

# The Future Of Caricom and Regional Integration

## Roosevelt Skerrit

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*Lecture By Hon. Roosevelt Skerrit, Prime Minister Of The Commonwealth Of  
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Hon Ronald Jones, Acting Prime Minister of Barbados, Hon. Mara Thompson, Widow of the late David Thompson, members of the illustrious Thompson family, Distinguished Ministers of Government and Members of Parliament, Members of the Diplomatic corps of Barbados: Principal, faculty and Guild of the University of the West Indies; Members of the councils of the Democratic Labour Party; Excellencies, other distinguished Guests, Ladies and Gentlemen.

I particularly salute as well, our resident Caribbean brothers and sisters and wider Caribbean Diaspora, whom I am told are party to this historic event, via the worldwide web.

It was with a sense of pleasure, but also with remembrance of a departed colleague, that I accepted the challenge, and the opportunity to deliver this David Thompson Memorial Lecture.

David Thompson was my friend. Indeed, David Thompson was everybody's friend!

I cannot think of another Caribbean political personality who was more at home with, and embraced by political friend and foe alike in the region, than your late Prime Minister.

It was amazing how across these islands, even as the then Leader of the Opposition, David Thompson could arrive in an island, have breakfast with a Prime Ministerial friend, lunch with an Opposition leader friend, socialize with the barons of business in the early evening and easily mingle with the ordinary citizenry late at night.

He had an uncanny ability to make all persons with whom he came into contact relax and trusting of him. I sometimes find it difficult, given his warm personality and demeanor, to embrace the idea of him being a fierce political warrior on the field of battle. Yet, his record in politics speaks for itself.

I had the good fortune of meeting your late esteemed leader while being the youngest of political rookies in the 2000 General Election campaign in Dominica. Of course, we shared a common Political Advisor in my friend and brother, Hartley Henry.

From that first encounter, I knew I had established a potentially lasting friendship and mentorship...For his guidance of my trek in the lonesome business of politics and leadership, continued right up to about two weeks before his untimely passing, when I believe I had the distinction of being the only, and most certainly, the last colleague Prime Minister to have been granted an audience with him in those critical last days.

Even then, on his dying bed, David Thompson spoke with confidence about the capacity of the region to overcome current challenges and achieve the noble goals set by the founding fathers of regional integration.

Distinguished Ladies and Gentlemen, a vital organ in regional integration and cooperation was lost when David Thompson took his last breath on the morning of October 23<sup>rd</sup>, 2010.

Our friendship and close working relationship was heightened by the fact that in addition to everything else, David Thompson, as Prime Minister of Barbados, had the responsibility for the flagship of our integration strategy, the CSME. We were brothers together in this mission.

I myself, as Prime Minister of Dominica, have responsibility for Labour, including Free Movement of People, which is central to the effectiveness of our integration arrangements.

I come from an island where the descendants of the indigenous people, who once controlled this entire region, still survive. When their Caribbean society was in its prime, they had full freedom of movement to settle and work along these islands and the mainland as they pleased. They utilized the resources of this region in a balanced way for their mutual benefit. They had an amazing trade network that extended from the islands far into South and Central America.

Buried in ancient village sites across these islands, our archaeologists have found pitch that was traded from the Pitch Lake in Trinidad, green stones from the Amazon region and Guyana; special flint tools from Antigua, and jade from as far as Belize and Guatemala. This was a truly interconnected region. The sea united the people, it did not divide them. Integration was not an issue because it was a way of life.

One of our Caribbean Nobel Laureates, the poet Derek Walcott, in his acceptance speech for his Nobel Prize, likened this region to a beautiful vase that had been shattered by its history into many pieces. What we in CARICOM are intent on doing, is to play our part in fitting those broken pieces together and to recreate a unified society of states that is modern and contemporary, but is inspired by the unity of our first people and the common heritage of those who followed them.

To put it plainly and at its most basic, the future of our countries which comprise the Caribbean Community, lies with CARICOM and regional integration. We are small vulnerable countries in a troubled world. There is an old saying, “When trouble comes, close ranks” and the best minds in our region, both past and present, have determined that regional integration is our

best option and strategy for security and development. It is the key for moving successfully beyond survival to the growth and development of our economies and our citizens

## **WHAT DO WE WANT**

Our goals for our countries and for the Community remain as valid today as they were when the Revised Treaty Establishing the Caribbean Community, including the CARICOM Single Market and Economy was adopted in 2001.

It even goes as far back as 1973 when the Caribbean Community and Common Market (CARICOM) were established following CARIFTA, the Caribbean Free Trade Area in 1967.

