

16th Sir Arthur Lewis Memorial Lecture

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CARICOM AND THE CARIBBEAN IN A CHANGING INTERNATIONAL ORDER

It is indeed a privilege to have been asked to give this Sir Arthur Lewis Memorial Lecture which the Bank has organised as an annual event in honour of a Caribbean citizen recognized as one of the leading economists in the field of development economics in the 20th century. He was, too, one who persistently put his knowledge and experience at the particular service of the Caribbean, the location of his birth, in respect of a perennial problem of the social sciences – how countries can achieve reasonable levels of economic growth and well-being within a setting of some acceptable form of governance and political arrangements guaranteeing a reasonable degree of freedom for the citizenry.

For the Caribbean scholar of the social sciences this challenge, which led Arthur Lewis from his specialism of economics into the realm of political science remains, so many years after his death, a formidable one the world over .

I propose to speak, as a political scientist and student of international relations, within a general framework that emphasizes two of the preoccupations of Arthur Lewis. The first was the significance of the nature of the international order - in his case the international economic order - for the mode of development of the colonial, and then ex-colonial countries, including our own, and for their ability to function as independent states ; and the second was his preoccupation with the issue of the terms on which small countries in the post-World War 2 era could find bases for economic growth in a context of what, in that period, used to be called “good government”. As is well known, Arthur Lewis spent a fair portion of his time and energy in dealing with the question of federation as an avenue to good government for these islands and the English-speaking mainland territories of the

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Caribbean – an issue which, in the period after independence became largely limited to, or transformed into, a concern with regional integration, and more specifically regional economic integration.

So I propose to deal with this continuing discussion of the issue of how these countries are coping with three aspects of contemporary international relations. The first is that of the dramatic changes in the international order, in both its political and economic aspects, in the last few decades that now tend to be generally discussed under the rubric of globalization; the second, the extent to which, in part as a consequence, our CARICOM countries are now required, in the interests of our economic and political survival and progress, to analytically and practically move out of the comfortable notion of the uniqueness and specificity of our countries' character and location as the English-speaking component of the Caribbean. In discussing this, I seek to relocate ourselves in a wider, and I suggest more operationally meaningful context of our relations with the other countries encompassed within our Caribbean Sea and its borders, as well as within the wider Hemisphere of which we are geographically a part. Thus, the title of this lecture, "CARICOM and the Caribbean in the Changing International Order". Thirdly I go on to look at our current treatment of the issue of regional integration in the context of also changing notions of Caribbean regionalism.

PRECURSORS OF THE PRESENT ORDER FROM A CARIBBEAN PERSPECTIVE

Towards the end of in the 1970's into the 1980's, as some of the larger countries of our CARICOM sub-Region experienced their first deep economic crisis of the post World War Two period, governments' reactions to it clearly began to disrupt the harmonious relations and policy consensus between them that had brought into existence, with much optimism, the 1973 Treaty of Chaguaramas confirming the commitment of the states to the formation of a Caribbean Common Market and Community. The creation of a new economic and geopolitical space implied in the Treaty had the immediate effect, in 1974, of inducing intimations of a wish to join this arrangement from Haiti and the Dominican Republic. Our leaderships were somewhat wary of these initiatives, as indicated by the fact that, if we cut a long story short, it was not until 2005 that Haiti became a member of CARICOM; and the

Dominican Republic, after applications in 1991 and 2005 has still not succeeded in doing so.

But in the long stretch of grappling with economic recession, and beginning to understand the changing context of our traditional international economic relationships particularly with Britain, and through Britain, Western Europe, our Governments decided to seek, in 1986, an expert re-evaluation of the implications of the changing external circumstances through the formation of a West Indian Commission headed by Sir Shridath Ramphal. But recall at this point, that by the time this Commission's Report, Time for Action, was produced, the Eastern part of continental Europe had escaped the net of Soviet Socialist entanglement as a consequence of the dissolution of the Soviet Union and what was up to then called the "world socialist system". The concept of Europe, began to take on a different connotation.

Well before the concepts of globalization and liberalization became commonly used, the Caribbean countries, from their different locations and perspectives, had reasonable intimations that the specific and predominant modes of their integration in various sectors of global relations were being subjected to challenges to which they would have to respond. The motive forces for such challenges were not to any great extent domestic in nature, but international – that is emanating from forces and policies from the larger countries and economies of the globe. It had been for long recognized not only by academics, but by policy makers in the Caribbean that since their states and states' economies were essentially creations of metropolitan economies, they were particularly susceptible to changes in the political economy systems and decisions of those metropolitan powers.

