

The Persistence of the Caribbean

Norman Girvan

Keynote address; Jornada de Estudios Caribenos, University of Puerto Rico at Bayamon, October 25, 2007

Let me begin by thanking you for inviting me to speak at this event. Please forgive me if I single out Pedro Rivera for thanks. Not just because he is an old friend and colleague and the one responsible for my being here. I think of Pedro as one of those Puerto Rican intellectuals who has consistently defended the idea of a Caribbean reality, of which Puerto Rico is an integral part, over many years. He was there, in the Congress of 3rd World Economists in Cuba in 1981 when we formed a caucus of Caribbean economists that decided to set an association, the CAPE. He was there at the founding Conference of Caribbean Economists in Kingston in 1987 and has been an integral part of the Association, attending every Conference and serving with great energy and commitment as its 3rd President from 1995 to 2001. He continues to be involved as part of the ACE Network which we have now decided to set up to carry out the mission of ACE. Pedro has not only talked the talk he had walked the walk. We know about his work as Director of the Institute of Caribbean Studies and in the Atlantea Project.

I am mentioning all this because my impression is that the Caribbean constituency in this country is an uncertain and shifting one; support for the idea that Puerto Rico is part of the Caribbean among the elites and the population as a whole is ambivalent, it is complex, it is shifting. My

perception is that it is entangled with issues of Puerto Rico's political status, its relationship with the United States, with the Dominican Republic, with Cuba, with the islands; with Puerto Rico's sense of identity, cultural and ethnic, Hispanic, American, Latin American, Caribbean, Afro-Latin American, criollo, Black, mulatto, and so on.

My point is that to defend the idea of a Caribbean identity or Caribbean orientation through thick and thin shows genuine conviction, and we in the Anglophone Caribbean who know Pedro appreciate this. It helps too that Pedro is one of the finest connoisseurs I know of the many varieties of Caribbean rum.

When I look at the latest fruits of the Atlantea project, to be considered over the next couple of days, the thought that keeps recurring is the persistence of the Caribbean idea. That is the idea of a Caribbean reality that is the frame of reference for our intellectual work. I think it is significant in that, from the political and the economic point of view, the idea of Caribbean doesn't make much sense. By this I mean that it does not conform to the way in which political and economic relations are structured. The Caribbean is not the organizing principle of our political and economic life. We have no Caribbean state, or united Caribbean states, or community of Caribbean states. By the 'Caribbean' I mean here all the countries that inhabit the archipelago and the three Guianas and Belize on the mainland.

From the economic point of view trade among Caribbean countries is relatively small and far outweighed by trade with the rest of the world. The Caribbean is not a cohesive political and economic grouping and there are

little prospects of it becoming so in the foreseeable future. If the notion of the Caribbean continues to have salience and resonance, this is because of the sense of shared history and culture and shared characteristics in the relationship with metropolitan powers and metropolitan capital.

My own intellectual socialization about the Caribbean came from the New World Group and in particular the late Lloyd Best. It was he who in the 1960s popularized the notion in the Anglophone Caribbean of the Caribbean as the zone of the plantation system in the islands and the surrounding mainland, a zone of common historical experience, cultural identity and economic dependency that spanned language and political affiliation. This is the conception that was used as the basis of UNESCO's multi-volume history of the Caribbean; and it is the one to which I continue to subscribe.

Lloyd Best actually spent some time in Puerto Rico—I believe it was in 1967 or 1968—where I am told he made quite an impact in intellectual circles; and during his stay a New World Group existed in Puerto Rico.

In the contemporary period, another shared characteristic of the Caribbean is the high proportion of its population living abroad; a proportion that I believe is much higher than in other parts of the Latin America and the developing world; and so is the weight of remittances in the national economy. We can almost say that the Caribbean has become a transnational community, or perhaps more accurately, a series of transnational communities, each having an island (or piece of the mainland) as its particular point of reference.

The disjuncture between the politico-economic on the one hand and the historical-cultural on the other hand seems to me to be one of the most striking characteristics of Caribbean condition. One consequence has been the difficulty of creating regional organizations across national and language barriers, organizations that are integral to political and economic decision-making and that last beyond a special set of circumstances that gave rise to them.

