

## **Caribbean in a Global World**

**Ronald Sanders<sup>1</sup> 14<sup>th</sup> May 2009**

### **UNESCO Sponsored Caribbean Media Conference in Grenada (Grand Anse)**

I have been asked to speak on the Caribbean in a Global World: A Media Perspective.

There is no monolithic Caribbean, and no structure under which all of the Caribbean operates.

The area is made-up of the 15 member-states of the Caribbean Community and Common Market (CARICOM); an assortment of British, Dutch, French and US overseas territories with no authority in international relations, and the sovereign countries – the Dominican Republic and Cuba.

CARICOM is the closest thing to an over-arching structure in the region. As is well known, it was created for the specific purpose of integrating the people and economies of countries which were colonies of the United Kingdom as they became independent states and were required to participate in global affairs.

While much was made of the inter-regional trade dimension of CARICOM, an important dimension was – and remains - the greater strength it could bring to its member states if they act collectively in global affairs. In other words, if they pool their individual sovereignty in their collective interest.

Indeed, CARICOM countries have fared far better in their dealings in international affairs when they have acted together than when they try to act individually.

While it is true that, occasionally, individual CARICOM countries have enjoyed successes in achieving goals in the global community, such successes have been exceptions that should not be mistaken for the rule.

The reality is that throughout history – and more so today – small states are marginalized in global decision-making.

Hence when big decisions are made in the global community, small states are significantly not invited; not even when the decisions materially affect them.

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<sup>1</sup> Sir Ronald Sanders is an International Consultant and Writer. He formerly held the positions of High Commissioner to the UK and Ambassador to the World Trade Organization for Antigua and Barbuda, Chairman of the Caribbean Financial Action Task Force against money laundering and drug trafficking, Member of the Executive Board of UNESCO, President of the Caribbean Broadcasting Union and member of the first Board of Directors of the Caribbean News Agency. He is the author of several publications and he writes a weekly commentary published in leading newspapers in the Caribbean. He has also served as a Board Director of Caribbean companies in Telecommunication and Banking,

A telling example is that when the newly created G20 met for the first time late last year in Washington and then again in April this year in London, to address world economic and financial crisis, no small state was invited.

CARICOM governments have encouraged this marginalization by failing to vigorously pursue joint foreign policies and joint representation in their dealings in the international community.

Differences in foreign policy agendas in pursuit of opportunistic national gain have divide the grouping and made its member states susceptible to manipulation by external agencies and forces.

Perhaps, the most glaring of these divisions in the modern world is that some countries have diplomatic ties to China and others maintain relations with Taiwan.

In the course of this division, China and Taiwan have been in the driver's seat in their negotiations and in their relations with individual CARICOM countries.

CARICOM as a whole has been unable to negotiate jointly with one or other of these "two China's" a comprehensive, long term, economic agreement covering aid, trade and investment.

Similarly, we have seen some CARICOM governments allowing themselves to be manipulated by agencies of large countries such as Japan.

As a long-term advocate of anti-whaling, I acknowledge a particular interest in this matter.

The Caribbean countries who vote with Japan in the International Whaling Commission to allow that country to continue commercial whaling under the guise of science do themselves a considerable disservice.

Those that vote with Japan do so not because they have any national interest in killing whales, but because the Japanese Whaling Agency provides fish refrigeration facilities most of which quickly become white elephants. The exception to these countries is St Vincent and the Grenadines which has a tradition of whale meat for the diet of some of its people, and which enjoys an annual prescribed quota from the IWC.

By contrast, whale watching has become an important product in the tourism offerings of Caribbean countries bringing in as much as US\$22 million a year to four OECS countries.

Differences in approaches to PetroCaribe and the Bolivarian Alternative for the Americas (ALBA) also highlight a lack of cohesion in CARICOM.

A good example of this is the fact that two CARICOM countries attended a meeting of ALBA in Venezuela prior to last month's Summit of the Americas and agreed to denounce the

official Declaration of the Summit that had been drafted by all 34 Hemispheric governments for over a year, and to issue instead their own Declaration.