So in respect of the states or colonies formerly or at that time under the jurisdiction the European metropolitan powers, way back at the beginning of the 1960's (1963), the decision of the British government to seek entry into the European Common Market and the European Communities gave the first signal to the British ex-colonies and colonies in the Caribbean that a change of significance was upon them. The English speaking Caribbean's initial response to this challenge was that as the French and the Dutch had "taken care of"/made provision for, an integration of their wards, or former wards, into the

new European Communities system that they were constructing, so the British Government would be able to do the same; and that the old order of protectionism, in particular agricultural protectionism, would remain. As is well known, this expectation proved to be in some measure realistic, as the European Community took the opportunity to institutionalize its economic relationships with its ex-colonies through the establishment of the ACP-EU Lomé Convention on Trade and Aid in 1975, after the prolonged but eventual effort of admission of the United Kingdom into the Community.

The Lomé Convention not only systematized, for the first time in an institutional sense, the broad scope of the principles and strategies relating to trade between the European Community states and their ex-colonies, but, as implied in the title of the Convention, did something similar in the Community's approach to development and the economic and technical assistance that would go along with it. For the English-speaking states, the Convention replaced their preceding framework of post-colonial economic and diplomatic relations, the Commonwealth, with a new institutionalized international arena in which CARICOM states were now required to seek to exert influence, and from which support could now be drawn upon as necessary. So from a Caribbean Community perspective, Lomé provided a new sphere of diplomatic relations, extending the Community's reach in an institutionally formalized manner to major European states with which they had hitherto had limited connections, - states beyond the English-speaking arena of the Commonwealth. Lomé, then, was largely perceived as somewhat of a diplomatic triumph for an emerging CARICOM diplomacy.

In the 1970's this diplomacy ran parallel to another, by means of which an emerging radicalism among certain English-speaking CARICOM states had sought to consolidate and institutionalise diplomatic and international policy perspectives with states outside the narrower sphere of their relations with the Commonwealth and the countries of the Lomé Convention. This diplomacy, focussed not on maintaining protection of the economic gains made within the Commonwealth-cum-Lomé framework, but on a reform, in the developing states' favour, of the wider sphere of metropolitan-post colonial country economic relations. This came to be known as the search, through the wider United Nations system, and specifically through the instrument of the United Nations Conference on Trade and

Development (UNCTAD), for a New International Economic Order (NIEO). And similarly, another initiative within that wider scope of collation of the efforts of *all* developing countries, came the specific initiative linking the bauxite-producing countries worldwide (this including also Australia) within the International Bauxite Association (IBA).

The prominence of CARICOM diplomats and technicians in these organizations (Ramphal at the Commonwealth and a major inspiration in the Lomé Convention negotiations, McIntyre at UNCTAD, the leadership of Jamaica in the formation of the International Bauxite Association, that country's choice as the headquarters of International Seabed Authority, and the region's prominence in the non-aligned diplomacy, all pointed to a recognition by CARICOM states of the need for an intense diplomatic activism towards actual or anticipated changes in the international political economy. And closer home, the earlier four-CARICOM-country full diplomatic recognition of Cuba (1972), indicated too, an awareness that thinking was changing in many countries of Latin America towards metropolitan attitudes and postures in a variety of spheres in international relations. Significantly, this collective recognition of Cuba came among CARICOM countries of somewhat differing ideological orientations, with the differences, however, not being allowed to compromise what came to be accepted as new norms of international relations (the norms of non-alignment) among developing countries.

But within the Latin American sphere itself, and then in significant Caribbean states (including Jamaica, Guyana and a little later Trinidad & Tobago), the recession of the late 1970's into the 1980's put paid to this period of diplomatic activism and participation in geographically wider efforts of post-colonial diplomatic reconstruction by Latin American and CARICOM states. Changes in regimes in Latin America, and their acceptance of a new economic paradigm of domestic and international liberalization emanating, under the influence of Reaganism/Thatcherism, from the international financial institutions, indicated that a certain acceptance was occurring, among these developing NIEO-oriented countries, of changes in the terms of global economic relations. And at the same time, it was coming to be recognised that these was being induced not by institutional or diplomatic innovation, but by technological innovation harnessed by mainly American multinational corporations, towards different forms of international economic integration.

This emerging, new, what has come to be called, globalization of economic relations was now the impetus to a new round of reformulation of the rules of international production and trade relations, devised and directed by the liberalising North Atlantic powers, and institutionalised in their promotion of the Uruguay Round of trade negotiations, between 1986 and 1994.

Though it might not have been easily apparent to CARICOM states at the time (the mid-1980's), the EC, protectors of the Lomé Convention, anxious to ensure, in terms of their economic competition with the United States, the application of the new provisions embodied in the GATT through the Uruguay Round negotiations, quickly recognized its implications not only for the internal structure of the EC itself, but for its relations with its ACP colleague-member states.

