland or littoral; barlovento o sotavento; grandes ou petite anetilles; LDC or MDC. (Best 1992,5).

Plantation theorising was itself influenced by the work of earlier generations of historians and literary figures from various parts of the Caribbean: people like CLR James (**The Black Jacobins**), Eric Williams (**From Columbus to Castro**), Juan Bosch (**De Cristobal Colon a Fidel Castro**), Alejandro Carpentier, Manuel Fraginals, Aime Cesaire and George Lamming. It is no accident that the closing speech at the first ACE Conference was delivered not by an economist but by the cultural giant from Jamaica, Rex Nettleford; that George Lamming was the guest speaker at the launching of ACE's second book in English; and that Lloyd Best was the first recipient of ACE's George Beckford Award. Vide too, Gerard Pierre-Charles' stirring words on receipt of the second George Beckford Award at the ACE 1993 Conference held in Curacao (published in **Roads to Competitiveness**, ACE, 1996). The conceptions and vision of the Caribbean's historians and artists provide ACE with its inner soul, and we should take care to nurture these linkages⁶.

2. THE RECORD OF ACE'S WORK

ACE has organized several major Pan-Caribbean economics conferences. It has also promoted collaborative research among Caribbean economists, been actively involved in policy issues and advocacy, and published and disseminated widely the results of its work.

In summary, four large Conferences of Caribbean Economists have been held in different countries of the region--Jamaica, Barbados, the Dominican Republic and Curacao. Some 387 participants have attended from all four language areas, though the majority have been anglophones (60 percent) and hispanophones (27 percent)⁷. Over the past nine years ACE has also organized six Working Groups on different subject areas which have held approximately 18 seminars and workshops (including public sessions), often meeting at the same time as the Executive Committee⁸. Eight major English language publications (books, pamphlets

⁶In his reflections on the Plantation Economy Conference held to honour Lloyd Best at St. Augustine in 1994, Dennis Pantin has noted "Where do ideas come from? There is no categorical answer. However, it would seem that the very language, culture and values of a people have some significant influence." (Pantin 1994, 12)

⁷Actually the proportion of hispanophones has grown from one Conference to the next, and at the last ACE Conference (Curacao) they were the largest single group.

⁸An early decision was that every meeting of the Executive Committee would include an activity with a substantive intellectual content related to the work of ACE: money would never be spent on purely administrative travel.

and special journal issues) and at least five in the Spanish language can be attributed to ACE. Joint projects with the NGO community in public education, training, and policy advocacy have been undertaken, as well as one dialogue among public officials dealing with IFIs. The record is detailed in Annexes 1-6 to this paper.

ACE has managed to do all this with very modest financial resources. The key ingredient, apart from core funding from the FES, has been the sustained commitment and work of people who share its vision and subscribe to its mission. Continuity of leadership has been a major factor--stalwarts like Sergio Plasencia and Eduardo Klinger from Cuba, Miguel Ceara from the Dominican Republic, Charles Clermont from Haiti, Pedro Rivera from Puerto Rico, Dennis Pantin from Trinidad, Mhango from Suriname and Hasham from Curacao, and Judith Wedderburn and myself from Jamaica, have provided leadership to ACE from the outset or shortly thereafter. We have been supported by several others in working groups and other activities. Younger economists are emerging to assume leadership roles, which augurs well for the future of ACE.

Evaluation requires us to pose other questions. What has been the substantive content of ACE's activity? What has been its impact? And what lessons can we draw for our future programme?

3. THEMATIC EVALUATION OF THE WORK OF ACE

ACE's thematic concerns have evolved in response to the rapidly changing global and hemispheric economic order as well as to the immediate problems facing Caribbean economies. ACE has also sought to be proactive, dealing with several political economy issues before they had entered the mainstream of disciplinary and public policy discourse. Examples of this are **gender issues** (discussed at the 1987 Conference), **participatory development** (discussed at the 1989 Conference), **Caricom-non-Caricom integration** (also discussed in 1989, before the Report of the West Indian Commission, and again in 1991), and **human development and economic empowerment** (both subjects at the 1993 Conference).

The early years saw a strong concern with the problems of **debt and structural adjustment**. The Report of this Working Group was a notable attempt to treat the economies from the Caribbean and Central America within a common analytical framework. It was used widely by the academic and NGO community, and may have helped to fuel the critiques of debt/adjustment programmes which gathered momentum towards the end of the 1980s. It also inspired the dialogue among public officials on negotiating with IFIs.

At the Second ACE Conference (1989), **Caribbean integration and participatory development** were advanced as elements of an alternative development model to structural adjustment. Follow-up work on integration was undertaken by a Working Group and some results were presented at the Third Conference. This took place in the shadow of the European Single Market and NAFTA, hence the theme "The Caribbean in a World of Economic Blocs". The issue was whether the Caribbean could envisage forming an economic bloc of its own.