In joining with the ALBA group, the two CARICOM governments concerned could not have consulted with their CARICOM colleagues who did not hold a caucus until the eve of the Summit of The Americas.

What would it have said about the solidity of CARICOM if the other 12 members of CARICOM at the Summit had decided to uphold the Summit's Declaration?

If both PertoCaribe and ALBA are regarded as important vehicles for Caribbean development, would CARICOM countries not have done better out of them by negotiating their participation in a collective way?

Do these events not weaken the unity of CARICOM in the global community both in perception and reality?

And, if they do, does it matter?

The recent words of one Prime Minister – Bruce Golding of Jamaica – strongly suggest that it does. Speaking at the Opening of the 12<sup>th</sup> Meeting of CARICOM Foreign Ministers last week, he declared: “If there was ever a time that we need the strength of a Community it is now”.<sup>2</sup>

The current global financial crisis which is adversely affecting every country in the Caribbean appears to have focussed the minds even of the greatest Caribbean-community sceptics.

Not that the crisis in the Caribbean started with the financial meltdown of the last few months.

It was already well in train before then. The current global financial meltdown and the consequences of the collapse of CLICO have exacerbated the difficulties.

Forgive me for quoting myself, but four years ago in a book entitled, ‘Crumbled Small’, I wrote: “Small states of the Commonwealth Caribbean are in crisis. There is need for urgent action at the domestic, regional and international levels to spare them from sinking into widespread poverty and becoming client-states of larger nations upon whom they could become economically reliant”.<sup>3</sup>

Even then CARICOM countries were highly-indebted, plagued by the effects of drug trafficking, subject to devastation by increasing and stronger hurricanes, losing their preferential markets for key commodities, and, for the most part, graduated from

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<sup>2</sup> The Barbados Advocate, Sunday May 10<sup>th</sup> 2009, “Jamaica’s PM calls for united CARICOM”, p.22

<sup>3</sup> “Crumbled Small: The Commonwealth Caribbean in World Politics”, Ronald Sanders, (Hansib), London 2005

concessionary financing from international financial institutions, while their offshore financial services were under severe threat. Then, as now, they were also extremely vulnerable to the fortunes of their main trading partners in North America and Europe.

Over the years, CARICOM governments have not sufficiently deepened the integration arrangements which could have helped to cushion their countries from the worse effects of the present global financial crisis, and the pan-CARICOM effects of CLICO's financial problems.

As far back as July 1989 right here in Grenada at Grand Anse CARICOM Heads of Government undertook to establish "in the shortest possible time" a Single Market and Economy. Nothing happened for seventeen long years until 2006 when the Single Market was haltingly launched under a Revised CARICOM Treaty.

But since 2006, the pace has been witheringly slow with the prospect of a single Economy receding into a far distance.

In the meantime, CARICOM governments along with the Dominican Republic have proceeded to sign an Economic Partnership Agreement (EPA) with the European Union (EU) which overtakes the objectives of the Caribbean Single Market and Economy in many aspects.

Professor Norman Girvan has pointed out that: "'Regional integration' is an EPA objective; but it has a completely different meaning than in the CSME. First, the EPA defines the Dominican Republic as part of the 'region': this country has an economy that is larger than that of any single Caricom country and the equivalent of 64 percent of the combined size of all 14 Caricom economies. The existing Caricom--Dominican Republic free trade agreement covers only goods, has not yet been extended to services, and does not contemplate extension to trade-related issues.

The EPA's Regional Preference clause obliges Cariforum states to extend to each other the same treatment they extend to the EU. CSME countries will, therefore, liberalise goods, services and investment with regard to non-CSME Caricom countries and to the Dominican Republic at the same rate as to the EU"<sup>4</sup>.

I will return to the subject of the Dominican Republic later in this presentation.

But, first the general point has to be made that over time, the EPA will introduce into each CARICOM country competition from Europe for Caribbean companies that are too weak to contend in their own markets with larger and richer European companies.

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<sup>4</sup> Op. Cit, Girvan, August 2008.

