



ORIGINAL RESEARCH ARTICLE

Developmental Regionalism in Crisis? Rethinking CARICOM, Deepening Relations with Latin America

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Abstract: *This article reviews CARICOM's track record from the perspective of developmental regionalism, exploring the extent of its contributions to human development, visibility and influence for these very small actors in the global community. We highlight CARICOM's provision of regional public goods and role in constructing social and political norms while conceding the many shortcomings in economic integration and in building strong regional institutions. The article is critical of CARICOM's historically slow embrace of integration initiatives in the wider hemisphere. It discusses CARICOM's recent challenges, responses and opportunities in engaging with Latin America.*

Keywords: Developmental Regionalism; CARICOM;
Foreign Policy Coordination; Latin America

In 1973, the Caribbean Community (CARICOM) was established as a framework for promoting economic and other forms of cooperation among its member territories and as a platform for their engagement with the rest of the international community. Four decades on, the organization has been experiencing a severe mid-life crisis in which its value and relevance have been questioned by many of its constituencies. This article reflects on CARICOM's achievements and shortcomings in strengthening national and regional development. It acknowledges that CARICOM

has certainly contributed to the regional development process by staging regular intergovernmental consultations, by being a catalyst for the construction of regional political and social norms and institutions, and by facilitating resource pooling and the provision of regional public goods in various sectors. Likewise, its foreign policy coordination, despite the limitations, has undoubtedly been more effective in international bargaining than the efforts of each individual micro-state would have been.

While CARICOM's brand of regionalism can be considered developmental in that respect, we cast a critical gaze on CARICOM's history of engagement with Latin America. We argue that the group maintained for many years an excessively narrow interpretation of the Caribbean region thereby inhibiting its own expansion and its members' integration into their wider region and hemisphere. This emerged as an issue during the 1990s and intensified in the 21st century as member states' economies and interests grew increasingly diverse, encouraging centrifugal tendencies. The weaknesses in CARICOM's internal governance procedures, its institutional resources and its mandate are well documented. Critics have written that member governments focused more on preserving a narrowly defined sense of national sovereignty than on building a strong regional community that would reinforce their collective capabilities.¹ As a result, CARICOM has shown inadequate flexibility, speed or capacity in responding to either global or hemispheric developments. The organization's effectiveness and relevance were further undermined by the impact of the global recession of 2009-2013 on national economies.

This article will offer a brief synopsis of some aspects of CARICOM's evolution which provided the backdrop for the organization's present focus on administrative reform and the adoption of its first Five Year Plan. The main discussion, however, concerns hemispheric regionalism, its challenges and possible opportunities for CARICOM.

The first section explores the theoretical discourse on the trends and characteristics of 'new regionalism', particularly in developing regions like the Caribbean. It notes that global development strategies have now assumed a strong regional dimension and mentions the specific patterns of regionally driven development in the Americas.

We briefly refer to CARICOM's repositioning strategy during the 1990s and early 21st century in order to introduce the severe domestic and regional crises which faced the grouping over the last

five years. Then we explore CARICOM's engagements with the Hispanic Caribbean and with Latin America. We highlight the significant new regional trends in the hemisphere during the last decade and explore their implications for Caribbean actors. We suggest some aspects of foreign policy coordination that CARICOM should not neglect if the grouping is to retain regional relevance, maintain its focus on development, and emerge from its contemporary crisis.

THE 'NEW REGIONALISM' AND THE SEARCH FOR DEVELOPMENT

For Matthew Doidge, understandings of developmental regionalism have tended to keep shifting in response to changes in the political and economic environment in which states are operating.² He defines current developmental regionalism primarily in economic terms as 'a means for overcoming the negative effects on Less Developed Countries of integration into the global economy as well as of promoting the liberalizing process'. According to this line of reasoning, regionalism in the globalized age is a tool to promote economic liberalization and growth, both of which are believed to ultimately produce development.³

In the 1980s and 1990s, as globalization intensified, there was a multiplication of regional agreements and groupings, and much debate about whether they represented counter-globalization tendencies or an integral part of globalization. Many observers dubbed this wave of regional activity 'the New Regionalism'.⁴ The concept of 'New' or 'Open Regionalism' was also used by the Economic Commission for Latin America and the Caribbean (ECLAC), the Inter-American Development Bank (IDB) and others who, like Doidge, were mainly referring to liberalization of trade and trade-related areas at the regional level.⁵

However, Hettne *et al* argued that New Regionalism was a much broader phenomenon. It encompassed new regional projects as well as the modification of long-standing regional groupings and the changes had been unleashed by the collapse of the bipolar power structures. Farrell described it even more definitively as being

made up of many different regionalisms, reflecting different conditions, values and even ideological positions...a product of the historical, social and political conditions, the strengths and weaknesses of any particular region. Processes of regionalization

emerge from “below” and “within” the region with communities and societies responding to a variety of push and pull factors to engage in cooperation within diverse types of regionalist frameworks.⁶

Another trend of the last two decades has been the growing incidence of inter-regional dialogues, exchanges and influences, led by the European Union, and these have had a significant impact on the evolution of institutions and practices in other regions.⁷

Our own observation of contemporary trends in the Caribbean and the Americas resoundingly confirms these analyses. Hettne, for his part, concluded that the ‘New Regionalism’ had the following characteristics:

- It was jointly driven by states and other actors (private sector and civil society) within regions;
- It sought to reconcile and combine (not always successfully) preferential exchange arrangements among regional actors and non-discrimination and open-ness towards the rest of the world, as required by WTO rules;
- New regionalism was multidimensional, encompassing not only trade and economics, but environmental and social policy, security, and various aspects of good governance.⁸

They also suggested that some of the main benchmarks for evaluating regionalism in the globalization era should be its contributions to development, security and ecological sustainability. The key issues are whether regionalism can counteract economic marginalization for many developing countries and how strong is the potential of regional arrangements to provide public goods such as transport and energy infrastructure, investment capital, sustainable exploitation and management of natural resources, greater access to technology and skilled human resources.

Regionalism has also been portrayed as a tool used by both weaker and stronger actors for managing unequal power relationships and it may have different outcomes for different types of actors.⁹ More powerful semi-peripheral states may successfully create regional platforms and networks to strengthen their positions in the global economy while peripheral states are attracted to regional organization in order to avoid complete

marginalization. For Hout, this was the essence of the new 'developmental regionalism'.

Hettne lists seven benefits which may be derived from it.¹⁰ They include cooperation to overcome the constraints of small size; the construction of collective self-reliance, credible economic policies and arrangements at the regional level; increased leverage in economic negotiations; the strengthening of social stability; regional resource management; the benefits of regional conflict management. Such benefits are not particularly new and have arguably been the rationale for regional groupings like the Caribbean Community for the last forty years. Hettne *et al* concede that aspects of the 'New Regionalism' show continuity with trends from earlier periods of regional organization.

Anthony Payne, in a broader discussion of globalization's impact on development patterns, contends that achieving or maintaining development, economic growth and acceptable living standards has become an issue for developing and developed state actors alike. Given the porosity of borders and the intensified transnational flows, unequal levels of development have implications for all countries. National development in the global era is determined by a mix of global positioning strategies and domestic arrangements. Regionalism plays a vital role in this process and most countries' development nowadays is embedded in the evolution of their wider region.¹¹

Nonetheless, researchers also stress the specificity of each regional process in the globalized era. In the case of the Americas, Nicola Phillips highlights the characteristics of extreme diversity and inequality among the states.¹² This has produced very disparate national projects, several sub-regional groupings and significant influences exerted by the United States as hemispheric hegemon, by Brazil as an emerging major power, by Venezuela, Cuba and the ALBA countries seeking to promote alternative models for regional cooperation and most recently, by new trade liberalization initiatives from some countries on the Pacific coast, seeking deeper economic integration with the high-growth Asia-Pacific zone. It is within this hemispheric context that CARICOM struggles to reconfigure itself. The capacity to manage and adapt to internal and external change is another major component of effective developmental regionalism in the contemporary era.