ACE's work on integration may have helped to influence the climate of opinion leading up to the formation of the Association of Caribbean States (ACS). But it is not clear that ACE has broken new ground on the thorny issue of how to develop trade and economic relations between the English, Spanish, French and Dutch Caribbean; let alone that of forming a Caribbean economic "bloc".

The theme of **participatory development** was further explored by the Working Group on Survival Strategies and Microenterprises. This Project has been one of the most ambitious undertaken by ACE so far. The results, which are being prepared for publication, consist of five case studies from different countries of the region, with an overview Report. The theme was further developed in the Fourth ACE Conference, which sought to establish the linkages between **human development and competitiveness**.

But it is not yet clear that this work has produced the elements of a "model" of development in which economic growth, economic empowerment of the poor, and human development, can be integral and mutually supporting elements. From this perspective, a content analysis and critical evaluation of **Roads to Competitiveness** and the Report on the Survival Strategies/ Microenterprises project is called for.

4. THE IMPACT OF ACE

We need to ask what has been the impact of ACE on the research, teaching and discourse of the economics profession in the region. We are not sure, for example, how much use is made of ACE publications in University courses and Government offices. In the Anglophone Caribbean, the bulk of UWI and public sector economists have been involved in the ACE process only through sporadic attendance at the biennial Conferences⁹. The non-involvement of the bulk of the economics profession is even more true of Cuba, the Dominican Republic, Haiti, Puerto Rico, and the Dutch-speaking countries. There is a particular need to secure greater participation by our colleagues from the French and Dutch-speaking Caribbean, who represent only 6 and 7 percent respectively of the total attendees at the biennial Conferences.

The number of economists participating in ACE research projects and smaller meetings has been relatively small. This may have been unavoidable at this stage of the development of ACE, and especially given limited resources. A natural ally for ACE would have been the ECLAC Office for the Caribbean, which services the Caribbean Development and Cooperation Committee (CDCC). The CDCC arose out of an initiative of the late Dr Eric Williams in the late 1960s, and its membership and mandate are consistent with those of ACE. Regrettably the ECLAC Caribbean Office has never provided institutional support for any of ACE's activities, although the sustained involvement of Trevor Harker from that office has been extremely valuable. New opportunities for ACE may arise with the establishment of the Association of Caribbean States' Secretariat; we will need to be proactive here.

⁹The premier annual meeting of Anglophone economists is that of the Regional Programme of Monetary Studies, (now the Caribbean Centre for Monetary Studies at UWI in Trinidad). This has narrower and more restricted focus than ACE.

At the same time we should not underestimate the value of the professional and personal relationships developed among those of us who have been closely involved in the ACE process. Numbers are not everything. The tradition of collaboration is an asset--in current jargon, a form of "social capital"--which should not be squandered. Here support for regular meetings of the Executive Committee and Working Groups from the FES Caribbean office and particularly of Judith Wedderburn have been decisive. Simply put, without the FES, and without Judith, there would be no ACE!

5. WHITHER ACE?

Fresh perspectives require a certain degree of detachment, which for obvious reasons I cannot claim to have. With this caveat, here are my summary observations and suggestions.

(i) Sovereignty and intellectual space

The goals of **sovereignty, cooperation and integration** are today even more relevant to the objectives of ACE, given the continuing debt crisis, the emergence of NAFTA and the FTAA process, and the security concerns of the major hemispheric power. With the end of the Cold War, one emerging view in the United States defines the Caribbean as an area of instability due to overpopulation, poverty, and drug trafficking, and argues the case a partial surrender of sovereignty to the United States (Abrams 1996). Here we should heed the warnings of Carl Parris:

...To depict the sovereignty of Caribbean states in the light of a potential and/or future "threat" to U.S. national security is a warning bell to the region as a whole; a pressing call for an **acceleration of the integrative process** that may finally, lead to the formation of a confederation of nations capable of asserting their right to articulate their own self-interests (Parris 1996, 14; emphasis in original).

In the present context it is not just the sovereignty of nation-states in the sense related to international law that is the issue, though this of course should be defended to the utmost. What is particularly relevant to ACE is a **sovereignty of thought, of analysis, of problem-solving**; as the basis of our own **capacity to shape the development of our societies and to negotiate effectively in international relations in our own interest**. In this sense, the exercise of sovereignty is essentially **thinking for oneself** and **expanding the room to manoeuvre** in a world which is highly asymmetrical in power-relations, and in a hemisphere and region that is under the long shadow of US influence¹⁰.

¹⁰Or more simply
"Emancipate yourself from mental slavery
None but ourselves can free our minds"
(Bob Marley)

ACE should, in other words, see its task as creating an "intellectual space", and hence contributing to **sovereignty of thought and ultimately of action** in a region that is highly fragmented and subject to external influence. The challenge is implicit in the apt observations of Kari Levitt at a Workshop on the demand for economists held last year at St Augustine:

There is a disjuncture between the number of economists who can situate a given problem area - whatever it may be - within the larger context of Caribbean reality and the rapidly changing external environment on the one hand, and the need for **intellectual leadership and vision** required to address the manifold economic problems facing the region, on the other...