Last week, Jamaica's Prime Minister Mr Golding expressed the view that "we are going to benefit from things like the EPA if we approach it as a regional market rather than each of us having our own little stalls in that huge market of 450 million people".<sup>5</sup>

The Prime Minister is absolutely right.

Equally true is that CARICOM countries will retain some measure of autonomy over their own markets only if they forge them into a single market, and if their relatively small indigenous companies grow larger through mergers and acquisitions throughout CARICOM and in a system of allocated industries that provided proportionate benefits to each country.

CARICOM companies drawing from a population of 6 million - are very "small stalls" in comparison to the huge stores that can come from a European population of 450 million.

To compete against them within our own jurisdiction – let alone to venture into their's – requires larger Caribbean companies, better capitalized, and more creatively managed.

For too long CARICOM has been viewed narrowly as a mechanism for facilitating trade between its member states. But while this was – and is - a necessary part of CARICOM, it is not by any means its only - or even its most important - function.

In a globalised world, and especially one which is moving toward the creation of large integrated groupings such as the European Union, ASEAN and MERCOSUR, small countries lack both the clout and the capacity to negotiate on their own. In any negotiations with countries or regions larger and economically stronger than themselves, they will come out as losers.

It is high time that CARICOM governments concede their limitations in the global context and acknowledge that CARICOM presents the mechanism for negotiating collectively and cohesively in the interest of their people individually and collectively.

To return now to the Dominican Republic, we have learned in the last few days that its government has applied to become a member of CARICOM.

From the DR's point of view, this should not be a surprising development. As I pointed out earlier, the DR is now integrally connected to the markets of CARICOM through the EPA.

So, from the DR's standpoint, if it has entered a game, it makes sense to help shape the rules.

CARICOM Heads will consider the DR's application at their meeting in Guyana in July. But whatever their decision, the reality is that the DR is now an elephant in the room that cannot

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<sup>5</sup> Op Cit, Note 2.

be ignored – its participation in CARIFORUM and the terms of the EPA signed by Caribbean countries with the EU make the DR a big player, and things are no longer as they were.

The English-speaking countries of CARICOM have to recognise that they no longer inhabit an exclusive neighbourhood. They have to adapt to a changing environment where they are small players, and only cohesive action will preserve their identity, their culture, their language – and a meaningful place in the Caribbean economic space.

It is significant that the inclusion of the Dominican Republic in CARIFORUM was urged by the EU and accepted by CARICOM as a necessary condition of the EPA.

From the EU standpoint, the inclusion of the DR in the negotiations made sense since its population of 9.6 million constitutes a market that is almost twice the size of CARICOM, and the EU is interested in larger markets for its goods and services to help preserve and advance the standard of living in its own member states.

What is more, having themselves overcome the problems of separate countries, different languages, and varying levels of economic and social development to create a single market, the EU sees no reason why the much smaller – and less diverse – independent countries of the Caribbean should not do the same.

Undoubtedly, if Cuba were not subject to a trade embargo by the US – and if the EU was not responsive to the attitude of the US government – the EU might also have insisted that Cuba with a population of 11.4 million be part of the EPA.

My own sense is that the US embargo of Cuba will be lifted within the next decade.

Conditions within the United States, particularly the burning desire by the private sector in many States to do business with Cuba, are pushing for change. They want a significant piece of the action which they now see going to European and Canadian companies, and increasingly to China and Russia.

When the embargo is lifted, the Caribbean will be an even more different place.

It would be one in which its two largest countries in population terms would be Spanish-speaking.

They would be far more important markets to the global community than the member states of CARICOM. Indeed, they are so now.

It is only the US trade embargo against Cuba that prevents a structured relationship between Cuba and the Dominican Republic in the Caribbean that would dwarf CARICOM.

I cannot predict with any degree of accuracy what will happen with Puerto Rico – another island territory in the Caribbean with a population of 3.9 million that is Spanish-speaking.

However, I suspect that – over time – the independence of Puerto Rico will be on the cards.

And, even if independence for Puerto Rico does not occur, once the US embargo on Cuba is lifted, the deepening of economic relations between Puerto Rico, Cuba and the Dominican Republic would make perfect economic sense.