So, from the mid-1980's, three things were beginning to become apparent. *First*, that the European Communities would have to respond *institutionally* to the Uruguay Round changes, reflecting changes in the structure of international economic relations. Hence the evolution of intra-EC negotiations leading to the Maastricht Agreement of 1992 that made provision for establishment of the European Union. *Secondly* the response to the Uruguay Round would in turn imply institutional changes in the nature of its relations with its ACP colleagues as defined by Lomé, particularly as the revised GATT would have significant implications for agricultural trade; and *thirdly*, by implication, that the new GATT regulations, under the aegis of the World Trade Organisation, would no longer recognize the relevance or necessity for discrimination between developing countries, based essentially on historical circumstances or levels of economic development. Special protection of ex-colonies' trade relations was giving way to liberalization of *all* international economic relations

The implications of these factors for CARICOM were not perceived so much in terms of a coming renegotiation of the Lomé Convention towards the Cotonou Convention (signed in 2000), or in the actual transformation of the EC into the EU, seen in the Caribbean as a legitimate European response to the global economic liberalization process. Rather, they were perceived, more narrowly, in terms of their implications for CARICOM agricultural

trade. In effect, no sooner had the signing of the Lomé Convention given some relief to CARICOM leaderships in terms of that trade, still significant in the second half of the 1970's, than they realized the new emerging threat.

The result was a furious diplomacy undertaken mainly in terms of the CARICOM banana trade, and therefore by a limited number of states (Jamaica and the Windward Islands). For at that time, there was a sentiment within CARICOM itself that the Protocol regulating the sugar trade fell strictly outside the framework of the Cotonou Convention, and would be unaffected by the new arrangements - an assumption, the subsequent Brazilian victory at the WTO demonstrated, that turned out to be false. CARICOM diplomacy in pursuit of some effective level of protection for the banana industry lasted virtually to the end of the 20th century. And it is widely seen to have ended in results far distant from the original objectives that the governmental leaderships had set themselves. The negative consequences, at least for the Windward Islands of CARICOM, are neatly set out in a recent text on the marginalization of small economies in this new era of liberalisation:

“Changes to the European system of banana preferences in 1992 were a major contributor to a precipitous decline in St Lucia’s banana industry. Banana exports fell from a peak of 132,000 tons in 1992 to 30,000 tons in 2005. As banana farming was the main source of national employment, decline of the industry has led to significant social dislocation, as well as increased unemployment and crime. An estimated 29 percent of St Lucia’s population currently lives below the poverty line”².

Bear in mind that, in respect of the banana trade, St Lucia was the most productive of the Windward Islands.

WIDENING PARAMETERS OF CARICOM RELATIONS

But there was another factor that impinged not only on the scope for CARICOM agricultural trade under the new European arrangements. This entailed the simultaneous negotiations

² Emily Jones, Carolyn Deere-Birkbeck and Ngaire Woods, Manoeuvring at the Margins – Constraints Faced by Small States in International Trade Negotiations (Commonwealth Secretariat, 2010), p.10.

being undertaken by the European Union for its own expansion, as the Iberian states were liberated from dictatorship. In the mid-1980's, Spanish, and in some degree, Portuguese diplomacy, turned to ensuring that their former wards in the Hemisphere (the Latin American countries and the Dominican Republic in the Caribbean) were given more attention by the European Community in its coming reconfiguration of relations with the developing countries of the Lomé/Cotonou Conventions.

In reference to the Caribbean, this meant a concern with a wider Caribbean, and for Spain in particular, the concern that the Dominican Republic should become part of any institutionalized arrangement for cooperation that the European Community/Union would, in the future, have in the Caribbean. The time for segregation had come to an end, in the context of what may have been perceived by many members of the "new Europe" at that time as an unjustified monopolization of EU-Caribbean relations by its Anglophone CARICOM section of the Caribbean.

This initiative towards a wider EU-Caribbean relationship initially had as its consequence a certain CARICOM angst and sense of potential displacement, particularly as, for one thing, the Dominican Republic had the potential for larger, lower-cost banana production than any CARICOM country. The Spanish concern with the DR extended logically to Haiti, which had applied for membership of the Caribbean Community since 1974. It is unlikely that many CARICOM states saw this initiative towards globalization of CARICOM-EU relationships within the wider context that would have been in the European mind. For there was, it can be surmised, little CARICOM focus on the European countries' increasing desire to consolidate relationships *with the countries of the Hemisphere generally*, in what was becoming a search for competitive participation in the markets of those countries as they began to recover from recession. The United States signing, and the legislative passage, of a Free Trade Area Agreement with Mexico (1993), and then its reinforcement of that initiative with a proposition for a wider Free Trade Area, surely marked, for the Europeans a potential for a sharpening of competition within the new globally liberalized atmosphere, reinforced now by the collapse of the Soviet World Socialist system, with the inevitability of American competition in world socialism's now liberated Europe. Europe in turn set about pursuing free trade agreements not only with the larger Latin American

countries, but also with those of the Central American isthmus, now matched (if we fast forward) by the rapid response by those states to the US offer of a Free Trade Area Agreement (CAFTA).