CARICOM's brand of regionalism has been variously described as 'small state defensive regionalism' and as 'dependent regionalism'.¹³ Norman Girvan has traced the contours of

CARICOM's evolution from a developmental state, interventionist approach to integration for the first fifteen years of its existence, through to the Open Regionalism, modified Neoliberal approach of the CARICOM Single Market and Economy (CSME). For a variety of reasons, many of the liberalization measures or their expected outcomes were implemented very slowly or failed to materialize at all and the CSME has not flourished.¹⁴

CARICOM's difficulties and disappointments with Open Regionalism parallel the experiences in other parts of the wider Latin American and Caribbean region. In fact, it can be argued that CARICOM has survived somewhat more intact than some other long-standing regional groupings which have experienced a succession of political crises. The Neoliberal ethos in Latin America that was embraced in the 1980s has ultimately given way to two co-existing trends. On the one hand, there is Post-Washington Consensus thinking, which contests, modifies or departs entirely from the liberalization principles that underpinned Open Regionalism.¹⁵ This orientation emphasizes state intervention to correct market distortions, redistribution, poverty eradication, social protection and regional cooperation expressed as solidarity, the strengthening of sovereignty, and an emphasis on human development projects. The Venezuela-led Bolivarian Alliance for the Peoples of Our America (ALBA) is the most radical manifestation of this trend.¹⁶ On the other hand, there is a legacy of 'Free Trader' approaches which emphasize private sector-led economic growth and competitiveness strategies, exemplified in the North American Free Trade Area (NAFTA), the free trade agreement between the US, the Dominican Republic and Central America (CAFTA-DR), and, ultimately, in the rise of the Pacific Alliance since 2012.

CARICOM'S MAIN ACHIEVEMENTS AND SHORTCOMINGS

CARICOM's current floundering is linked in part to the composition of its membership, the scarcity of strong economies or even medium-size markets, the predominance of faltering national development strategies and a weakly articulated regional economy where international linkages are stronger than either their regional or national counterparts in different economic sectors. An incomplete CSME was finally officially launched in 2006, although implemented piecemeal long before that. Its crafting had taken 13 years from the time of adopting the West Indian Commission's

recommendations in 1993. The CSME has made halting progress and demonstrated many shortcomings, particularly in its core functions of liberalizing and integrating the regional market in order to promote global competitiveness in CARICOM economies.

In 2012, the CARICOM Secretariat announced that there had been an overall level of 64 per cent compliance among member states in terms of implementing the agreed goals and programmes of the CSME. Remarkably, the sector with the lowest level of compliance (3 per cent), was the services sector, which accounts for over 70 per cent of GDP in ten out of fourteen CARICOM economies.¹⁷

Intra-regional trade flows reached their highest levels between 1997 and 2004, declining thereafter.¹⁸ Exports had peaked in 1998 at 21.5 per cent of total exports, while imports have generally averaged around 11 per cent of total imports. Extra-regional markets continue to account for over 80 per cent of CARICOM's trade and the concentration of CARICOM exports has intensified with only ten products representing 75 per cent of total merchandise exports by 2007. Trinidad and Tobago accounts for over 70 per cent of both regional and international exports while Jamaica accounts for over 34 per cent of intra-regional imports.¹⁹

Growing intra-regional trade imbalances had been identified ever since the late 1990s as a worrisome trend.²⁰ Both CARICOM and IDB reports cited these asymmetries as a potential threat to the integration movement if they were not rectified either through greater reciprocal trade in goods or services, or through increased investment flows and labour market opportunities for those territories that were deriving minimal trade benefits from the regional market. By 2012, Jamaica's trade deficit with CARICOM, amounting to some US\$957 million had become a powerful source of discontent among sections of the private sector and the political opposition in the country.²¹

Intra-regional capital flows amounted to 10 per cent of total FDI in 2005 and were concentrated in tourism, financial and shipping services rather than in the production of goods. The escalating cross-border financial transactions created

an emerging policy issue...the need for decision-makers to put in place an effective system of cross-border supervision, collaboration and cooperation among the host and home country financial authorities.²²

Indeed, CARICOM's failure to establish effective oversight and sound regulatory systems for the increasingly liberalized regional economy became one of the most serious deficits of regional governance, resulting in 2008-2009 in the collapse of a number of financial institutions with disastrous consequences for most CARICOM economies.²³

The corrosive nature of this crisis was summed up in a public letter by the Prime Minister of St. Vincent and the Grenadines, Dr Ralph Gonsalves, to the CARICOM Secretary-General in February 2012, in which he declared that 'the CLICO-BAICO conundrum presents arguably the greatest danger to the integrity of CARICOM if it is not resolved speedily, fairly and cooperatively. This matter has the potential to wreck CARICOM'.²⁴ The financial crisis catalyzed the grouping into establishing a more comprehensive regional financial regulatory and monitoring system between 2009 and 2014.²⁵

The Free Movement dimension of the CSME has been one of the most controversial and sensitive areas of regional policy but it continues to offer the potential to distribute more widely some of the gains from market integration.²⁶ However, Girvan estimated that by the end of 2008, only 0.1 per cent of CARICOM citizens actually held CARICOM Skills Certificates that would enable them to work and live in other CSME countries.²⁷ The regional mobility of large numbers of the workforce, who may not be included in the ten categories covered by the Free Movement Regime,²⁸ still depends on the issue of work permits and on the rate of CARICOM states' compliance with their CSME commitments.²⁹

CARICOM presents a more positive balance sheet and modest - but nonetheless important - gains in institution-building and the delivery of public goods, notably in the coordination of education and health policy.³⁰ In 2013, several regional health programmes were consolidated into the Caribbean Regional Public Health Agency (CARPHA). There have been significant developments in the areas of disaster preparedness and environmental management. These include the consolidation of the Caribbean Disaster and Emergency Management Agency (CDEMA), first established in 1991. It has made a major contribution to strengthening the disaster management capabilities in all its member territories and to organizing and attracting funding for its long term work programme on climate change and resilience strategies in small Caribbean societies. CDEMA has a membership of 19 Caribbean territories, one of the most extensive of all

Caribbean regional agencies. Its success underscores Hettne's point that developmental regionalism must include the dimensions of human security and environmental management. Since 2005 CDEMA has been reinforced by the establishment of the Caribbean Community Centre for Climate Change (CCCCC) and in 2007 by the Caribbean Catastrophe Risk Insurance Facility (CCRIF), a risk pooling facility contributed to by 16 regional governments. A related advance in the area of environmental management was the establishment of the Caribbean Regional Fisheries Mechanism (CRFM) in 2003 to promote the sustainable use of the region's fisheries and aquatic resources.

