SIR ARTHUR LEWIS MEMORIAL LECTURE 2018

Leveraging ICT for Transformation in the Eastern Caribbean Currency Union

The Leadership Imperative

BY

BEVIL M. WOODING

Chief Knowledge Officer, Congress WBN

Special Advisor, Strategic ICT, OECS Commission

Introduction

It is my genuine honour to give this lecture in the memory of the great Sir Arthur Lewis. He was prescient in his analysis of the problems facing our region in his time, and resolute in his pursuit of solutions as the Caribbean sought to define its identity and place in the world.

It is telling that our generation has to address the same challenges Sir Arthur so ably framed and confronted. Today, similar rigour and resolve is needed to address the disruptive rise of new technology and its impact on our still fragile democracies and economies.

My task is to speak to you on the topic of "Leveraging Information And Communications Technology For Transformation In The Caribbean"

I will be drawing on my experience in the private sector, my work with governments, regional bodies and international agencies. I will also be drawing on my service over the past two decades as Chief Knowledge Officer of Congress WBN, a Caribbean-birthed, faith-based international charity that now functions in over 120 nations, across churches, businesses, campuses and diverse initiatives. Congress WBN has leveraged ICTs and a global community of volunteers to bridge cultures and language groups and overcome resource constraints.

I will not be talking to you from theory, but from lived experience. I will posing questions and offering perspectives on the subject that I hope will leave us better able to frame relevant solutions for our region.

Technology Our New Normal

We can begin by establishing the obvious. We have entered a world in which technology has fundamentally transformed human interactions and is now the most immediate context of life globally. Organisations, Governments and Nations can no longer chart a course of growth and development without consideration of the emerging global technological environment.

We see countries that were once on a similar development start-line as ours, such as Singapore, Malta, Estonia, Korea and Taiwan leap ahead of our region in terms of adoption of ICTs. We also see digital threats and opportunities seeming to go hand in hand. It is easy see why so many may be intimidated or overwhelmed when it comes to ICTs.

For us to make sense of it all, our discussion can be tailored around three main questions:

- What are the drivers of change in the world in which we live and function? (Our Context)
- Where must we position our countries and institutions in order to operate effectively in the midst of these changes? (Our Objective)
- How must we position our region to survive and succeed? (Our Opportunity)

The Context

Global Context What Do We See

When we scan today's headlines we see populations rejecting perceived obsolete or out of touch leadership models and attributes. We see emerging leadership patterns around the world that typify in attitude and discourse values that feed and stir the most banal fears and prejudices.

We are also witnessing the fragmentation of old alliances and the apparent resurgence of Nationalism over Globalism. As a new global order emerges before us, we see the souring of American Exceptionalism; and, disturbingly, the shrinking consequence of the small-nation state.

We also see the mist-filled dawn of Alternative Facts, with the rejection of inconvenient truths; and the blurring of lines between fact and opinion.

A closer look reveals the underlying, facilitating role of technology, evidenced in:

- Unprecedented connectivity and mass messaging;
- Data-driven, social media and commerce;
- Economies more connected than ever before;
- Global Competitiveness tied inextricably to access to technology
- Unprecedented capacity to infiltrate, manipulate and corrupt systems

Rise of Social Networks

Within this mix, the rise of social networks such as Facebook, YouTube, Twitter and SnapChat stands out. Supported by mobile connectivity, social media networks are now seen as indispensable to information discovery and the shaping of public opinion. These platforms, for better or worse, are also shaping a new type of social consciousness.

Regional Trends

Inside this cauldron of technology-enabled global transformation, the Caribbean is expected to not just survive, but thrive. Burying our heads in the sand and hoping this digital wave will pass is not an option. The digital era is not a fad, it is the new normal. Navigating this new-normal mandates an equally critical consideration of our evolving landscape at home. Let us look at a few characteristics of our region.

1. Less Than Satisfactory Growth

Dr. Justin Ram, Director, Economics, CDB (February 2018) put it well when he stated, "The Caribbean's economic performance as a whole continues to lag that of all other groups,

most notably other small developing states. This comparison with other small states suggests that small size is not an obstacle to growth but rather, that other structural impediments might be the reason for the Caribbean's tepid performance"

2. Limited Innovation

A World Bank 2013 report summed it perfectly: "The landscape of the economy in Latin America and the Caribbean is such that firms tend to start small and stay small."