Given the totality of economic problems, one might expect an emerging consensus among professionally trained economists regarding what should be done to mobilize the natural and human resources of the region to achieve self-sustaining growth with equity. **There is no such vision.** (Levitt 1995, 1,4; emphasis added).

This is a disturbing, if not damning, indictment. It provides the rationale for a recommitment to our mission and a reinforcement of our work.

(ii) Publications

ACE publications have provided analyses with supporting empirical information on a wide range of key policy issues affecting the different language areas of the Caribbean. The treatment given to these issues has provided alternative viewpoints to that of IFIs and to the extremes of neoliberal thinking and practice, on which public officials, NGOs and students can draw.

In that sense, ACE has had some success in creating an "intellectual space". However, greater use can be made of ACE's work. Like good economists but bad businessmen, we have been underselling ourselves.

(iii) Gaining sustainability

ACE will need to secure greater financial independence if it is to sustain its mission. We need to capitalize and commercialize the assets, represented in our work and collaborative relationships, in more directly income-earning activities like consultancies, studies, training workshops, and publications. More of us should be prepared to finance our own attendance at ACE activities at our own expense or that of our institution. Thus a strategic objective should be to "lever" the resources provided by the FES and other agencies to get the maximum impact on current activities and to develop the financial sustainability of the organization.

(iv) Maintaining relevance

ACE will need to make a continuing effort to address issues of current relevance, and to do so with

freshness and originality. Many of the issues which have occupied us have been taken on board by the IFIs and by governments, eg the debt crisis, poverty reduction and human development, and the integration project. ACE must provide fresh insights, interpretations and proposals on these issues, and seek to put fresh issues on the public agenda. Two problematiques that stand out as deserving of additional research are: (i) the interrelationship between economic and social development, and (ii) the scope and benefits of Caribbean economic integration.

(v) Original theorising

ACE should pay more attention to original theorising. While the preoccupation with topical policy issues has been valuable, this needs to be complemented by more fundamental work which critically evaluates the theoretical models underlying liberalization policies from the perspective of small, open economies, and advances alternative theoretical schema. This is the only enduring rationale for having an ACE at all, as distinct from having a wider association embracing larger countries in the region, or that of simply joining the American Economics Association or the International Economics Association as individual members (though this may be useful for other reasons).

The efforts of Miguel Ceara in developing quantitative models which capture the functioning of the Dominican economy and permit simulations of alternative growth scenarios are one example of this kind of work. Unfortunately, earlier initiatives in this direction at UWI have recently faltered. I propose a workshop--better still, a series of workshops--on the subject of Economic Theory and Small Open Economies.

(vi) Broadening collaboration and exchange

ACE should seek to broaden the scope and modalities of collaboration and exchange amongst economists from the different language areas in the region. We should make efforts to have our published materials more widely used in University courses in economics, where relevant. We should invite each other to give lectures and courses at our Universities more frequently and systematically. We should establish regular staff and student exchanges to spread a consciousness of the wider Caribbean amongst young economists in the region.

(vii) Modalities of work

Given our financial limitations, ACE should reassess the cost-effectiveness of the large biennial conferences, in relation to the alternative of holding smaller thematic working meetings at which more serious deliberations and exchange can be facilitated. My proposal is that we hold the large Conferences every three years instead of every two, and plan them very carefully to obtain the maximum benefit. For example in a three-day major conference, devote one part to a consideration of trends in regional economic cooperation, one to a select theoretical issue, and one to a topical policy issue.

(viii) Position papers

ACE should consider adopting a more formal advocacy role on issues relevant to its mandate. What I have in mind is the preparation of well-researched and tightly reasoned "ACE position papers"

which, once agreed by the Association, are disseminated to the wider public with the objective of informing and influencing public opinion on critical issues.

One of these is the issue of the embargo/blockade on Cuba as a consequence of that country's choice of a development path that does not meet with the approval of the United States. This has had, and is having, serious consequences not only for Caribbean sovereignty but also for intra-Caribbean trade and investment. An ACE position on this is long overdue.

There is also the issue of Caribbean integration. Can we not prepare a position on the widening of the Caribbean Community to include Cuba, the Dominican Republic, Haiti, and the Netherlands Antilles, with Associate Membership for Puerto Rico and the other non-independent countries? A good case can be made for functional cooperation across a wide range of issues of common interest, with trade liberalization and a customs union coming at a subsequent stage.

Other possible issues for ACE position papers are financial and currency liberalization, which has had enormous consequences in Jamaica; and privatization, which has been pursued by many countries in the region.

In concluding, let me recall the words of Rex Nettleford at the final session of the First ACE Conference:

The Caribbean is crying out for new ways of living, and is beckoning its economists to turn their energies to this task. Are you ready? I read this Conference to have said, you are. Well, the work has only now begun!

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