Regional security cooperation became a priority in 2001, culminating in the establishment in 2006 of the CARICOM Implementation Agency for Crime and Security (IMPACS) which has made progress in establishing and coordinating regional programmes on crime and public security despite the apparent waning of the political momentum driving security initiatives post-2008.³¹

A final regional institution with particular relevance is the Caribbean Court of Justice (CCJ) which has gradually gained ground since its 2005 inauguration. By July 2014, it had delivered eighteen judgements under its original jurisdiction, which concerns matters falling under the Revised Treaty of Chaguaramas, and 89 judgements under its appellate jurisdiction as the final court of appeal for (at the time) Barbados, Guyana and Belize. By mid-2014, both Dominica and St. Lucia had launched the administrative and legislative proceedings needed to break their links with the Privy Council and adhere to the CCJ as their final Court of Appeal.³²

THE GLOBAL ECONOMIC CRISIS: REGIONAL AND NATIONAL DEVELOPMENT PROGRAMMES UNDER THREAT

The acid test for CARICOM's faltering developmental regionalism came with the global economic crisis, which broke in the latter half of 2008. The open and highly indebted nature of CARICOM economies rendered them highly vulnerable to the global downturn. Clive Thomas lists ten principal factors that determined the adverse effects for CARICOM. These included: reduced demand for their exports and declining terms of trade; the closure of many mining, tourism and other service establishments; a scarcity of trade credit for Caribbean firms; reduced flows of development assistance and foreign direct investment; reduced inflows of

remittances; a severe cutback in labour market opportunities for Caribbean migrants to OECD countries and contagion in Caribbean financial markets resulting from the global financial instability.³³

The average GDP growth rate for the CARICOM region dropped from 4.8 per cent in 2007 to 0.8 per cent in 2010, creeping back up to 1 per cent in 2012. The average external debt burden for these economies rose to 65.5 per cent of GDP.³⁴ Eight states were obliged to enter into new agreements with the IMF.³⁵ To compound the general crisis, Haiti experienced a catastrophic earthquake in 2010 that killed over 230,000 people, while economic losses amounted to 120 per cent of GDP and 80 per cent of state revenue.³⁶ Unemployment rates rose to over 10 per cent in most countries.³⁷ Public discontent manifested itself in social upheavals in some territories and six changes of governments in elections held between 2010 and 2013.

In most CARICOM states, current account deficits widened and state revenues declined even while governments were being called on to spend more on bail-outs, social protection and employment generation, in addition to the perennial needs of natural disaster rehabilitation. All economies were obliged to adopt fiscal austerity measures with negative consequences for social wellbeing and human security.³⁸ There were multiple pressures on CARICOM which manifested themselves initially in escalating tensions around the CSME freedom of movement regime in 2009-2010. The second major shock to the regional movement was the 2009 collapse of C.L. Financial, the region's largest financial conglomerate. Beleaguered CARICOM governments retreated into national mode, which often implied shifting the costs of adjustment by reneging on their commitments at the regional level. Popular support for regionalism waned and it appeared by 2010 that leading CARICOM governments were too distracted by domestic political and economic challenges to provide regional leadership.

CARICOM organs were further discredited by their slow and seemingly inadequate responses to these major crises.³⁹ By 2011, the Heads of Government agreed to temporarily suspend the implementation of some aspects of the CSME.⁴⁰ Attempts to deal with the financial sector were also perceived as limited and slow in producing results.⁴¹ During this time, the organization also went through an administrative leadership transition, staff shortages, and growing budgetary restrictions, all of which further constrained the work of the Secretariat, its related organs and agencies.⁴²

CARICOM's response to the institutional and financial crises was the commissioning of the Landell Mills Report, accepted by the Heads of Government in February 2012. The report was commissioned primarily to address administrative capacity challenges and implementation issues. It gave a frank description of CARICOM's immediate and longer-term crisis, citing widespread public frustration and disillusionment over the accumulated failures of implementation, the budgetary crisis and institutional weaknesses as the core problems to be dealt with.⁴³ It also proposed a rethinking of CARICOM's mission and objectives, and made many recommendations for restructuring the Secretariat and reorganizing its work processes. It advocated the setting of firm priorities and concentration on a reduced number of programmes that could be delivered within a five-year timeframe. Central elements in the restructuring proposal would be the establishment of a Change Implementation Unit in the office of the CARICOM Secretary-General, his own role in steering the process and access to funding to support the reorganization of the Secretariat, and an upgrading of its ICT infrastructure.

The overall tone of this report was technocratic, arguing for a management-based approach as the most crucial requirement for CARICOM's successful regeneration. It eschewed many political and other factors and adopted a narrow focus. Inevitably, therefore, there were gaps in its analysis and some contradictory conclusions. It did not discuss the region's socio-economic imperatives, including the growing issues associated with equitable growth and national and regional convergence. It called for CARICOM to be outward-looking and to prioritize a regional agenda, even while it advocated narrowing the range of cooperation activities and explicitly opposed membership expansion in the near future.

That report was followed up by a series of consultations, which in turn led to the unveiling and adoption in 2014 of the grouping's first Five Year Strategic Plan 2015–2019.⁴⁴ The Strategic Plan seems to adopt a broader approach than the report that preceded it, although implicitly it appears to maintain a narrow definition of the CARICOM sub-region and its identity. Based on an analysis of changes in the global, hemispheric and domestic environments, and also on wide-ranging consultations, both internally and with stakeholders in member countries, it identifies six strategic priorities for the 2015 – 2019 period. These are:

- (i) Economic Resilience-building;
- (ii) Social Resilience-building;

- (iii) Environmental Resilience-building;
- (iv) Technological Resilience-building;
- (v) Strengthening the CARICOM identity and community spirit; and
- (vi) Strengthening Community governance.

While the plan elaborates on programmatic activities that would contribute to the realization of the six priorities, it does not specify the annual work programmes for the next five years. It merely states that there is room for flexibility in their adoption and that such programmes will emerge from the operational plans to be developed by CARICOM institutions. Nonetheless, it is clear that hard choices will still need to be made and synergies will have to be skillfully crafted in order to maximize the limited resources available for an ambitious development vision.

Foreign policy coordination is presented as a critical enabling factor needed to support the achievement of many of these priorities. It is spelt out as the coordination of foreign and external economic relations and the strengthening of the Community by formulating stronger consensus on global and regional issues. Specific CARICOM foreign policy objectives are listed as:

- (i) Developing strategic alliances in a changing world environment;
- (ii) Maintaining and strengthening relations with their traditional partners;
- (iii) Strengthening cooperation and collaboration with third countries and third country groupings;
- (iv) Securing the recognition, acceptance and implementation of CARICOM policies and initiatives in the international community;
- (v) Mobilizing resources externally to address CARICOM's priorities; and
- (vi) The expansion, where possible, of shared diplomatic facilities.

We explore below how the deepening integration process with Latin America corresponds to these objectives.

CARICOM'S HISTORICAL ENGAGEMENT WITH LATIN AMERICA

Although CARICOM laid the foundation for a stable sub-regional political community among its participating territories in the 1970s and 80s, it was less effective as a mechanism for integration into the wider Caribbean and Latin American region.⁴⁵ In that era,

Venezuela and Mexico developed relations with CARICOM, becoming donor members of the Caribbean Development Bank in the 1970s and energy development partners to some countries via the 1984 San Jose Accord. Four CARICOM member states established diplomatic relations with Cuba in 1973 and extensive cooperation took root between 1973 and 1983.

However, there were no accessions to the community from beyond the Commonwealth Caribbean before 1995, although Haiti's first application for membership was made in 1976 and the Dominican Republic first applied in 1989. The catalysts for increased engagement with Suriname, Haiti, the Dominican Republic and the wider Caribbean Basin were primarily external policy initiatives from the European Community and the United States. Trade and investment agreements with the rest of Latin America remained limited until the 1990s.⁴⁶

For much of the Greater Caribbean and Latin America, CARICOM's formula for closer relations was the Association of Caribbean States, established in 1995, combined with a series of preferential trade and cooperation agreements with Venezuela (1991), Colombia (1994), the Dominican Republic (1998), Costa Rica (2003) and Cuba (2004). But CARICOM appeared to lack a broader regional perspective or the political will to explore other options for deepening integration with the wider Caribbean and Latin America. Ultimately, the ACS languished, failing to develop into the major forum for Latin American-Caribbean relations that was originally envisaged. CARICOM's multilateral trade and cooperation agreements produced only moderate increases in economic, social and political exchanges with its neighbours.