The Caribbean Commission is one such, and in the 1980s the arrangement in Puerto Rico to finance investment in the rest of the region. The Caribbean Development and Cooperation Committee (CDCC) attached to ECLAC continues, but its role in economic matters is not significant. This difficulty affects initiatives in the non-state sector as well. Both the Caribbean Policy Development Centre (CPDC) and the Association of Caribbean Economists (ACE), after promising starts, have encountered sustainability problems. Hence it has continued to fall to the lot of intellectuals and cultural workers and artistes to sustain and reproduce the idea of the Caribbean.

I thought that it would be useful to spend the rest of my time looking at the experience of two initiatives in Caribbean cooperation which I know and have studied, and seeing what lessons we can draw from them. The two initiatives are the Caribbean Community --CARICOM—and the Association of Caribbean States--ACS. I will deal first with CARICOM since it's the older of the two and in one sense forms the inner core of the ACS.

CARICOM dates back to 1973 when it was set up by the Treaty of Chaguaramas. Actually you could trace its origins to the West Indies

Federation, a federal arrangement of 10 British colonial territories between 1958 and 1962. After the break-up of the federation the different territories proceeded separately to national independence, but initiatives at economic cooperation soon began, culminating in the formation of Caricom in 1973.

Soon after it was launched there was the first oil shock, which created huge divisions between oil-rich Trinidad and Tobago and the rest; followed by a severe debt crisis in several countries. There were also sharp ideological divisions among member states. It was not until the mid-1980s that Caricom began to recover momentum. This was propelled by a growing fear of marginalization arising from the emergence of NAFTA, the EU Economic Union, and the Uruguay Round of GATT negotiations leading to the WTO.

In 1989 Caricom leaders agreed to establish a Caricom Single Market and Economy—the CSME, as we call it. This was to a large extent inspired by the EU Single Economy and modeled on it. However it was explicitly based on the principle of Open Regionalism, that is, tariff and other barriers to trade with the rest of the world would be lowered, at the same time as they are abolished among member states. Market unification would extend to services and capital and there would be common economic policies.

The original target for the CSME establishment was 1993, but in 2007 it is still not completed. The present target for implementation is 2015. It is fair to say that the governments hugely under-estimated the amount of legislative and other changes that are involved in putting it in place. On the other hand substantial progress has been made, and interest has been sustained on the part of governments and key elements in the Caricom private sector. The

sense of the need to integrate is probably stronger now than it was in 1989. This has a lot to do with the march of globalization, the dismantling of trade preferences by the EU, and the fact that Caricom members on their own command little bargaining power in global trade negotiations. And if you are negotiate as one entity, then it makes better sense if you have a single market and a single economy to which the terms and conditions of an agreement apply.

One reason for the long delay in completing the CSME is that the members cling tenaciously to their national sovereignty. Every decision that is taken has to be implemented by each member state in its own national jurisdiction. There is no provision for supra-nationality of decision-making. This is unlike the EU arrangements where certain Community decisions are legally binding on member states. The Treaty only establishes a legal framework, setting up the Organs of Community Governance and providing for broad policies.

According to one account over 300 pieces of legislation have been passed or amended in member states as a whole to give effect to the CSME in national jurisdictions. The Secretariat lists over 700 action elements in the CSME Work Programme—laws, administrative measures, regulations etc. for Member states as a whole. At last count roughly half of these had been completed. Even the largest of these countries has only a few legal draughtsmen and technicians to do this work; the smallest have almost none. And the CSME is not the only thing that these people have to do. So CSME matters often get put on the back-burner by the Prime Minister or the Minister responsible.

I have hypothesized that a kind of implicit cost-benefit analysis is at work here. The governments carries out those obligations that will bring it the most political and economic benefits at least political and economic cost; or that it cannot afford not to do, for instance because of the possibility of retaliation by other members. But where obligations will cost a lot of money to implement, or will arouse local opposition; and the benefits are intangible or uncertain, it delays.

And the fact is that few countries see immediate trading benefits in the arrangement because most have very little to export to the regional market. When you look at intra-regional trade, you see where only one member, Trinidad and Tobago, depends significantly on the regional market; and another Guyana, not insignificant. All the others hardly export to the regional market at all. Jamaica, the largest member, has seen a huge fall in its exports to Caricom. The smallest members, the OECS, are basically tourism and banana economies and the Caricom market is of no consequence to them.