## **VISION**

At our Retreat of Heads of Government in May 2011, we reconfirmed how important it is that the mass of Caribbean people should be in tune with what we are trying to accomplish for the region, so that everyone can buy into it and see themselves as part of the process.

The Single Development Vision of 2007 is our blueprint for the future. It is a vision for sustainable development that encompasses the economic, social, ecological and governmental issues of our region. It is grouped into six broad elements:

1. Self-sustaining economic growth, based on strong international competitiveness, innovation, productivity, and flexibility of resource use;
2. A full-employment economy that provides a decent standard of living and quality of life for all citizens; elimination of poverty; and provision of adequate opportunities for young people, constituting an alternative to emigration;
3. Spatially equitable economic growth within the Community, having regard to the high growth potential of Member States with relatively low per capita incomes and large resources of under-utilised land and labour;
4. Social equity, social justice, social cohesion and personal security;
5. Environmental protection and ecological sustainability; and
6. Democratic, transparent and participatory governance.

It is envisioned that while the governments will provide the enabling environment, the private sector will play the leading role in investment, and in the ownership, management and operation of economic activities.

Civil Society will ensure social cohesiveness by maintaining those vital networks of community action, cultural activities and public discussion to keep us on the path. It will ensure that every citizen has the opportunity to fulfill their potential and is guaranteed the full enjoyment of their human rights in every sphere.

## **CARICOM**

It may be useful to pause here and remember that CARICOM is not only about economics. It is about improving the quality of life of the citizens of 15 countries which are engaged with the organization at different levels. But to be fully supportive of this enterprise our people must see some positive signs of progress.

The concept of progress is like what they say about justice: "Justice must not only be done, but it must be seen to be done".

Likewise, progress towards fulfilling the aims of CARICOM must not only be done at the secretariat and among the Heads of Government, but it must be seen to be done in the highways and byways of our Caribbean states. Sadly, it appears, that in spite of over 40 years of work by governments and a generation of CARIFTA and CARICOM officials, enough progress has not been seen to be done so as to convince the mass of our people that this is a truly viable enterprise.

This means that the tripartite link between governments, the CARICOM bureaucrats and the mass of the people, has to be strengthened. If this is not done, CARICOM will remain, for the average Caribbean citizen, a vague entity floating somewhere out there in the Caribbean Sea; something that they only hear about during news broadcasts reporting on yet another conference or meeting.

The secretariat cannot continue to be seen as a moribund bureaucracy. Physically it may be located at the extreme southern end of the community, but idealistically it must be there in the centre, at the heart of the region. New vitality and dynamism must be injected. This must be initiated from the top, and I see it as important that we institute a set term for the post of the Secretary General. I would recommend a limit of two terms lasting four years each.

Further, we need to devise a mechanism by which leaders can communicate and interact more regularly and meaningfully. The success of efforts in the 1960s and 70s was born from the friendships that existed among that generation of leaders. The stories of Bird, Barrow, Burnham, Eric Williams, Michael Manley, James Mitchell and the like, are legendary. They were leaders, but more importantly they were friends, they were contemporaries who believed in what they were doing.

We must rebuild the bonds of trust. We must convince everyone that this is their mission. We have to get across the point that pooling our sovereignty is not necessarily giving up our sovereignty. There are many examples where a regional policy in our single economic space is more effective than an insular national policy. This is so whether it relates to access to our fisheries resources or how we treat the issues of energy or environment across the region. Agreement on these regional policies and regimes has been long delayed.

For example, participation in the Caribbean Court of Justice, the CCJ, in its Appellate jurisdiction would strengthen and develop our Caribbean jurisprudence; by increasing access to justice with our very own highest appellate court in our own community. This would be a court that better reflects our laws and social norms and by its very existence, proclaims our independence.

The time is ripe for the private sector to take the initiative in using the framework established by the CSME for competitive production and supply of services.

In many ways the private sector has been more advanced in the integration movement than the governments themselves. For decades, companies across the region have developed networks of trade and investment in each other's territories. Insurance companies, banks, hotel chains, commission agents and manufacturing plants, maintain strong bonds across our nation states. Leading Caribbean businessmen have a network of friends and regional contacts which rivals that of the Heads of States! We want them to take full advantage of the opportunities open to them by CSME.

At the Retreat of Heads of Government last May, we determined that we needed to prioritize the focus and direction of the Community. This is because greater opportunities for development have arisen since we started the process. For example, the changing nature of Information and Communication Technologies has revolutionised a whole range of issues in the region.