A final attempt in the 1990s to break the established mould of regionalism was the (ultimately doomed) Free Trade Area of the Americas (FTAA) initiative 1995–2004. The CARICOM grouping made a huge effort to be visible in these negotiations and to put the concerns of small economies on the trade liberalization agenda of the Western Hemisphere. They succeeded in sensitizing the countries and economic sectors of the Western Hemisphere to the characteristics and constraints of small size and successfully leveraged various forms of technical support from the Organization of American States (OAS), the IDB and ECLAC. CARICOM public and private sector actors were inserted more directly into the trade and investment networks of Latin America. But the talks ultimately collapsed, leaving few tangible signs of market integration with

Latin America although ten years of financial and technical resources had been expended on the process.

Despite expressions of interest from states in the wider region in becoming members or having a closer form of association with the grouping, only Suriname and Haiti acceded in 1995 and 2002 respectively. The application of the Dominican Republic (DR) for CARICOM membership eventually led to the CARICOM-Dominican Republic Free Trade Agreement in 1998. The accord increased merchandise trade, but it was never fully implemented to include investments and trade in services. Both parties have expressed dissatisfaction at the manner in which it has functioned.⁴⁷ Regional cooperation in other spheres was conducted through CARIFORUM and CARICOM institutions like the Caribbean Regional Negotiating Machinery (CRNM).⁴⁸ A better institutional formula has long been required to manage the relationship between CARICOM and the Caribbean's largest independent economy with a central role in Haiti, strong economic ties with Central America and the United States, and several other types of linkages with CARICOM societies.

The 2008 signing of the CARIFORM-EU Economic Partnership Agreement (EPA) raised again the unresolved issue of integrating the DR into the regional community and the weakness of CARIFORUM, which is a loose and disarticulated market arrangement.⁴⁹ In November 2006, the CARICOM Bureau recommended the establishment of a Task Force to examine relations between the DR and the Community and to explore ways of enhancing them. This Task Force presented its final report to the CARICOM Council on Foreign and Community Relations (COFCOR) in May 2009.⁵⁰

It conducted consultations in several countries - including the DR itself - recording general support among all parties for the pursuit of closer relations, a recognition of their shared democratic values and shared Caribbean space, and an acknowledgement of the existing spheres, patterns and institutions of cooperation. The final report recommended increased functional cooperation in the areas of education, culture, disaster management, tourism and transportation. It identified concerns on both sides about the existing barriers to increased economic exchanges, the concerns of various states about migration flows and labour relations, mutual concerns about the protection of nationals and the ongoing need to overcome linguistic and legal barriers to expanding regional cooperation. In addition, the report discussed the most appropriate

mechanisms for deepening cooperation, also noting the DR's 2009 re-submission of its application for membership of CARICOM.⁵¹

Notwithstanding these developments, little progress was made, either in implementing the recommendations of the report, or in processing the latest application for CARICOM membership by the DR. In fact, significant new tensions between the two have arisen since 2009. Some were generated in the course of setting up regional governance mechanisms for the EPA.⁵² However, the most crucial axis for CARICOM-DR relations is the complex, ambiguous, volatile and exploitative relationship between the DR and Haiti, defined by centuries of uneasy coexistence on their shared land space, their trade and migratory flows, and the domestic political dynamics of each country. In September 2013, the Constitutional Court of the Dominican Republic published ruling TC-168-13. This retroactively stripped of nationality all those born in the Dominican Republic to parents classified as migrants in transit since 1929. The ruling was estimated to render stateless over 200,000 *Dominicanos*, mostly of Haitian ancestry.⁵³ It received widespread international condemnation, generated protests within the Dominican Republic itself, and brought CARICOM-DR relations to their lowest ebb. CARICOM civil society and member states have been at the forefront of campaigning against this human rights violation. In November 2013, CARICOM also suspended any further consideration of the DR's membership application.⁵⁴

CARICOM has worked to keep this issue on the diplomatic and political front burner in regional and international institutions; it has supported Haiti in its bilateral consultations with its neighbor; and it has maintained its own diplomatic pressure on the DR. In May 2014, the DR administration passed a new citizenship law No. 169-14, which it claimed would provide legislative and administrative solutions to the constitutional impasse and redress the difficulties imposed on thousands of its nationals by the Constitutional Court ruling. The issue is still far from being resolved and the region continues to closely monitor developments in the Dominican Republic.

The content of CARICOM's various statements on the Dominican Republic's nationality ruling is worth noting. Beyond the measures noted above, they also express the Community's willingness to support *Dominicano* citizens affected by the ruling and do not rule out the possibility of engaging with the DR once adequate corrective measures have been taken. Even though relations between the two have received a grave setback, this suggests that

there may be future space to engage in policy dialogue across the entire Caribbean on nationality and citizenship rights, and on respect for the rights of migrant workers. CARICOM's foreign and community policy formulation must surely continue to be informed by the goal of supporting Haiti's development and a more balanced interdependence between the two adjoining states. Likewise, CARICOM may eventually have a role to play in constructing an appropriate normative framework for a convergence of economic and marine spaces in the Caribbean,⁵⁵ one that would both advance development opportunities and protect the citizenship rights of all the region's inhabitants.

A NEW ERA FOR DEVELOPMENT REGIONALISM?⁵⁶

The 21st century has brought significant changes to the landscape of regional integration and dominant players in the Caribbean and the Americas. The recent crisis was an added catalyst for the emergence of new models of regionalism with a primary focus on development cooperation. It demonstrated dramatically CARICOM's limitations in mobilizing the resources needed to emerge from the crisis. Development cooperation initiatives have increasingly involved non-traditional actors and South-South partnerships. Key Latin American partners in this process have been Venezuela, Cuba, Brazil and other Southern Cone states.

CARICOM's pioneers in the process of constructing new linkages with their regional environment were Belize in Central America since the 1990s, followed by Guyana and Suriname. The latter embarked on a significant new phase in their continental integration when they became founding members of the Union of South American Nations (UNASUR) in 2008. This included participation in the UNASUR South American Defence Council, even though both countries are also signatories to the CARICOM Treaty on Security Assistance of 2006.⁵⁷ Their absorption into the political and economic dynamics of South America deepened in 2013 when they became Associate Members of the Common Market of the South (MERCOSUR). Associate Members must assume the democratic commitments of the regional grouping and where there is mutual interest, they may accede to the agreements on political, social and citizenship matters.⁵⁸ Associate membership does not entail assuming all the regional trade disciplines. Guyana has had a Memorandum of Understanding with MERCOSUR on trade and

investment since 1999 in addition to bilateral trade agreements with Argentina and Brazil.

Three states signed a Joint Declaration with Venezuela in February 2007 in which they expressed their interest in having greater cooperation with the *Alianza Bolivariana* (ALBA) formed in 2004.⁵⁹ Dominica was the first CARICOM country to join the so-called People's Trade Treaty (ALBA-TCP) in 2008, followed by St. Vincent and the Grenadines and Antigua in 2009.⁶⁰ There are now six CARICOM members and two designated by ALBA as 'Guest Participants' at meetings. The PetroCaribe agreement, initiated by Venezuela in 2005, currently has 15 signatories, including 11 CARICOM countries. PetroCaribe has provided invaluable assistance with rising energy costs in 2007–2008, and, together with the ALBA Caribe Fund, has given much-needed financial support to several countries struggling with fiscal austerity programmes. Since 2005, PetroCaribe deliveries have accounted for over 40 per cent of the total cost of oil consumption by CARICOM states and met over 30 per cent of regional demand.⁶¹ Implicit in the new forms of cooperation is the question of their longer-term political and economic sustainability. On the one hand, ALBA and PetroCaribe programmes have contributed significantly to sustainable human development in beneficiary societies. On the other hand, PetroCaribe loans have increased the public debt of beneficiary countries since 2005 to levels that risk being unsustainable.⁶² This fuelled adjustments in 2013 and 2014 to PetroCaribe's terms for loans, interest rates and repayments in the years ahead.⁶³

Collectively, these developments kindled a vigorous debate about the implications of the new alignments for the cohesion of CARICOM and possible contradictions between the membership obligations of the various groupings.⁶⁴ The issue was partly defused when COFCOR concluded in May 2008 that

member states should continue to pursue and explore all opportunities available to them for their social and economic development, recognising at all times their obligations under the Revised Treaty of Chaguaramas.⁶⁵

It should be noted that Caribbean member states of ALBA, MERCOSUR and UNASUR have tried to maintain flexible adherence within those groupings and abstain from initiatives that would conflict with their obligations to either CARICOM or the Organisation of Eastern Caribbean States (OECS). They continue to

insist that these remain the two core agreements which determine their engagement in other spheres of regional integration.