This brings up the problem of differentiation within the Community. The differentiation is very wide, by almost any measure, population, per capita income, economic structure and foreign trade; and this makes it difficult to get decisions that everyone believes it will benefit from. For example in per capita income the gap is 40 to 1, Bahamas and Haiti. This is one reason why the Bahamas did not join the CSME even though it is a member of the Community. It doesn't want to have a lot of people coming there from other

members, it is too small while being very high-income. But the biggest kind of differentiation is between the resource-based economies and the service-based economies.

In Europe the way this was handled is by means of structural funds-- structural funds and other transfers from the richer members, like Germany, Britain and France, to the poorer member like Spain, Portugal and Ireland; to pull them up to the level of development. It worked for the older members, though obviously it's a different matter now.

In Caricom we are supposed to have a regional development fund. The Fund is being set up, several of the larger members have pledged contributions to it, and they are trying to get donor funding as well. Like all things with Caricom, it is taking a lot of time. Also there is a political and economic reality, that only Trinidad and Tobago really has the capacity to be a significant financier of the fund, to be a Germany so to speak; it has pledged the most already. But it is problematic when one member of integration arrangement is carrying this burden; it brings up fears or perceptions of domination by the others, it becomes a political issue at home, it renders the process vulnerable to the economics and the politics of one member.

So these are some of the difficulties. People often ask me if I am optimistic about Caricom (that's usually a way of saying that they are not). My answer usually is that it depends on the day of the week and sometimes even on the hour of the day. I have set out three scenarios—the optimistic, the pessimistic, and the realistic.

The optimistic is that Caricom will meet all of its CSME commitments on schedule. Originally this meant completing the CSME by 2008; now it means doing so by 2015. I call this optimistic because of the enormous amount of technical work and legislation and new institutions that have to be created, and the money this will cost. I am skeptical about this happening without some element of supra-nationality in the Caricom arrangement. There is on the table now such a proposal, for every member state to pass a Single Caricom Act that will give automatic applicability to Caricom decisions within its jurisdiction. It is 'under consideration'.

The pessimistic scenario is that Caricom will disintegrate; that the centrifugal forces will overwhelm the centripetal factors. This is not impossible; but I think it is unlikely. Too much has been invested in the Caricom project by member states. Moreover, the metropolitan partners like the EU, the US and Canada do not want to deal with 14 separate mini-states; the transaction costs are too high in relation to their size and importance. And they have made this clear.

The realistic scenario is that Caricom continues to make slow but steady progress towards its objectives. The hope is that domestic constituencies supporting the Caricom project grow in importance and ability to impact public opinion and decision-making. That as this happens perceptions grow that there is more to be gained from incremental accretions to the regional project, than standing still or going into reverse gear. There is some evidence that this has been happening. Well, we shall see.

(I haven't mentioned the question of Suriname and Haiti, two non-Anglophone countries that have joined Caricom; what has been the experience so far. We can talk about that later if you like).

Turning to the ACS: around the same time Caricom was launching the CSME, at the end of the 1980s, a debate was raging in Caricom, the 'deepening vs. widening' debate. The argument for 'widening' was that Caricom was too small—just 6 million people—and should it extend its membership to non-English speaking Caribbean countries including Haiti, the Dominican Republic, Suriname, and possibly even Cuba, and Puerto Rico in some kind of association arrangement. The argument for 'deepening' was that Caricom should consolidate and strengthen its integration arrangement by moving towards the Single Market and Economy, before attempting to incorporate other members.

An independent West Indian Commission was formed, it held hearings throughout the region and so on. It recommended the 'deepening' option, but also proposed the widening of functional cooperation to include all the countries in the Greater Caribbean region—the countries in the Sea and in the adjacent mainland including the countries of the Group of 3 and Central America. Also the dependent territories would be included, Puerto Rico being specifically mentioned.

That was the genesis of the ACS. It was actually quite a bold undertaking powered by a grand vision. At the time the NAFTA agreement had just been finalized and it is clear that the idea was to form a kind of NAFTA for the Greater Caribbean, an ACS Free Trade Area. That is clear when you read the

relevant documents. There was at that particular time a coincidence of interests among the major players. The Cold War had ended, the Group of 3 had been formed and had a free trade agreement, peace had broken out in Central America, and the Caricom states were seeking to position themselves in a wider trade bloc to meet the challenge of globalization. Functional cooperation in matters like tourism and transport was also identified.