3. High Unemployment

On average, OECS countries, for which data are available, face double-digit unemployment rates. Joblessness remains particularly high throughout the region for young persons. Youth unemployment is as high as 40% in some Member Countries.

4. Climate Change

The unprecedented devastation wrought by the 2017 hurricane season was part of a larger system of climate-related problems facing the Caribbean. The challenge is not only climate-change fueled hurricanes, but includes rising sea levels, coral bleaching, drought, and other consequences of the earth's changing climate patterns. Climate-related damage and losses in Dominica in 2017 alone totaled at least 1.3 billion US dollars, more than double the nation's GDP. After each climate-related disaster, the Caribbean enters the next season with more fragile infrastructure than the year before. Consequently, the region's vulnerability increases as its capacity to rebound diminishes each year.

5. Rising Crime Rates

We are witnessing an upward trend in criminal activity across the region, with a disturbing rise in violent, gang and drug-related crimes. The situation is compounded by an overwhelmed and under-resourced justice system with debilitatingly high case backlogs, low rates of detection, high-rates of pre-trial detentions.

A closer look again reveals the underlying, facilitating role of technology, evidenced by increasingly coordinated and sophisticated criminal actors; and increasing cyber-related security breaches and crimes.

ICT platforms are also the underlayer for the bombardment of non-local entertainment; alien cultures; mind-numbing coarseness and the worst of the negative aspects of northern cultures, that now color our indigenous cultural artforms and expressions.

Global Context Local Reality - Underlying Change Drivers

Ready or Not - Rise of the Digital Generation

From within this matrix, a real "digital-generation" is emerging across the Caribbean. These digital-natives are imbibing and manifesting values and behaviours that are not always congruent with our region's traditions and norms.

The Instant Gratification Culture is already impacting the expectations of good service, good governance and even good relationships.

The Constant Contact Culture, enabled by mobile internet connectivity, is radically altering how people communicate and access information.

We are also witnessing a new, Connected Cynicism, amplifying the perception by citizens of governments as being inefficient, corrupted and at variance with their interests. Current events should make us all aware of how quickly negativity, cynicism and low expectations propagate online.

Compounding The Situation

Ready or not, these social drivers are reshaping our societies and re-defining the very notion of Caribbean identity. As if these drivers are not enough, the environment is compounded by

- The shrivelling of our literary traditions and the shrinking pool of writers, artists, poets and playwrights who help teach our people to "think";
- A mis-begotten political and education system that has not been sufficiently revised and defined into a Caribbean-specific model capable of producing people relevant to our productive future;
- Unwillingness and/or incapacity to dismantle the most pernicious remnants of the plantation culture, where bickering, one-upsmanship and competitiveness reign over self-sacrifice and one-ness. And where the driving preference is being King of a Shack rather than to be a Prince in a Larger Connected House.

Dr. Noel Woodroffe, the founder and President of Congress WBN, in an address to CARICOM ICT Ministers said, "All of these things constitute a "psychic stain" on our societies which can only be removed by targeted leadership effort. Removal of that 'stain' is the pre-requisite for our future success."

The Objective

Our Collective Challenge

This is the context we must confront. These are the challenges we must address, if we are to effectively and sustainably leverage technology in the Caribbean. We must:

- · Shorten the gap between proclamation and decisive action
- Address vexing public-interest issues
- Build indigenous human-resource capacity to <u>enable</u> and <u>support</u> the region's development agenda

The Opportunity: Effecting Transformation: ICTs and Regional Development

The Case for Optimism

The same technologies which are so radically altering the Caribbean and global landscapes can be harnessed to fulfil our development aspirations. In fact, used appropriately, technology can help overcome apparent resource constraints AND provide massive amplification of capacity, reach, productivity and efficiency.

The positive signs are already around us. The technology to tackle our challenges exists. Also, I have had to opportunity to see this first hand that <u>our people</u> remain our most valuable natural resource and our small size, the key to our agility and adaptability. So really, what we face is more a **challenge of paradigm** than of resource or technical possibility.

A New Truth To Discover: Understanding the Digital Economy

Calypsonian David Rudder once wrote, "between the wrist and the rubber, there is a new truth to discover"

I believe this applies well to our efforts to connect our development aspirations with practical ICT implementation. The truth we must discover is the inner workings of the modern, digital economy.