Despite these assertions, CARICOM's coordinating role where foreign policy is concerned was substantially diluted over the past decade, due to the organization's institutional weakness and the growing divergence in economic - and sometimes also political - interests among its member states. Between 2005 and 2012, a significant feature of some of the new regional diplomatic engagements was the high level of political engagement. While this may well facilitate cooperation in the short term, it may not promote strong institutional cooperation in the longer term that can survive regime changes. Micro-states with small foreign service establishments find themselves servicing multiple and frequent hemispheric meetings and assuming additional membership responsibilities in new groupings without, however, strengthening either the CARICOM or OECS infrastructures of coordination and consultation to inform joint policy development on hemispheric issues. Girvan cogently summed up the risk for all the countries of CARICOM that

in the absence of coordination ... external trade policy will continue to be a series of *ad hoc* bilateral responses to opportunities afforded by global and hemispheric configurations, lacking a coherent strategic dimension ... the Community could, in effect, be pulled in several different directions at the same time.⁶⁶

Most of the groupings which CARICOM states have already joined have significant economic and political weight or are consolidating themselves into more dynamic poles. In each case, the benefits of membership for the individual state and for CARICOM are evident. However, the latter can only be realized if CARICOM maintains and strengthens its foreign policy coordination role, as outlined in its Five Year Strategic Plan, emphasizing a flexible and pragmatic orientation towards hemispheric regionalism.

The positive impact of this new era of cooperation agreements can be evidenced in the network of energy procurement and infrastructural arrangements between the Venezuelan state, *Petróleos de Venezuela, S.A. (PDVSA)*, the state-owned oil company, and Caribbean countries. The cooperation that has taken place under PetroCaribe has helped to place energy security high up on the regional policy agenda, highlighting the need to focus on renewable sources of energy and achieve greater energy self-sufficiency. Some countries, notably Dominica, have made

substantial investments in geothermal, solar and wind energy. Overall, Venezuela, ALBA and PetroCaribe are currently the most significant providers of development financing in the region.⁶⁷

Another significant dimension of the contemporary period is the CARICOM-Cuba human development partnership. The cooperation model is grounded in an institutionalized Cuba-CARICOM multilateral agreement that underpins and provides the guidelines for a series of bilateral arrangements between the individual states. Since the 1990s, Cuba has provided tertiary scholarships for approximately 3000 students from CARICOM territories, predominantly in the fields of medicine, agriculture, engineering and education. Cuba has also worked with CARICOM governments to provide medical care free of charge or at a reduced cost to underserved populations throughout the region and hundreds of Cuban health professionals have been deployed in CARICOM countries on government-to-government contracts. Likewise, the participation of Guyana and Suriname in the Initiative for the Integration of the Regional Infrastructure of South America (IIRSA) has enabled them to upgrade the transport, water and energy infrastructure that will improve productivity and facilitate their economic exchanges with their neighbours. Brazil, Argentina and Chile, in part through their peace-keeping engagements in Haiti since 2004, now have various forms of technical cooperation with the CARICOM sub-region,⁶⁸ while the pace of CARICOM-Mexican cooperation has also increased since 2010.

While Latin American-Caribbean cooperation has had very significant outputs in development assistance and social investment, the impact on trade flows has been less marked, but is visible. Under the PetroCaribe countertrade arrangements, Guyana exported US\$423 million worth of rice to Venezuela between 2010 and 2013, while Jamaica shipped US\$7 million worth of clinker to Caracas in 2013.⁶⁹ Such initiatives may stimulate further trade development. Guyana and Suriname have the potential to substantially increase their trade with the MERCOSUR market. Through technical cooperation, Cuba has demonstrated its competitiveness in the regional and global market for professional health services, and has greatly expanded the available cadre of CARICOM professionals in health and other sectors.

The final new development in Caribbean-Latin American relations is the emergence of the Community of Latin American and Caribbean states (CELAC), a product of the merging of the Rio Group and the Caribbean and Latin American Summits process

(CALC) in Mexico in 2010. CELAC includes all 33 Latin American and Caribbean states and its main objective is to serve as a regional mechanism for political dialogue and for strengthening cooperation. Since January 2014 its steering Quartet of countries has included CARICOM (represented by the incumbent chair at the time). This gesture is evidence of CARICOM's recognition within CELAC and offers the opportunity to play a major role in shaping the identity and agenda of the new grouping.

CELAC's summits in Santiago de Chile and Havana in 2013 and 2014 respectively highlighted many converging interests among the membership. The final communiqués include references to CARICOM foreign policy positions *vis-à-vis* global governance and regional development themes. They also firmly endorse South-South and triangular development cooperation. Regional statements indicate that CELAC is now perceived as a promising initiative that can strengthen Latin American and Caribbean integration, foreign policy coordination and provide an additional platform for global visibility.⁷⁰

The new models of cooperation have engendered a quantum leap in the regional consciousness of CARICOM actors and societies based on the increased interaction with counterparts from Cuba, Venezuela, and other Latin American countries, especially those from ALBA. The social, economic and cultural exchanges have engendered greater familiarity with organizational norms and culture of their Latin American counterparts. There is a significant cadre of Spanish-speaking officials, mostly trained in Latin America, now available to their governments for diplomatic deployment and functional cooperation within the hemisphere. CARICOM diplomatic representation in Latin American capitals, resident and non-resident, has increased. The language and ideology of this South-South cooperation is distinct from earlier models in its greater emphasis on solidarity, sharing and complementary contributions. Social protection and the reduction of poverty and inequality feature prominently in national and regional development policy discourse. The last few years have demonstrated that development cooperation with Latin America is constantly evolving in response to the changing political and economic conditions within all the participating countries, including the major providers of economic assistance. In general, the long-term trend of such cooperation is towards continuity with periodic adjustments rather than abrupt cessation.

CONCLUSION

As Mesquita Moreira and others have concluded, the CARICOM project has generated substantial value by providing regional public goods that the individual small states would have been unable to provide for themselves.⁷¹ Care should be taken not to dismiss or diminish the importance of the existing institutions as restructuring gets underway. The challenge of developmental regionalism at the present time is how to hold things together and build on the existing foundation of functional cooperation, coordinated diplomacy and incomplete economic integration to chart new bases for economic growth, human development and resilience for the Caribbean Community.

Our discussion here has emphasized that a primary concern for CARICOM governments remains developmental regionalism and the quest for new development options and resources via this path. This is what fuels their new regional and international engagements. Ever since the launch of the FTAA process in 1995, they have participated in an ever widening and deepening circle of hemispheric partnerships. The changing international environment offers new opportunities for CARICOM small states and they are in a stronger position to take advantage of such options if they coordinate their responses and bargain collectively rather than singly. It is imperative for the regional grouping to maintain and sharpen its foreign policy coordination function in the context of major changes in the international political economy. Deeper engagement with Latin America and the Greater Caribbean will undoubtedly advance the achievement of many of the objectives in CARICOM's strategic plan.

In the past, the West Indian identity embraced by CARICOM has sometimes contributed to the grouping's reluctance to engage in a wider process of regional integration. Havelock Brewster has argued that 'the best, the unique, most lasting rationale for Caribbean Community is cultural identity and kinship. This has even greater relevance these days'.⁷² In a globalized era, the regional identity discourse points to the continuously shifting, multiple identities of Caribbean people. It should be broadened in scope to reflect the regional dynamics of the hemisphere. It is in the interests of a twenty-first century CARICOM to employ the tools of ICTs, regional media, social and cultural exchanges to contribute to the development of a broader sense of regional identity and community.