Hopes were high in July 1994 when the ACS was launched with a programme focusing on the ‘three Ts’—trade, transport and tourism. However, 6 months later the United States launched the FTAA in a hemispheric conference in Miami. The aim of the FTAA was obviously to secure the Latin American market for the U.S. as a counter to the EU, and incidentally to continue to isolate Cuba. Almost overnight talk of an ACS Free Trade Area evaporated.

The new association now faced a kind of identity crisis. For several years there was work on a preferential trading area, but that eventually petered out. At the same time a rather ambitious work programme was developed over a wide range of functional cooperation areas, including besides the original ‘three Ts’, natural disasters, natural resources and the Caribbean Sea, and education, science and technology, and culture. It soon became clear however that such a wide range was beyond the implementation capacity of the member states and of the small Secretariat. Eventually, during my term as the second secretary-general, it was agreed to re-focus on the ‘three Ts’ plus natural disasters, which had become a major concern. Recently the

Caribbean Sea Commission has been added, which clearly makes a lot of sense.

What happened? I have suggested elsewhere that there were two contending conceptions of the ACS at the start: that of an integration organization vs. a cooperation organization. Within the cooperation model, there was also the 'maximalist' approach vs. the 'niche' or 'value added' approach. It took some time for these issues to be resolved.

Furthermore, the differences in the external trade orientation among ACS members made it difficult to secure political consensus on the ACS agenda. A major divisive element was the banana question, which pitted Central America against Caricom over the matter of the Caribbean's preferential market access to the EU; which was challenged under the rules of the WTO. This sowed distrust and antagonism among the two groups which soured relations and spilled over on to other areas of ACS relations.

There were also competing priorities in the trade agenda: for example Cuba and Venezuela favoured the Caribbean Preferential Tariff proposal; Mexico gave priority to the FTAA, Central America eventually opted for CAFTA and the Caricom countries were preoccupied with their negotiations with the EU.

However there are at least four areas of common interest in which the ACS has developed a record of functional cooperation. The first is sustainable tourism, and here the ACS has established the Sustainable Tourism Zone of the Greater Caribbean by means of a legal instrument, a Convention, which

provides for a multi-dimensional definition of sustainability with economic, social, environmental and cultural characteristics.

The second is the management and mitigation of natural disasters. There is a legal agreement under which several useful projects have been developed.

The third is the Caribbean Sea, where the ACS countries have secured by means of cooperation a United Nations resolution declaring the Caribbean Sea to be a special area in the context of Sustainable Development and setting up a Caribbean Sea Commission.

Finally there is the area of Air Transport, where the ACS has negotiated an air transport agreement among members that liberalises air traffic rights among themselves—a kind of a Greater Caribbean open skies arrangement.

Mention of these areas of overlap inevitably leads to the ‘Puerto Rico question’ in the ACS. Sustainable tourism, natural disaster management, the Caribbean Sea and air transport are all areas of functional cooperation in which Puerto Rico obviously has an interest and to which it can contribute. It already is doing so in tourism through the CTO. There were big expectations at the time the ACS came into being that Puerto Rico would become a member and be a major player.

I remember clearly when I was secretary general and the Sila Calderon administration came into office in Puerto Rico and submitted an application for Associate membership of the ACS, I think it was in 2001 or 2002. The ACS Convention had specifically provided for membership of so-called non-

independent Caribbean countries and listed Puerto Rico as one such that was eligible. The application was greeted with some excitement because Puerto Rican membership would have raised the profile of the ACS and given it considerably greater political and economic weight.

However the United States authorities opposed the move, and brought pressure to bear on the Puerto Rican government not to pursue the matter, on the grounds that such an application could only be made by the Federal US Government as 'the administering authority', or at least endorsed by it. The issue was a very complicated one in international law, involving the Puerto Rican Constitution, U.S. law, and the relevant international treaties and Conventions. A legal opinion commissioned by the Secretariat showed there were two kinds of arguments, but that the U.S. position did have a basis in international law. Then, at the ACS Ministerial meeting where the matter was to be considered, several ACS member states received diplomatic notes from the US authorities asking that the matter be taken off the agenda. As a result of the pressure the Puerto Rican application was dropped. This was a very regrettable development: for the ACS, for Caribbean cooperation, and I think for Puerto Rico.