These initiatives and manoeuvres clearly signaled to the CARICOM governments that the era of privileged relationships was now definitively over. There now had to be a conformity of agreements signed with the CARICOM countries to agreements signed elsewhere, and particularly with countries within the Hemisphere, some of them, like those of Central America, also claiming to be “small economies” subject to the same vulnerabilities as those of CARICOM. This is the line of economic diplomacy essentially pursued by the EU in its signing of an Economic Partnership Agreement (2008) with the Cariforum states, in the face of some hesitancy on the part of those states, and now followed up by negotiations with the Central American states.

The general conclusion, then, by the end of the first decade of this new century, would be first, that neither the EU's nor the United States relations with the CARICOM were to be subject to any specific differentiation vis-à-vis other developing states or regions; secondly, that free trade agreements signed would not distinguish between countries on the basis of size, or of limitations that were the result of their particular colonial inheritances. And thirdly, specifically for the CARICOM, this has meant consideration of whether relationships between its own member-states really merit a specificity and exclusivity that would distinguish them from states in the Caribbean immediately surrounding the Community. In the mid-1990's Trinidad & Tobago, seeking to create new spaces for its industrializing natural gas economy, had hinted that it in some measure subscribed to this new European diplomacy of, as it were, a common metropolitan approach to all Caribbean states, by indicating that it would pursue a free trade agreement with the Dominican Republic, seen as a viable outlet for its exports. The CARICOM response was to transform this initiative into a CARICOM wide one, eventually formalized in 2000.

Yet it should be noted that in terms of diplomatic practice, CARICOM states have not come to specific conclusions as to what this new prognosis entails. The EU had, as we have intimated, been pushing CARICOM in this direction ever since, in the second half of the

1980's, it had insisted that its relations with the Dominican Republic were best pursued in terms of that country being part of the CARICOM system. The de facto situation turned out to be the creation of the Caribbean Forum (CARIFORUM) for the purpose of implementing the Cotonou Convention, an institutional arrangement in which it was apparent that some CARICOM states obviously felt uncomfortable. Yet as the negotiations on the proposed Economic Partnership Agreement came to an end, it was also obvious that the Dominican Republic (and by implication the EU) had become more insistent that the CARICOM, as an institution, should be revised to come to terms with the new realities of EU-Caribbean relations. How any such direction might evolve is not yet visible, but it is worth noting that, in the face of this institutional meandering, the DR has proceeded to adhere to the US-CAFTA arrangement.

The conclusions that we draw from this discussion are that: (i) *in the context of the changes taking place within the Hemisphere, and the Caribbean Basin, induced either from within or without (the EU), the relevance of the specificity or uniqueness of CARICOM itself has been persistently coming under challenge by other states within and beyond the Caribbean Basin; and this is especially so as CARICOM has not actually demonstrated that there are valid grounds for such a claim to uniqueness, in the context of the process of regional economic liberalization.* Through the Revised Treaty of Chaguaramas, the institution had attempted to create such specificity by seeking to consolidate not simply a single market but a single economy. But the process of implementation has been such that the Community, as a developing single economic system gives the impression of stagnation, an image reinforced by prolonged recessionary conditions in some key countries³.

(ii) Secondly, geographical realities have begun to impress themselves on the character of CARICOM as an operationally meaningful system, in the context of what I have elsewhere referred to as the “stretching of the boundaries of CARICOM” becoming a reality. This has the potential for creating dual orientations in terms of economic integration relationships.

³ The delineation of the programme for elaboration of a single economy was laid in a document prepared under the supervision of Professor Norman Girvan. See Towards a Single Development Vision and the Role of the Single Economy (2007). The document was approved by the CARICOM Heads of Government at their 28th Conference, July 1-4, 2007.

From that perspective, questions would arise, for the states involved in such orientations, as to which of the orientations should be given priority.

For, as has been obvious for some time, both location, and the attractions of linkage, between Belize and the Central American states which Mexico itself sees an arena for wider integration, have induced Belize to become member of the Central American Integration system, as well as being in the CARICOM system. In more recent times, it has also become apparent that the thrust of what Latin American academics and policymakers have referred to as infrastructural integration (IIRSA) pursued in particular by Brazil vis-à-vis the South American nations, has begun to gather force vis-à-vis Guyana and Suriname. This has revived an orientation long regarded as natural, in the context, as the former Guyanese Foreign Minister, Rashleigh Jackson once put it, of “the pre-eminence of certain strategic considerations as regards relations with Brazil”⁴, in particular those relating to the larger state’s commitment to recognition of the integrity of territorial borders (unlike Venezuela). But the implementation of the orientation of infrastructural-cum economic integration, obviously remains subject to considerations relating to the relative sizes and capabilities of the CARICOM South American states, in terms of their ability to ensure the sustenance of long-term autonomy within such frameworks.