We therefore agreed on priority areas for regional action. These are:

- The CSME
- Free Movement of People
- Human and Social Development
- Agriculture
- Services
- External Relations
- Our infrastructure:
  - Energy
  - ICT
  - *Transportation*

## CSME

Notwithstanding the somewhat slow pace of implementation, our development partners and the multilateral financial institutions have stressed the importance of deeper regional integration to economic prosperity in CARICOM. Indeed, the Deputy Managing Director of the IMF has argued that ***“the path to greater prosperity for the Caribbean lies in greater integration, within the region and with the rest of the world<sup>1</sup>”***.

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<sup>1</sup> Agustin Carstens (Deputy Managing Director, IMF), 2006 – Regional Integration in a Globalizing World: Priorities for the Caribbean - Keynote Speech at the Biennial International Conference on Business, Banking & Finance, Port-of-Spain, Trinidad and Tobago

Perhaps the most controversial aspect of CSME is the commitment to the free movement of persons across the community.

First it is important to establish clearly that the Free Movement of Persons in CARICOM basically means that CARICOM nationals should be able to move in the community to which they belong without unnecessary hassle for the purposes of leisure, business or employment.

If the decisions to support and promote intra-regional travel are to make a difference, it is absolutely critical that they be implemented as intended:

- ❖ Grant of a definite entry of six months, irrespective of purpose of visit, when they arrive in other Member States. This has the benefit of enabling CARICOM Nationals to become familiar with other Member States of the Community, since many persons still don't know much about other countries in the Community;
- ❖ The acceptance of the CARICOM Passport as a defining symbol of regionalism; and
- ❖ All Member States should have effective common lines for CARICOM Nationals. (I am aware of the complaints of CARICOM Nationals that far too often the line for CARICOM Nationals is the slowest moving line and this is a matter, which we continuously must address as Heads of Government.)

The second component of the Free Movement of Persons relates to the Movement for Economic Purposes. To be abundantly clear, I am referring to the Free Movement of eligible Skilled Nationals, the Free Movement to Exercise the Right of Establishment and the Free Movement to Provide Services in the Single Market.

Member States have signaled that their markets are open with respect to the right of establishment and provision of services. We therefore have to ensure that the legislative and administrative framework is in place to enable persons to exercise their rights in the Single

Market. The continued delay to put the framework in place could negatively affect the growth in business and economic activity and therefore production and exports of goods and services.

Further, the Community must ensure that the ten eligible categories of skilled nationals, namely: graduates, artistes, musicians, media workers, sports persons, teachers, nurses, artisans with a Caribbean Vocational Qualification (CVQ), holders of associate degrees and household domestics with a CVQ or equivalent qualification are in a position to enter other Member States to seek employment and once found, engage in gainful employment. The Community is losing its skills to the rest of the world and is in a global competition for scarce skills.

Member states should not continue to hold on to unreasonable fears or hostility towards other CARICOM Nationals. The statistics reveal an unexpected picture. A comprehensive migration and free movement study conducted by the CARICOM Secretariat in the period June 2009 – June 2010 showed that approximately 4,500 persons moved under the Skills regime in the period 1997 – June 2010. In spite of these low figures there are persistent rumors that countries are being flooded by skilled CARICOM nationals.

The same study proved that in the period 2000 – June 2010 an estimated 85,000 work permits were issued by Member States, of which 63,750 were issued to nationals of third countries. By third countries we mean nationals who are NOT CARICOM citizens.

These findings clearly highlight that the main movers in our community in the past decade have been non CARICOM nationals. So foreign nationals are finding and creating job opportunities for themselves in our region while our CARICOM citizens do not appear to be taking full advantage of the opportunities open to them in this regard.

## **Human and Social Development**

In the two decades and more since the Grand Anse Declaration in 1989, the challenges to our viability as nations and as a region have been multiplied several fold and increasingly threaten our very existence. We have become ever more aware for example, of the threats posed to our fragile ecosystems by the effects of climate change, to our security, by the unprecedented rise in crime and violence in our societies and the effects on our well being and economies of both communicable and non communicable diseases, such as HIV/AIDS, hypertension, diabetes cancers and others.

Education and Health are the pillars of our Human Resource Development system. Through the efforts of the Pan Caribbean Partnership against HIV and AIDS (PANCAP), the Region has seen the stabilisation of the epidemic in the region and significantly increased access to care and treatment for AIDS victims.

In the field of education, studies show that there is a mismatch between our education and training systems and the new requirements of our economies. This leads to the resulting 'unemployability' of graduates at both secondary and tertiary levels, the disenchantment of large numbers of our youth, especially our males and the consequential economic and social dislocation and ensuing ills. With an eye on the future, the CXC syllabus continues to drive the modernisation of secondary education in the region, through its deliberate attention to the skills and attitudes necessary for the information society and knowledge economy.