Apart from the Constitutional question, the problem with the ACS from Washington's point of view is of course Cuban membership, which runs counter to the policy of isolating that country. This policy has been an abysmal failure, at least in political and diplomatic terms. In 1989 Cuba had formal diplomatic relations with only 9 of the 24 other states of the Greater Caribbean; by 2002 it had opened relations with all 24, and had economic cooperation agreements with Caricom as a whole (14 states) and 9 regional

states. Trade has become significant, especially with Venezuela. Cuban solidarity programmes in health and education are a significant source of assistance in Venezuela, Haiti, Caricom countries, and some Central American countries. Several thousand students from these countries are studying on scholarship in Cuba, and several thousand Cuban health and education professionals are serving in these countries.

However, this illustrates a more general fact; that is, that cooperation amongst ACS countries is carried out mainly through bilateral channels. We have Mexico, Cuba and Venezuela all having bilateral programmes with Caricom as a whole as well as with individual Caricom countries; and either with Central America as a whole or with individual Central American countries. Hence, functional cooperation within the Greater Caribbean has grown substantially—PetroCaribe is the most spectacular case—but not primarily through the regional organization that was set up to promote such cooperation.

One can see, therefore, that behind the difficulties that beset the ACS there lie ideological divisions and competition for influence. Mexico, as by far the largest member with a population that is comparable to all the other members combined, has been a major influence; and Mexico's chief preoccupation has been to ensure that the ACS work programme remains limited in scope and quantity. It has opposed practically every single ACS initiative of significance since its inception, aggressively constrains the budget, and continually harasses the Secretariat. In that sense, Mexico is to the ACS what the US is to the U.N. There are people who believe that this is more than a coincidence, and that Mexico is the U.S. surrogate in the ACS.

Once this became clear, Cuba and Venezuela, the other two major players in regional affairs, evidently determined that their interests were better served through bilateral cooperation. Colombia is preoccupied with its internal problems; Caricom is preoccupied with its relation with its traditional trading partners and with the CSME; and Central America and the Dominican Republic with the US—CAFTA-DR free trade arrangement. One should however be careful not to mistake the weakness of the ACS for weakness in Greater Caribbean cooperation; since bilateral cooperation has become significant.

Before closing, I want to briefly mention the project to start a joint master's degree in Caribbean Studies involving universities in the different language zones of the Greater Caribbean that would be delivered on-line. This was an initiative I took when I was in the ACS with the support of UNESCO to undertake a survey of Master's Programmes in Caribbean Studies that existed in the region in order to determine synergies among the various programmes.

The survey was completed and turned up some very useful information. We then turned it over to the academic centers to take it further; the UWI Centre for Latin American studies at Mona, the Metropolitan University of London, your own Institute for Caribbean Studies and some other Centres have been working towards this end. It is fair to say that we probably under-estimated institutional hurdles to be overcome in securing agreement on a joint degree among different academic systems; and the logistical and technological

issues involved in delivering an on-line degree in various languages and from different centres.

Perhaps the goal was too ambitious. But the broad idea of promoting a cadre of young researchers and professionals with cross-language knowledge and consciousness in Caribbean Studies is, I continue to believe, an important one. It may be that the most practical way to go about it is by means of direct collaboration amongst two or more academic centres in research, publishing and general academic exchange; such as what we have been doing in the ACE Network and you have been doing in Atlantea.

I have reviewed recent experiences in Caribbean integration and cooperation and showed some of the difficulties that have attended these efforts. Yet, as I began by saying, the idea of a Caribbean is a persistent one. The fact that historians, anthropologists, economists and writers continue to recognize the Caribbean as a frame of reference speaks to a sense of shared identity which belies the reality of political and economic fragmentation. Hence, the scholars have a unique role to play in keeping that spark alive.

The road is a long one and the pace is slow. But the journey is an exciting one, for it is one of continuous self-discovery. Clearly, the Atlantea project is playing a key role. I count myself privileged to participate in the Jornada de Estudios Caribenos; and in the Junta Academica Internacional; and honoured to have been asked to deliver the keynote address. Thank you very much for your attention.