CARICOM, however, has recognized the significance of responding to the recent initiatives relating to the coordination of international relations objectives in the Hemisphere and in the wider international community through adherence to institutional arrangements essentially promoted by Latin American states – for example in recent times, the Union of South American Nations (UNASUR) and the more recently formed Community of Latin American and Caribbean States (CLEC). These are essentially media in which CARICOM would hope to input its specific objectives vis-à-vis the wider international consideration of economic development issues in particular. But they also indicate the limitations of an

⁴ Rashleigh Jackson, Guyana’s Diplomacy-Reflections of a Former Foreign Minister, Free Press, Georgetown, Guyana, 2003, p.40. Jackson was foreign Minister of Guyana between 1978 and 1990. The infrastructural approach to regional economic integration is embodied in the functioning of the Initiative for the Integration of Regional Infrastructure in South America(IIRSA). I have discussed the relevance of the this approach in my paper, “Size and Survival: Sources of Contemporary Systemic and Contingent Threats to Caribbean States Viability” Prepared for a Conference organized by the Sir Arthur Lewis Institute of Social and Economic Studies, University of the West Indies, April 2011.

initiative of the early 1990's for which CARICOM states had intended to assert a more direct intervention and influence in Latin American Caribbean affairs, the Association of Caribbean States (1994), that included Venezuela, Colombia and Mexico but did not (on grounds of its not having a geographical extension into the Caribbean Sea) include Brazil as a member.

What we can observe is that the participation of CARICOM states in these more recent entities, does not have the policy pointedness or specificity in terms of CARICOM policy objectives, as their earlier initiatives towards, and cooperation with, some Latin American states in, for example, the UNCTAD discussions in pursuit of an NIEO. But on the other hand the creation, in the present era, of a G20 that includes major "Third World" states, does not appear to be structured in such a manner as to reflect contemporary perspectives of smaller states of the international system. In particular it does not reflect the latter's particular concern of vulnerability in the longer term structural sense. Nor does it reflect their concern with the issue of coming to terms with the volatility of an international economic relations system that has now widened its scope to encompass what might be called "newer capitalist states" essentially concerned with restructuring global relations to accommodate their particular objectives. In that sense, the evolution of China, once considering itself to have a certain affinity with other developing countries in Latin America and Africa, indicates a certain CARICOM predicament within the wider developing states arena. For in respect of China's economic development, CARICOM states, at this time, remain essentially *recipients of aid*,⁵ while countries in Africa and Latin America have become, rather, *recipients, of investment* deriving from the Chinese demand for commodities of various kinds.

The scope then, for diplomatic alliances and cooperation, particularly in terms of the CARICOM countries, as small states, seeking to find avenues for influencing the larger landscape of international economic relations, seems to have become constricted in the

⁵ Though some observers are inclined to suggest that the Chinese essential interest in the area is related to a more substantial use of the Panama Canal. See for a Chinese point of view, "Win-win opportunities for Chinese Enterprises and Panama Canal", speech by Captain Wei Jaifu, Chairman, Chinese Shipping Associates, President and CEO of COSCO Group, n.d.. For what would appear to be an Chinese emerging interest in Central America, see "Quantifying China's Presence in LatAM" [Financial Times \(London\), 18th March 2010](#)

context of the geo-economic and geopolitical changes presently occurring. And it is in that context, it will be recalled, that first, in the long stretch of grappling with economic recession and its effects on our regional integration process, and secondly, beginning to understand the changing context of our traditional international economic relationships – particularly with Britain, and through Britain, Western Europe – our Governments decided to seek, in 1986, an expert re-evaluation of our changing external circumstances, through the formation of a West Indian Commission, headed by Sir Shridath Ramphal.

REGIONAL OBJECTIVES VIS-A-VIS INTERNATIONAL CONCERNS

These observations, then, brings us back to the issue, considered a prime one for the Caribbean, of how policy initiatives concerned with relocating their economies in the liberalized economic order, can be institutionally pursued from a regional perspective.

First, the regional context is unfavourable, in the sense that, unlike the situation of other small countries in, say, East and South Asia, the recession in the Western world economies has had a more deleterious effect on the economies of the Caribbean. Secondly, the Caribbean arena is no longer a major source of mineral or agricultural commodities as it was in the 1960's for example, capable of drawing investment in such commodities and then in wider consumption-oriented investments. It is therefore not a magnet for the emerging economies of the developing world, as some of these very economies have themselves become, as we have noted, magnets, for example, of China's demand for mineral and agricultural products. And thirdly, as we have seen, the notion of an organized single economic space, capable of establishing a platform creating scale, and therefore opportunities for drawing external interest in expectation of predictable rules re investment, has lagged in implementation.