The Caribbean will then be dominated by these “big three” – with markets and investment opportunities far greater than all the CARICOM countries.

CARICOM countries would be deluding themselves if they believe that with their small markets, high investment costs, high costs of doing business and vulnerabilities both to natural disasters and external economic shocks – such as the current global financial meltdown – they could each operate successfully unless they do so together and eventually in a structured collaboration with the “big three” I have just described.

Against this background, CARICOM governments could do well to bolster their economies and their capacity for dealing with their Caribbean neighbours and with the international community by completing the arrangements for implementing the Caribbean Single Market and for bargaining collectively with international financial institutions, countries and regions.

In this connection, roles for the media in the Caribbean – and particularly in CARICOM countries – begin to emerge.

CARICOM will not be able to sit in splendid isolation from developments between Puerto Rico, the Dominican Republic and Cuba, and it certainly now needs to engage the DR more broadly.

At the levels of government, the private sector, and universities, there will be need for dialogue and for developing partnerships. Further, there will be need for creating people-to-people knowledge to break down ignorance and facilitate understanding.

The media in all Caribbean countries should begin to play that role.

In CARICOM, it is difficult to envisage how individual media houses could embark upon such an endeavor on their own particularly as the multiplicity of them chasing after a limited advertising market, has constrained their capacity for growth and development.

It would be to umbrella organizations such as the Caribbean Media Corporation (CMC) and the Caribbean Broadcasting Union (CBU) that the region would have to look for:

- (a) The development of a capability to deliver CARICOM information into the DR, Cuba and Puerto Rico in Spanish; and to deliver information from these countries into CARICOM in English;

- (b) The development of relations with media in the DR, Cuba and Puerto Rico who would purchase and market information from CARICOM delivered in Spanish;
- (c) The mechanics of delivering such information.

Having served on the first Board of Directors of CMC (then known as the Caribbean News Agency) and as President of the Caribbean Broadcasting Union, I am painfully aware that neither of the two institutions have fully fulfilled the objectives for which they were intended – that is to knit the Caribbean peoples into a single community through information flow.

I know that this is not the fault of the talented journalists and broadcasters who have served the organizations over the more than three decades of their existence. I know that they would all have liked to do more, but they have been constrained by the lack of financial resources to do their jobs.

Expecting CMC and CBU to take on the task of information flow between English-speaking CARICOM countries and their Spanish-speaking partners – especially now the Dominican Republic – is almost certainly impossible, unless the two organizations get external help.

Therefore, I propose that such help should come from three sources.

First, from the governments of CARICOM and the government of the DR who should make a “no-strings attached” subvention to the two organizations to undertake the necessary information flow between their countries.

I am conscious that I make this statement in the context of a meeting called to mark World Press Freedom Day in the Caribbean.

This is why I wish to emphasize that in proposing a subvention from governments to CMC and CBU, I suggest no role for governments in the editorial work of the institutions or in their governance.

What I am suggesting is akin to governments contracting out to these organizations the necessary cross-border flow of information that must be the fundamental underpinning of a Single Market, especially if such a market expands to include countries which have had no historical linkages.

The second source of financing should be the European Union which should be asked to provide the budgetary support which CMC and the CBU would require to undertake the project. After all, as I said before, the DR is part of the EPA agreement – and will in time become a member of CARICOM – largely due to the EU’s insistence.

And, recognizing that this project should not be limited to the DR alone, but should include Cuba and Puerto Rico, the third source of financing should be UNESCO which could be

approached to provide funding to develop a communication infrastructure that promotes greater cohesion and understanding among Caribbean peoples who, though geographically close, have been separated politically and economically in service to colonizing nations.

I am conscious, of course, that my ambition for CMC and the CBU to provide the much-needed information infrastructure and flow is great. And, this ambition might very well be merely a bud that will die on the vine long before it blossoms into fruit.

But, I remind myself always that mainstream white society in the United States overcame centuries of ingrained racism to elect a black man to the White House.

For me, that opened the possibility for everything else if there is a will.

I think we can

What say you?

(ends)