A digital economy develops when users shift from merely consuming content, to producing and exporting digital content and facilitating digital transactions, on interconnected networks. By content here I refer to any technology asset or service, including related inputs.

The **domestic** digital economy develops when users shift from merely consuming content hosted outside of a country or jurisdiction, to producing local content and facilitating local transactions, all run on local networks.

In other words, if you are a net importer of ICTs, your domestic market may get ICT assets and services. However, your local ICT-enabled industries suffer; your import bill rises; you remain vulnerable to outside influences; you compromise your digital security; and consumers will have a diminishing appetite for local innovation and a growing preference for imported ICT goods. Sounds familiar?

This is why it would be reckless to consider the role of ICTs in the region without also considering our attendant responsibility to build the domestic digital economy. This is also why investments in ICTs must be aligned with identified local development needs. Such investments, as a matter of principle and policy, must prefer local interests. These local actors in turn, must support the local digital economy.

Stated differently: we increase the size and value of the domestic digital economy by increasing the amount of local services available online to local consumers, delivered by local actors.

To better grasp the significance of this, we can consider the digital economy as an ecosystem. Much like a traditional economy, the health of the component parts – physical infrastructure, human capital, policy frameworks, investment vehicles - are together indicators of the overall viability and robustness of the economy.

Market forces alone will not generate the societally optimal level of ICT-enabled development. There are investments the private sector will not make. There are investments governments should not make. There are things that our entrepreneurs and innovators-in-waiting cannot do for themselves. There are things the policy-makers and the financial services sector can and must do to translate the ICT-promise into development reality.

A combination of strategic and practical mechanisms can be deployed, to generate local content; create local value chains; and provide local transaction support. This includes:

- Reforming the Education Pipeline
- Addressing Public Sector Service Delivery
- Leveraging Regulation to Encourage Local Investment, Competition and Innovation
- Prioritizing Programs that provide tangible public benefit

The Sum of the Matter

Not Easy, But Possible

I know it is not easy to shift a region, its behaviors, accustomed practices, power structures and politics. But think about this: a shift is already taking place, just not by forces under our control. If we do nothing, something will be done.

My proposition is that if we do something, guided by a revelation of our true capacity and a vision for our preferred future, we can accomplish that which is in the best interest of our region.

We can EDUCATE our People – emphasizing digital skills as well as fundamental competencies and critical thinking. We can put investment and policy priority on continuous learning and capacity building initiatives to support this.

We can INNOVATE - through cross-sectoral initiatives, using the public sector's considerable footprint as ground-zero for targeted initiatives and accelerated policy and legislative development. At the same time, we can empower communities and engage our youth through national and regional crowd-sourced and crowd-funded initiatives.

We can CELEBRATE the progress - putting a spotlight on incremental achievements, creating a sense of positive momentum and amplifying the underlying values.

The Revolution Will Not Be Centralized

It will be folly to think this mission can be entrusted to any one person, business, government or agency. It is a collective responsibility. Like the Internet itself, the Caribbean's ICT-enabled revolution cannot and must not be centralized.

Every sector has a role to play. Government must lay the policy tracks and accelerate the policy and legislative changes needed. Our academic institutions, in closer collaboration with industry, must lay the education pipelines. Our leaders, at every level, must model the change we wish to see. Our actions must be in sync with our words.

Remember, in our challenges lie the seeds of our opportunities. Our youth, entrepreneurs and innovators are already brimming with ideas about how technology can be used to tackle challenges and create new opportunities. Let us unleash them with fearless confidence.

In closing, I want to remind us of the words of Sir Arthur Lewis, who stated it well when he said,

"Collective judgment of new ideas is so often wrong that it is arguable that progress depends on individuals being free to back their own judgment despite collective disapproval"

Technology itself is never the reason things change...how PEOPLE choose to apply technology is the real catalyst for development. We must not hold back our people because what they are proposing to do through ICTs is different or unfamiliar from what we once knew.

We must <u>unleash our youth</u> and empower our communities! Given the right fuel, I am confident that an eager region can catch afire with trademark Caribbean creativity and resilience.

I am optimistic we can move boldly forward from intent to implementation because, ultimately, ICT-based Development is <u>not</u> about ICTs, it is about <u>development</u>. And we are and have always been the only legitimate and authentic architects of our development destiny.

Thank You.