In one respect, the opportunity for CARICOM formalizing and expanding its economic platform, in the context of adjusting to the changed European integration context, was missed. As we have suggested earlier, there seems to have been no indication, on CARICOM's part, of taking seriously the proposition advanced by the European Union, in proposing its move towards creation of an Economic Partnership Agreement with the Caribbean, that a priority was to support regional integration. For one thing, the pursuit of

the Single Economy seems to have been undertaken as a local operation divorced from any international economic context. Further CARICOM's hesitations towards an anxious Dominican Republic have hardly been hidden, so that the DR's initiatives in respect of formulating a wider integration arena have gone largely unreciprocated. And equally importantly, the separation of these two considerations from any persistent diplomatic effort to engage states in the EU beyond the traditional ones of the United Kingdom and France, (the Iberian states for example) by way of an active encouragement of economic relationship initiatives with the DR and the Central American states, has left us isolated from those states in a practical sense, vis-à-vis our own economic growth and integration objectives. Indeed, as of now, there still seems no subsequent indication (beyond what we have accepted as the Cariforum framework in the way that CARICOM wishes to work it), of the promotion of a stratagem towards institutional rationalization of CARICOM/non-CARICOM Caribbean states' relations as a medium to long-term measure.

This has, in some degree, permitted the European Union, increasingly committed to rationalization of its own expansion process towards the states of the former communist Europe, to, as it were, get off the hook. CARICOM hardly recognized the growing European interest in Cuba, except for the EU's concern with human rights issues, even though the EU has obviously been concerned to begin, even in the context of its concern with human rights issues, to place its political and economic relations with Cuba on a more organized, long-term footing. In that regard, the place of Spanish diplomacy needs to be taken cognisance of). Though we might note that in an earlier brief period of "liberalization" or opening in the 1990's, when Canada for example was taking advantage of implanting investments in Cuba, in both mineral exploitation and tourism, Jamaican entrepreneurs did establish private ventures in that country.

In more recent times, there has been some recognition that the potential for a "stretching of the boundaries of CARICOM" could recognize a so-called Northern Caribbean space that would encompass the economies of both Jamaica and Bahamas among the other Greater

Antilles. But these could hardly be referred to as specifically CARICOM initiatives⁶. Little emanating from the priorities of the Community at present suggests an organized initiative towards the formation of a common economic space in that sector that could substitute for the decline of the private national economic spaces, whether in agriculture or mineral activities, and create a sufficient platform for attaining and maintaining international competitiveness in today's new environment. Surely there would be a place, in our conduct of our relations in the context of a continuing Economic Partnership Agreement with the EU, for such an approach, beyond CARICOM's seeming fascination with the trade issue in more traditional commodities. Put in another way, we see no attempt to embed, in a medium to long terms sense, and therefore through persistent diplomacy, the perspectives of a CARICOM committed to a working Cariforum, within the wider, non-traditional EU, and to seriously and persistently seeking to influence to that end.

What then, in this wider context, are the prospects for the smaller Eastern Caribbean states? We note first that in this arena, the vertically and horizontally organized arrangement that, in practice, sustained what could be called an economic space, and therefore sufficiency of scale, for multi-island banana production as exports to the United Kingdom, proved incapable of supporting the industry once the preferential arrangements for the banana trade were substantially diminished in consequence of the new WTO agreement. Indications are that these exports will most likely become a small subset of an enhanced Dominican Republic and Central/Latin American presence in the European Market. At the same time, the neighbouring islands of Martinique/Guadeloupe maintain, through their status as departments of France, a position in the European market. And questions have been raised as to the extent to which a new lateral integration (across the Eastern Caribbean) of banana production and exporting arrangements could form a more effective basis for access to the European market.

This brings us to the question of the possible scope, within the framework of the European Union, for new efforts of integration in the Eastern Caribbean, capable of being supported

⁶ See " [Northern Caribbean] Economic Cooperation Conference to complement CARICOM", Jamaica Gleaner, 20th October 2010. I have discussed some issues relating to relations among the differing sections of the Caribbean Basin in "Configurations of Caribbean Regionalism in the Hemispheric and International Settings", Journal of Caribbean International Relations (IIR, University of the West Indies), 2005.

by the EU's commitment to the furtherance of regional integration in the post-EPA period. These would seek to provide infrastructural arrangements for integrated activities laterally among the various jurisdictions of the sovereign Eastern Caribbean states themselves, and beyond them through the departments of France, and the islands of the Netherlands Antilles.

It is my view that, irrespective of national jurisdiction, an attempt should be made to analyse, and then pursue the possibilities for, to begin with, infrastructural integration between the Eastern Caribbean states and the Departments of France, as a prelude to subsequent integration of economic activities, utilizing the assets and populations of the joint populations and land masses. The possibilities in respect, for example, of energy and transportation could be explored, as well as the issue of access for agricultural exports into Europe utilising French facilities and avenues. This mode of integration would in fact follow the model of the European Communities integration in their origins, and minimize the impediments to productive investment that are the consequence of relatively miniscule populations in each island. The already joint asset of an Eastern Caribbean States' common currency, and common regulated financial system would be a ready facilitator of new economic activity.