The University of the West Indies continues to be the prime institution through which many of our young people access tertiary education and also the lead institution with regard to research in several areas of our development. The establishment of the new Open Campus as a fourth campus of the university is a really imaginative and dynamic move. The continued improvement of each campus, particularly here at Cave Hill, under the inspired leadership of Sir Hilary Beckles, enhances the university's international standing.

As we look to ensure a sustainable future for CARICOM, we must pay special attention to our youth. The intended opportunities and benefits of the CSME will most likely accrue to the greatest extent to persons who are now in the 15 – 25 year age group. The importance of

empowering youth, not only to become productive members of the labour force, but also to assume leadership roles at all levels cannot be overstated.

## **Crime and Security**

The Future of CARICOM is threatened in very real ways by the escalation of crime and violence across the region. It is instructive that the Commission reported that the young people of our region cited as their number one concern, crime and violence and their own personal security. The region has taken several steps to address the Crime and Security situation including new institutions and institutional arrangements.

This is being dealt with by the Ministerial Council, Committees of Permanent Secretaries, Heads of the Police, Immigration, Customs and Excise and the Agency for Crime and Security.

There has also been the stepping up of training for law enforcement personnel and the introduction of the CARICOM Advance Passenger Information System (APIS). As a major tourist destination, in a world where everyone can be an instant worldwide reporter with their cell phone camera and social network site, bad news can spread fast. In such circumstances the reduction of crime is crucial for our economic as well as our own social well being.

## **AGRICULTURE and Regional Food and Nutrition Security**

Food security and sovereignty are critical, and we must reduce our food import bill. The Caribbean Community is faced with a food import bill in the vicinity of \$3.5 to 4 billion per annum which we have got to control. In this regard, Caribbean governments face major external pressures over which they have little control. These include high world food prices, formidable international financial crises and adverse climatic conditions.

The Regional Food and Nutrition Security Policy has an action plan that is part of the CARICOM Agricultural Policy which aims to ensure food security by increasing the productivity and competitiveness of Caribbean agriculture.

It also advocates greater food distribution through improved transportation and trade in farm produce within Caribbean and extra-regionally;

## **SERVICES**

The Services sector is the largest sector of the CARICOM Single Market and Economy accounting for over three-quarters of total GDP within the Community between 2000 and 2008 and employing the most persons within the Community.

Given its economic significance, the service sector has to be the centre of the regional integration efforts. Tourism Services particularly, provide a means of expanding the local consumption base by bringing in foreign consumers and opening up the market to other innovative branches of the tourism industry. We must also give attention to investment into our cultural industries particularly in film and multi media.

Distribution Services for our products and advertising of our destinations must make greater use of our “Diaspora citizens” scattered across the globe, in the USA, in Canada, in Europe. Our people living in those market areas can buy from us, act as agents, and create market entry opportunities which will increase our exports.

## **The External Environment**

It is well established that CARICOM has not been fully utilizing the trade agreements which have been concluded to date.

In this regard, CARICOM must step-up the pace of implementation of these trade agreements and make every effort to reposition itself to engage with new economic and political partners.

Further, in an environment of increasing competition for private capital and rapidly decreasing development assistance, the region also needs to become much more competitive in attracting foreign capital and in generating and retaining regional savings for investment.

Undoubtedly, the external economic links with traditional developed country partners such as the EU, Canada, and the United States have been extremely valuable for CARICOM. However, the IMF and the World Bank have predicted that, over the next decade, the bulk of the growth in the world economy will be accounted for by the emerging and large developing economies. It is therefore in our interest to make a concerted effort to adopt a coordinated approach to forge closer economic relations with non-traditional partners, such as Brazil, Russia, India, China, South Africa, Australia, Mexico, South Korea, and Venezuela.

Some of the countries mentioned above, have been doing extremely well economically and CARICOM as a whole can derive significant benefits from closer economic cooperation.

## **OUR INFRASTRUCTURE**

### **ENERGY**

A secure, affordable and sustainable supply of energy is critical for our economic survival and prosperity. Unless the high cost energy is addressed, many of the noble economic objectives will not be realized. Several member states including Barbados, are taking steps to address their energy situation. However, some cleaner alternative energy sources such as geothermal and natural gas will not realize their full potential to provide lower cost fuel supplies unless there is significant cooperation among other member states.

For example, geothermal development in the OECS sub-region, particularly in Nevis and Dominica, is one area that holds potential to significantly change the fortunes of citizens there,

by providing a stable, cleaner and lower cost electricity supply option. Dominica sees the development of its geothermal resource as having the potential of changing its energy status from being one of a net importer of energy to being a net exporter. But this must be developed in conjunction with several other countries to create the critical market size for that energy.