NOTES ON CONTRIBUTOR

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- ¹ Bishop M, L. and A. Payne (2010) 'Caribbean Regional Governance and the Sovereignty/Statehood Problem' *Caribbean Paper* No. 8, Centre for International Governance Innovation www.cigionline.org accessed 1/09/2010; Brewster H. (2008), 'The Future of CARICOM in a Changing International Environment' in Chuck-A-Sang M., Hall K. eds. *The Caribbean Community in Transition: Functional Cooperation as a Catalyst for Change*, Kingston, Ian Randle, pp.45–62.
- ² Doidge M. (2007) *From Developmental Regionalism to Developmental Inter-Regionalism? The European Union Approach*, National Centre for Research on Europe, University of Canterbury New Zealand, Working Paper 07/01, http://www.europe.canterbury.ac.nz/publications/pdf/Doidge_workingpaper0701_developmentalregion-WindowInternetExplorer accessed 9/04/2012 p.4.
- ³ *Ibid.*, p.10.
- ⁴ See, *inter alia*, Hettne B., Inotai A., Sunkel O. eds. (1999), *Globalism and the New Regionalism*, London, Macmillan/UNU WIDER; and Farrell M., Hettne B., Van Langenhove L. eds. (2005), *Global Politics of Regionalism: Theory and Practice*, London, Pluto Press.
- ⁵ Devlin, R and A. Estevadeordal (2001) 'What's New in the New Regionalism in Latin America?', in Bulmer-Thomas V. ed., *Regional Integration in Latin America and the Caribbean: the Political Economy of Open Regionalism*, London, Institute of Latin American Studies, University of London.

- ⁶ Farrell *et al* (2005) p.8.
- ⁷ *Ibid.*; Doidge (2007).
- ⁸ Hettne, B (1999) 'Globalization and the new regionalism: the second great transformation', in Hettne *et al*, ed, pp.7-8.
- ⁹ On the first point, see Farrell (2005). On the second, see Hout, W. (1999) 'Theories of International Relations and the New Regionalism', in Grugel, J. and W. Hout, *Regionalism across the North-South Divide: State Strategies and Globalization*, London, Routledge.
- ¹⁰ Hettne (1999).
- ¹¹ Payne, A (2004) 'Rethinking Development Inside International Political Economy', in Payne, A, ed., *The New Regional Politics of Development*, London: Palgrave Macmillan.
- ¹² Phillips, N (2004) 'The Americas', in Payne, ed. (2004).
- ¹³ See Jessen A., Vignoles C. (2005), *CARICOM Report No. 2*, August 2005, Buenos Aires, IDB-INTAL; Jessen A., Rodriguez E. (1999) *The Caribbean Community: Facing the Challenges of Regional and Global Integration*, INTAL-ITD Occasional Paper No. 2 January 1999, Buenos Aires, IDB-INTAL; and Mesquita Moreira M. (2007), *Regional Integration: What is in it for CARICOM?* INTAL Working Paper 1458 April 2007, Buenos Aires, IDB-INTAL. 'Defensive regionalism' is self-explanatory and refers to the limited capabilities of the member states and their adoption of a regionalist strategy to survive in the international environment. The 'dependent regionalism' label referred to CARICOM's dependence on non-reciprocal preferential access to European and North American markets for most of their exports and to CARICOM's function as a forum for development cooperation dialogues with multilateral institutions and donor countries.
- ¹⁴ Girvan N. (2010a), 'Caribbean Community: The Elusive Quest for Economic Integration' in Alleyne F., Lewis-Bynoe D., Archibald X. eds. *Growth and Development Strategies in the Caribbean*, Barbados, Caribbean Development Bank, pp.199-218.
- ¹⁵ See Panizza F. (2009), *Contemporary Latin America: Development and Democracy beyond the Washington Consensus*, London, Zed Books; and Grugel J., Ruggirozzi P. eds. (2009), *Governance after Neoliberalism in Latin America*, New York, Palgrave Macmillan.
- ¹⁶ See the ALBA website at <http://alba-tcp.org/eng>
- ¹⁷ CARICOM Secretariat (2013a) *Caribbean Community Regional Aid for Trade Strategy 2013 - 2015*, CARICOM Secretariat February 2013 www.caricom.org accessed 15/09/2014.
- ¹⁸ CARICOM Secretariat (2006), *CARICOM Trade and Investment Report 2005*, Kingston, Ian Randle. One caveat to these figures is presented by some analysts' view that most of intra-regional trade consisted of petroleum products supplied by Trinidad and Tobago to the rest of CARICOM: e.g. Girvan (2010a).
- ¹⁹ CARICOM Secretariat (2013a).
- ²⁰ Jessen and Rodriguez (1999); CARICOM Secretariat (2000), *Caribbean Trade and Investment Report 2000*, Kingston, Ian Randle.
- ²¹ Various articles in Jamaican newspapers discussed the problem. See, for example: Jamaica Gleaner (2012a), 'Editorial: Jamaica's Future in CARICOM', *Jamaica Gleaner*, 13th July; (2012b) 'Editorial: Maybe Jamaica should leave CARICOM', *Jamaica Gleaner*, 7th June; Gomes A. (2012a) 'CARICOM: Accentuate the Positive' *Jamaica Observer*, 11th July; Henry B. (2012), 'PJ Backs CARICOM' *Jamaica Observer*, 21st June.
- ²² CARICOM Secretariat (2006) p.xxxi.

- ²³ CL Financial, a regional conglomerate based in Trinidad, collapsed in 2009 with a deficit of US\$1.5 billion in its accounts. It was the owner of Colonial Life Insurance Co. (CLICO) and British American Insurance Co (BAICO), both of which were responsible for private insurance schemes and public pension schemes throughout the Caribbean. In the Eastern Caribbean Currency Union countries, CLICO-BAICO have liabilities of US\$800 million. The IMF estimated in 2011 that the collapse could cost the Eastern Caribbean up to 17 per cent of its GDP. In Trinidad, the Manning and the Bissessar Persaud administrations have collectively injected TT\$3 billion to keep CL Financial afloat and save shareholders and policy holders' money. The Barbadian government, the CARICOM Finance Ministers, the Caribbean Development Bank (CDB), Central Banks and the Council for Finance and Planning (COFAP) have also been engaged in investigating the crisis and proposing regional courses of action for the best possible outcome to the crisis ('Make or Break Meeting for CLICO Policyholders next week' www.caribbean360.com 28/06/2012; Antigua Observer 27/06/2012 'Regional Finance Ministers to discuss CLICO Issue next month' www.antiguaobserver.com ; Trinidad Express 8/09/2012 'IMF Man: Caribbean still reeling from CLICO Fall' www.trinidadexpress.com/ ; The Freeport News 8/03/2012, 'CLICO Enquiry reveals trail that led to collapse' <http://freeport.nassauguardian.net/business/>
- ²⁴ Cited in Singh R. (2012), 'Gonsalves – Frankly Speaking on CARICOM' *Trinidad Express*, 21st February; and Cumberbatch S. (2012), 'St. Vincent – Gonsalves Frustrated with the Slow Pace of CARICOM', 21st February.
- ²⁵ CARICOM Secretariat (2012), *Communiqué Issued at Close of 23rd Inter-Sessional Meeting of Heads of Government 8 – 9 March 2012, Paramaribo Suriname*. Press Release No. 67/2012; and CARICOM Secretariat (2013b) *CARICOM Finance Ministers tackle Growth and Development*, Press Release No.175/2013. In addition, CARICOM Press Release 185/2009 'Regional Solution for Financial Problems say Finance Ministers' states that a meeting of Finance Ministers and Financial Services Sector Regulators agreed that there should be a regional solution with agreed responsibilities for each regional actor to the CLICO debacle. In 2012 it was announced that a Regional Technical Committee chaired by the President of the CDB had been established by COFAP in early 2011 with a mandate to produce proposals to reimburse policy-holders and to stabilize the financial systems in the Eastern Caribbean. The region's Central Bank Governors were also asked to propose measures to strengthen the regulation and monitoring of cross-border financial entities in regional jurisdictions.
- ²⁶ The regional labour market, despite the many challenges of access, has provided opportunities for large numbers of workers in regional territories. Anecdotal evidence not yet confirmed by official statistics suggests that in Jamaica for example, remittances from workers in other Caribbean territories may amount to as much as 3 per cent of GDP. It should be noted that these funds are not all derived from CSME territories, in fact the largest inflows come from CARICOM or OECS Associate Members like the Cayman Islands, BVI, Anguilla and TCI.
- ²⁷ See Girvan (2010a).
- ²⁸ These ten categories of workers include degree and associate degree holders of accredited universities in the region, artistes, musicians, media workers, sportsmen and women, nurses, teachers, artisans and household workers with Caribbean Vocational Qualifications (CVQ). See www.caricom.org.
- ²⁹ A landmark ruling by the Caribbean Court of Justice concerns the Right to Free Movement under the Revised Treaty of Chaguaramas, delivered in October 2013. This is *Shanique Myrie vs Barbados OA 2 of 2012*, Judgement [2013] CCJ 03 (OJ)