The approach here is to utilize the assets possessed by the variety of jurisdictions in an environment not particularly favourable to small and vulnerable countries at this time. The European Union needs to treat the islands of the Eastern Caribbean as "near neighbours" in much the same way as it has made, and continues to make, endeavours towards the obviously more economically attractive countries of the North Africa, encouraging a structural cohesion between these islands and its own jurisdictions, beneficial to the smaller partners.⁷ Although France is no longer a non-Borrowing Member of the Caribbean Development Bank, it appears to me that that institution, which has as one of its historic priorities among its mandates, not just functioning in pursuit of national development, but specifically of regional economic integration among its member states, is an appropriate

⁷ I have discussed some of these issues in EU-CARICOM-OECS future relations in my, "Parameters of EU-Caribbean Relations", Paper prepared for a Conference sponsored by the European Centre for Development Policy Management and the Institute of International Relations, University of the West Indies, St Augustine, Trinidad & Tobago, 2009.

vehicle capable of utilization in an endeavour such as this. In terms of air transportation too, such initiatives could well include the state of Barbados which serves as a gateway for the Eastern Caribbean states tourism industry.

It is this approach which has been utilized, most recently, in the Report prepared for Eastern Caribbean States and the Government of Trinidad & Tobago, seeking to find ways of configuring new economic spaces providing a basis for regional integration policy, beyond that provided in the essentially tariff-liberalising arrangements of the Caribbean Single Market. These latter would appear to have reached the limits of national tolerance, and in my view, have not served to create the intended impetus to economic growth (certainly not for the smaller countries of the Region).⁸ The elaboration of this methodology was intended to find a way beyond mere trade liberalization, and to now go beyond the sub-optimal economic, functional cooperation and regional governance arrangements now characterizing our CARICOM sub-Region. It presupposes the engagement of donor countries and systems; and in the case of the European Union would have to form a substantive part of any Partnership Agreement intended to advance economic integration in the Cariforum-wide region.

From the perspective of the Task Force Report, the objective of this approach was not simply to find a more cohesive economic arrangement between a larger country (Trinidad and Tobago) and smaller entities. Rather, it was to seek a reconfiguration of economic relationships in the Eastern Caribbean that could diminish vulnerability, while taking cognisance of the need for establishing new relationships beyond the geographical scope of the Caribbean Community in the East-Southern Caribbean, and taking into account the interests of European Union states with jurisdictions in that area, and the possibilities for enhancing viability of those jurisdictions themselves.

In sum, the priority of these small Caribbean Community states, while engaging as they did in an earlier era in international consultations relating to, for example, the law of the sea, and in highlighting the characteristics of the international environment that created

⁸ Trinidad & Tobago-Eastern Caribbean States Initiative – Task Force Report, (Trinidad & Tobago: Office of the Prime Minister, 2010). The author was Chairperson of the Task Force.

additional vulnerabilities for them, as in the case of the issue of climate change and sea-level rise, must be to seek ways not only to continue to alert the major and emerging states as to their responsibilities in assisting in the reduction of such vulnerabilities; but in redirecting attention to their status as essentially middle-level countries now caught in some measure in a downward trajectory in consequence of the change in the nature of the international economic and related networks to which they had been connected.

This, in my view, is the substantive medium-term exercise that requires to be undertaken: a diplomatic engagement, *based on prior CARICOM inter-governmental consultations*, with other relevant countries and regions. This would concern the implications of a situation brought upon us by the substantial change in perspective and policy, on relationships between developing states in the era of global economic liberalization. It would therefore have to be undertaken in the context of our relations with both to the European Union, and with the larger developing regional arrangements characterizing the emerging states of our Hemispheric arena. This is a task which, in my view, we in the Caribbean area have not yet persuasively initiated, bogged down as member states are by their continuing domestic economic crises. This kind of inter-governmental consultation, supported by the public services of states and the Caribbean Development Bank, focuses on a perspective not so much of the single Market orientation, but from an orientation of finding stratagems for common economic space orientations and the infrastructural requirements for these towards the creation of appropriate scale. Configurations of appropriate economic scale are now the issue in our sub-Region – configurations that need not necessarily encompass all countries simultaneously.

It is notable in this regard, that the EU was institutionally responsive to the fate of the small island developing states within its own geographical environment – notably Cyprus and Malta, as the frameworks of those countries' development came to be affected by the structuring and restructuring of the European integration process itself. The same can now be said to apply to many countries of the Caribbean, and more particularly the smaller jurisdictions. The struggle of both Barbados and Antigua and Barbuda to engage in new international channels for alternative development processes (financial services and internet services), is instructive in that regard.

In much the same way, in the face of the recent earthquake in Haiti, the response to which has involved the participation, in reconstruction efforts, of its wider Caribbean and Hemispheric arena, and inevitably the Dominican Republic, irrespective of continuing border and immigration difficulties, it is clear that there is value in utilizing infrastructural integration initiatives to facilitate the revival and productive functioning of the Haitian system and economy. And a particular objective of Caribbean governments must obviously be to participate in sustaining, through collective efforts and on a long-term basis in relevant international institutions, the support of the international community.