Through similar cooperation, the proposed natural gas pipeline from Trinidad has potential for providing lower cost fuel option to many eastern Caribbean States. Therefore, advancement towards an improved energy situation for many CARICOM countries will depend on increased functional cooperation while at the same time benefiting the regional Integration process.

### **ICT: Information and Communication Technologies**

Our Community of the future will be based on knowledge and information, given the demand for higher quality of goods and services and the ever present need to achieve competitiveness at national, regional and international levels.

Recent innovations in telecommunications have condensed time and space, accelerating the pace of globalisation in recent years, which is increasingly disintegrating economic and political nationalism and quickening regional integration worldwide.

In May of this year – we re-affirmed the importance of ICT4D (Information and Communications Technologies for Development) as one of the key drivers of our regional development and integration.

The Regional Digital Development Strategy gives guidance on issues dealing with ICT infrastructure and access and will position the region for optimum use of these technologies. The main recommendation of that strategy is that we seek to develop the CARICOM region as A Single ICT Space – one where we can reap the benefits of affordable access costs, access to high-speed or broad band networks, minimal roaming charges and shared networks. This programme will help governments improve their efficiency and transparency and will revolutionise access to information at all levels of the education system.

## **Transportation**

The future of CARICOM depends on improved inter-regional transportation.

A community made up mainly of island states depends for its very survival on efficient transportation links. In our case this issue is now close to crisis point.

Maritime transport is particularly pressing because of the rising costs and limited volume provided by air transport. Regional governments are currently negotiating the upgrading of our small vessels fleet and at the same time proposing ferry services for passengers and cargo.

Two of my colleagues, Prime Minister Kamla Persad-Bissessar of Trinidad and Tobago and Prime Minister Freundel Stuart here in Barbados, have recently made statements on the importance of this service to connect the islands.

We were once world renown for our maritime industries, our schooner building and inter-island shipping. The Careenage, here in Barbados, was once a hub which kept food and goods and passengers on the move across the Caribbean Sea and beyond. There are some in this hall who will well remember the glory days of the Federal Maple and the Federal Palm. These two vessels, a generous gift from Canada, carried both passengers and cargo. They enabled school groups, scouts, girl guides, sports teams and UWI students to visit and develop links with other islands. It promoted a feeling of unity among them and facilitated businessmen in the expansion of regional trade. We need to recreate that network with state of the art vessels because it is crucial towards achieving the goals that I have outlined here.

I know you are aware that developments with respect to air transport have been in the news but the region still has to grapple with issues relating to air transport policy and air space. This is to complete the provision of air services in CARICOM pursuant to Chapters Three and Six in the Revised Treaty.

The challenge for us is that transport is a commercial enterprise as well as a developmental exercise and not all needed routes are commercially viable. External costs and fuel prices dog our best efforts but efficient transportation by sea and air will remain among our highest priorities in the years ahead.

## **CONCLUSION**

To be quite frank, for the most part, the Community exists in the words of the Treaty only, rather than a tangible entity that is seen by its people as a vital part of their lives. The forces of historical necessity which might otherwise have driven the peoples together naturally are weak or non-existent. The Community at this time needs both unifying cultural symbols and an inspiring political rallying call that “all ah we got to be one”.

The other imperative is that the future of CARICOM requires serious commitment and direct action in relation to creating a market-led, internationally competitive production area of goods and services. Without this concerted drive to excellence everything else will fall by the wayside. To succeed we must provide the following:

1. A seamless market space connected by efficient and cost effective transportation.
2. A vibrant private sector promoting the development of an investor class.
3. Attractive investment opportunities.
4. A productive regionally integrated labour market, including a long range view of the skills needed, their movement and how work is done.

5. An efficient regionally integrated capital market.
6. Solutions to problems relating to energy that powers economic activity.
7. Building resource competence and capabilities that makes innovation possible.

In the words of John Donne, English Poet: "No man is an island entire of itself, every man is a piece of the continent a part of the main;" No island in the Caribbean Sea is an island entire of itself. To progress and prosper each must rely on the other for vital support and sustenance. No matter what formula you use, one from 15 can never be anything but fourteen!!

As Prime Minister Thompson remarked to the Press on the eve of the CARICOM Heads of Government Meeting, in Georgetown, Guyana, in July 2009, "going it alone or fragmenting into unworkable reconfigurations of the regional project" could not be "an enduring solution" for our small States.

Distinguished Ladies and Gentlemen, I urge, let those words of the fallen Comrade be our guide and an inspiration in the years ahead.

Thank you.