www.caribbeancourtofjustice.org accessed 4/07/2012, 20/09/2014. This ruling makes it more difficult for states to arbitrarily flout their Free Movement commitments.

- ³⁰ A useful overview of the functional cooperation advances can be found in *Distinguished Lecture by Ambassador Irwin Larocque CARICOM Secretary-General, Port of Spain Trinidad on Status of Regional Integration Process*, CARICOM PR 206/2013 issued 4/10/2013 www.caricom.org
- ³¹ Byron J. (2011), 'The Caribbean Community's Fourth Pillar: The Evolution of Regional Security Governance' in Kirchner E., Dominguez R. eds. *The Security Governance of Regional Organizations*, Oxford, Routledge, pp.136–162.
- ³² 'Dominica adopts CCJ as final Court of Appeal' July 2 2014, www.caribbeanelections.com accessed 23/10/2014; 'St. Lucia to cut ties with Privy Council, adopt CCJ', *Jamaica Observer* May 9 2014, www.jamaicaobserver.com accessed 23/10/2014.
- ³³ Thomas C. (2009), 'Global Economic Crisis: CARICOM Impacts and Responses' *Caribbean Development Report* Vol. 2, pp.6-33, p.6.
- ³⁴ Alleyne D. et al (2013) *Preliminary Overview of the Economies of the Caribbean 2012- 2013*, ECLAC Studies and Perspectives Series, No 24, August, LC/CAR/L.410, pp.8-9.
- ³⁵ Acevedo S. et al (2013), *Caribbean Small States: Challenges of High Debt and Low Growth*, IMF Occasional Paper February 2013.
- ³⁶ See CARICOM Secretariat (2010b), *Communique Issued at Conclusion of 21st Intersessional Meeting of Conference of Heads of Government 11- 12 March 2010, Roseau Dominica*, PR 108/2010 15/03/2010 www.caricom.org accessed 5/11/2014; and Haiti Ministère de la Santé Publique et de la Population (2013) *Haiti: Mortality, Morbidity and Service Utilization Survey: Key Findings* measuredhs.com/pubs/pdf/SR199/SR199.eng.pdf
- ³⁷ Lewis P. (2009), 'The Implications of the International Economic Crisis on Human Security in the Caribbean' *Caribbean Development Report*, Vol. 2, pp.35–74.
- ³⁸ *Ibid.*
- ³⁹ In the words of former Barbados PM Owen Arthur, 'Amazingly, CARICOM Heads of Government who have met in the past for less serious purposes, have yet to meet to consider how the region should respond to the unfolding global crisis...' reported in *Stabroek News* 30/3/2009.
- ⁴⁰ The lead up to this decision can be seen in CARICOM Press Release 76/2011, the Communique issued at the end of the 22nd Intersessional meeting of the Conference of CARICOM Heads of Government, held in St. Georges' Grenada 25-26 February 2011. In this communiqué, they acknowledged the many problems facing CARICOM and agreed to have a special two day retreat in Guyana May 21 - 22. The news media and statements in documents (eg. Stoneman et al, 2012, CARICOM Press Release 310/2011 of 15/8/2011) refer to the decision taken at this retreat to suspend the implementation of certain aspects of the CSME programme, notably the single currency and some other aspects of a Single Economy.
- ⁴¹ Caribbean Centre for Money and Finance (2013) 'The CL Financial Debacle: Four Years Later' *CCMF Newsletter* Vol. 6, No. 1, January 2013.
- ⁴² CARICOM has been in existence for 41 years. The Secretariat was headed by Sir Edwin Carrington for 18 of those years from 1992 – 2010. A new Secretary-General, Irwin LaRocque was appointed by the Heads of Government on July 21 2011 and assumed office on August 2 2011. See CARICOM Press Release 310/2011 *Remarks by Ambassador Irwin Larocque on the assumption of the office of Secretary-General 15/08/2011* www.caricom.org accessed 12/08/2012.

Various reports point to severe cost-cutting and a meagre annual budget of approximately US\$ 17 million during the recession, also to the fact that approximately 25 per cent of the Secretariat's senior professional posts were vacant. See in particular the Landell Mills Report 2012 pp. 43 – 46 on challenges facing the Secretariat.

- ⁴³ Stoneman R., Pollard D., Inniss H. (2012), *Turning Around CARICOM: Proposals to Restructure the Secretariat*, Final Report prepared by Landell Mills Development Consultants for the CARICOM Secretariat, January 2012: www.caricom.org.jsp/communications/caricom_online_pubs/
- ⁴⁴ CARICOM Secretariat (2014a) *Strategic Plan for the Caribbean Community 2015 – 2019: Repositioning CARICOM Vol. I The Executive Plan*, CARICOM Secretariat, Turkeyen Guyana: www.caricom.org
- ⁴⁵ There were, however, specific national policies of engagement with Latin America. This was the case for Jamaica, Trinidad, Barbados, Guyana and Belize.
- ⁴⁶ Byron J. (2004), 'CARICOM at Thirty: New and Old Foreign Policy Challenges', *Social and Economic Studies*, Vol. 53, No. 4, pp.1–34.
- ⁴⁷ Interview with Chairman of CARICOM Task Force on Enhancing Relations with the Dominican Republic, conducted May 2012.
- ⁴⁸ The CRNM was the body charged with task of negotiating the contentious Economic Partnership Agreement (EPA) with the EU that was agreed in 2008. The body has since been brought fully into CARICOM as the Office of Trade Negotiations. For detailed discussions of the CRNM, see Byron J. (2005) 'Singing from the Same Hymn Sheet: Caribbean Diplomacy and the Cotonou Agreement' *European Review of Latin American and Caribbean Studies*, No. 79, pp. 3-26; Bishop, M, L., Heron, T., and A. Payne (2013) 'Caribbean Development Alternatives and the CARIFORUM-European Union Economic Partnership Agreement', *Journal of International Relations and Development*, Vol. 16, No. 1, pp.82-110.
- ⁴⁹ Article 238 of the EPA requires that signatory CARIFORUM states extend to one another preferences no less than those extended to EU countries. The timeframes for implementing these measures were within one year of ratification for the CARICOM More Developed Countries, within two years for the Less Developed Countries and five years for Haiti.
- ⁵⁰ *Ibid.*
- ⁵¹ *Ibid.*
- ⁵² See Jessop D. (2012), 'Is there hope for the EPA?' *Jamaica Gleaner* 29/04/2012, <http://jamaica-gleaner.com/>; Jessop D. (2010a), 'EU, Caribbean set up bodies to govern EPA but numerous challenges remain' *Trade Negotiations Insight* Vol. 9, No. 7, <http://ictsd.org/i/news/tni/>; and Jessop D. (2010b), 'What happened to the CARIFORUM-EU EPA?' *Trade Negotiations Insight* Vol. 9, No. 3, <http://ictsd.org/i/news/tni/>
- ⁵³ Canton S., McMullen W. (2014), 'The Dominican Republic and Haiti: Shame', *Americas Quarterly*, Summer 2014: www.americasquarterly.org/content/dominican-republic-and-haiti-shame
- ⁵⁴ For CARICOM pronouncements on the DR nationality ruling, see CARICOM PR 222/2013 17/10/2013; CARICOM PR 265/2013 26/11/2013; CARICOM PR 268/2013 27/11/2013; CARICOM PR 21/2014 7/02/2014; CARICOM PR 176/2014 4/07/2014.
- ⁵⁵ Dookeran W. (2013) 'A New Frontier for Caribbean Convergence', *Caribbean Journal of International Relations and Development (CJIRD)*, Vol.1, No.2, pp.5-20.
- ⁵⁶ Parts of the discussion in this section reflect my discussion in a conference paper entitled 'A Caribbean Perspective on Regionalism: What Role for CELAC?'