I do not myself believe, certainly in the context of the obvious lack of clarity which characterised our diplomacy during the EPA negotiations, that we have been readying ourselves, on a regional basis, for the task of diplomatic engagement beyond our current historical fascinations with the traditional Europe, and in regard to the United States in a manner still reflecting a reactive approach to their initiatives of the early CBI days. This accounts, in my view, for what can be seen as a deliberate American response - we could say reproach - to our approach to new forms of regionalism: that is, the rapidly proposed and completed offer of a regional free trade area with the Central American countries.

Finally it would be expected that in the course of its evolution of relations with Cuba, the EU and that country would have an interest in formalizing a developmental cum reconstruction institutional framework for that country's future evolution, in respect of which the countries of the Northern Antilles would have an interest. This could provide an opportunity for the CARICOM states - or Cariforum states, to enhance our collective perspective and programming on the creation of wider Caribbean economic integration spaces, utilizing the framework of the CARICOM-Cuba Joint Commission process.⁹ But we should note too, that many initiatives towards Cuba by major powers are themselves taking place within a perspective of acceptability within a wider regional and hemispheric framework.

⁹ See, in the sphere of what can be called functional cooperation in relation to Haiti, the report of a CARICOM-Cuba consultation that was held within the framework of the Joint Commission "to allow" the insertion of "CARICOM into the Cuba-led, \$600million effort to rebuild a Haitian healthcare system" so far funded by Venezuela and Brazil.

The model, of establishing institutional arrangements with other developing /cum-emerging states can also be utilized in geographical areas beyond the Caribbean, the Latin American sphere and deepening of our relations with the European Union. For example, virtually all CARICOM states, though not the Caribbean states of Haiti and the Dominican Republic now have formal diplomatic and extensive practical relations with China, mainly involving economic assistance for a variety of national projects. From a regional perspective, I would put the focus on utilizing the China-CARICOM Commission to focus on the question of a wider Caribbean regional integration in terms of the establishment, as I have suggested, of support for elaborating possibilities similar to those I have described, for infrastructural support for identified cross border economic spaces.

IN CONCLUSION

It will be observed that, in discussing this issue of Caribbean relations in respect of the evolving international order, I have cast a somewhat narrow net. I have been focusing on taking the approach of elaborating specific initiatives relating to finding paths to economic development that can replace the declining economic systems and structures in these historically 'plantation economies', whether based on metropolitan agricultural creations, or more modern mining enterprises.

I take the view that in respect of what we can call the new issues arising in the international political economy – the effects on small countries of emerging global patterns of trade and production, climate change and so on, CARICOM countries now need to re-evaluate the significance of narrower sub-regional initiatives focused on the CARICOM institutional framework. There is the need now to explore the possibilities of active wider institutional collaboration with other Caribbean states, utilizing a broadened Caribbean institutional framework, networking our joint endeavours within the Cariforum arena, the CARICOM-Cuba Commission and capitalizing on cooperation with the Central American states and Cuba, in terms of the Europeans' contemporary interest in these entities. This is, too, a case for intergovernmental consultations across different spaces of the Caribbean, and not necessarily involving all states simultaneously, but within a broad framework agreed by all.

The complexity of the present, emerging, uncompleted international order certainly reduces, for CARICOM per se, the possibilities of the wider, cross-Hemisphere initiatives of the earlier post-colonial era. The objectives of the developing states involved at that time, were focused on the reorganization of the global economy through policy interaction with the traditional 'top dogs' of the system, in order to ensure their own appropriate entry into the emerging interlocking systems of production and trade.

In that context, the case for strengthening our economic integration process, in the sense of extending, in an active rather than hesitant and reactive manner, into the wider Caribbean, and into the complexes of arrangements increasingly characterizing our Hemispheric geophysical neighbourhoods, becomes ever stronger. The CARICOM regional integration process, in the sense of a search for wider economic and social spaces for development, would derive greater strength, while its own cultural integrity remains.

All this presupposes a review of our current diplomatic engagements, leading to a more determined perspective of the geopolitical relationships evolving in our Hemisphere, and their implications for coordination of CARICOM-Caribbean diplomacy.

We are lacking today, an organized diplomacy of engagement with the larger states and Regions of the world, including the world of the emerging economies; a diplomacy undertaken in the context of a reconsideration of the nature of CARICOM regional economic integration and the spaces to which it should relate in today's present circumstances. Pursuit of this a worthy effort for the contemporary period in which all states, and in particular the larger entities in our Hemispheric environment are re-evaluating their places in the emerging international order. And it certainly would carry on the Arthur Lewis' preoccupations with the search for economic, governmental and regional viability on the part of the smallest countries of our Hemisphere.