Seminario Internacional La Integración Regional en América Latina y el Caribe y el Futuro de la CELAC, CIEI/Universidad de la Habana, 10 – 12 junio de 2013.

- ⁵⁷ The *Consejo de Defensa Suramericano* (SADC) is one of UNASUR's sectoral councils, not an organ but a deliberative agency tasked with consultation, cooperation and coordination in defence matters. Its objectives are to maintain South America as a Zone of Peace, gradually develop common perspectives where possible on security, including the identification of regional threats and risks, share experiences on international peace-keeping, contribute to the formulation of joint positions in international fora on defence and further dialogue and cooperation on security issues with the rest of Latin America and the Caribbean. Thus far, the SADC appears to have placed greatest emphasis on mediation and conflict management and has not made much progress in developing common security and defence positions. See 'Consejo de Defensa Suramericano <http://unasurg.org/inicio/organizacion>, COHA editorial 'The SADC, UNASUR, the Latin American Military and the Regional Political Process' 1/10/2008 www.coha.org; COHA editorial 'The Paradox of South American Integration: The Founding of a Defence Council' 12/03/2009 www.coha.org.
- ⁵⁸ See MERCOSUR/CMC/DEC No.11/13, www.mercosur.int
- ⁵⁹ Joint Declaration by Hugo Chavez Frias, President of the Bolivarian Republic of Venezuela, Roosevelt Skerritt, Prime Minister of the Commonwealth of Dominica, Ralph Gonsalves, Prime Minister of Saint Vincent and the Grenadines and Winston Baldwin Spencer, Prime Minister of Antigua and Barbuda, Kingstown Saint Vincent and the Grenadines, 17th February 2007.
- ⁶⁰ The ALBA-TCP (2004) has arrangements for preferential trade including countertrade mechanisms, development financing, technical cooperation in health, food security and other areas. See <http://alba-tcp.org/eng>. Following the accession of Dominica, St. Vincent and the Grenadines and Antigua and Barbuda in 2008 – 2009, Saint Lucia, St. Kitts and Nevis and Grenada have become members, the latter two in December 2014.
- ⁶¹ See Bryan A. (2009) 'Petrocaribe and CARICOM: Venezuela's Resource Diplomacy and its Impact on Small State Regional Cooperation' in Cooper A., Shaw T. eds. *The Diplomacies of Small States: Between Vulnerability and Resilience*, Basingstoke, Palgrave Macmillan, pp.143–159; Rojas R. (2011) 'Venezuela increasing its influence in the region through PetroCaribe' *Press TV*, Caracas, 7/12/2011 www.presstv.ir/; and PetroCaribe (2014) *Management Report 1st Four Month Period of 2014*, PDVSA/PDV Caribe and Bolivarian Government of Venezuela, People's Ministry of Petroleum and Mining.
- ⁶² Bryan (2009); Jacome F. (2011) *PetroCaribe: The Current Phase of Venezuela's Oil Diplomacy in the Caribbean* FES November 2011, library.fes.de/pdf-files/bueros/h-seguridad/08723.pdf; Dukharan M. (2013) 'PETROCARIBE: A Hand-Out not a Hand-Up which may soon run out'. Presentation by RBC Caribbean at 5th Biennial International Business, Banking and Finance Conference, UWI St. Augustine Trinidad, May 2013.
- ⁶³ Jamaica Observer (2013) 'Venezuela to increase interest on PetroCaribe payments' *Jamaica Observer* 2/08/2013; Economist Intelligence Unit (2013) 'Maduro seeks to tighten PetroCaribe terms' 5/07/2013, <http://country.eiu.com/>; CVM TV (2013) 'Jamaica to pay higher interest rates for oil purchases under PetroCaribe deal' 02/08/2013 <http://www/cvmtv.com>; Khan A. (2014), 'IMF sees potential spillover from PetroCaribe' *Trinidad Guardian* 19/08/2014 <http://www.guardian.co.tt>
- ⁶⁴ See, for example Jamaican Prime Minister Golding's expressions of concern about ALBA and other integration initiatives, 'CARICOM at Risk'

www.bbcaribbean.com 10/06/2009 accessed 15/07/2014; likewise, see Nigel Jacobs 'St. Vincent treading cautiously with Chavez' ALBA deal' CANA News 30/01/2008, www.cananewsonline.com accessed 15/07/2014. St. Vincent's Prime Minister gave assurances he would not sign ALBA unless there was legal documentation ensuring there would be no new trade arrangements that would conflict with CARICOM. The points for and against CARICOM/OECS members' accession to other regional agreements are best summed up and analysed by Norman Girvan (2010b) 'ALBA, Petrocaribe and CARICOM: Issues in a New Dynamic' (in Hall and Chuck-A-Sang 2010) in which he argues there is no intrinsic legal incompatibility and makes a number of policy recommendations for CARICOM and its member states.

⁶⁵ CARICOM Secretariat (2008) *Communique issued at Conclusion of Eleventh Meeting of COFCOR, Antigua 7 – 9 May 2008*, PR 125/2008 10/05/2008 www.caricom.org.

⁶⁶ Girvan (2010b) p.229.

⁶⁷ There are various figures for development assistance provided by Venezuela between 2006 and 2013. Officials in Eastern Caribbean countries cite loans and grants for development funding of approximately US\$300 million. This is in line with figures cited by Norman Girvan (2011) based on his research 2010 – 2011 in the OECS ALBA member states. In the case of Jamaica, ODA excluding PETROCARIBE development funds amounted to US\$475 million in 2012 – 2013. PETROCARIBE financing alone amounted to US\$500 million. Over a four year period 2009 - 2013, PETROCARIBE financing provided Jamaica with US\$2 billion (Interview with PetroCaribe Development Fund officials in Jamaica July 2014).

⁶⁸ Girvan (2011).

⁶⁹ PetroCaribe (2014).

⁷⁰ CARICOM Secretariat (2014b) *CARICOM Active at CELAC Summit* PR 21/2014, 7/02/2014 www.caricom.org; Government of Jamaica 2014b *Minister of Foreign Affairs Statement to Senate on the Second CELAC Summit* February 21 2014 <http://jis.gov.jm/minister-foreign-affairs-statement-second-celac-summit>; Government of Trinidad and Tobago 2014 *Prime Minister's Plenary Statement at the II CELAC Summit 2014*, <http://www.news.gov.tt/content>

⁷¹ Mesquita Moreira (2007).

⁷² Brewster (2008) p.53.