

# Governance in the Caribbean: challenges and prospects

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## Introduction

The year 2012 marks the 50th anniversary of the collapse of the West Indies Federation<sup>1</sup> and the beginning of independence in the Commonwealth Caribbean<sup>2</sup>. The current historical moment provides a good opportunity to reflect on some of the challenges to governance in the Caribbean region and prospects for the way forward.

Today, Caribbean citizens generally enjoy political rights and civil liberties, state institutions function well, and there are regular constitutional transfers of power through multi-party elections. However, despite the trappings of formal democracy, there are grave deficiencies that undermine effective governance in the Caribbean. These include excessive prime-ministerial powers, an electoral system that is prone to distortions, clientelism, and an alienated citizenry. When taken together, those issues can breed corruption and undermine governance (Grenade, 2010).

This article looks at the concept of governance in the Caribbean – the key challenges and future prospects. It offers a closer look at the notion of public governance, gives an analysis of some of the challenges to governance in the Caribbean, and outlines some proposed actions for the way forward.

## Broadening the notion of public governance

Public governance is a form of governance that focuses, *inter alia*, on the following:

- Constitutional and legal frameworks
- Institutional architecture
- The exercise of authority
- The structure of power relations and checks and balances
- The process by which government officials, representatives and the judiciary are elected, appointed, monitored and replaced
- Integrity of the judiciary and law enforcement
- Accountability, transparency, conflicts of interests and good practices

- Political clientelism and corruption
- Interest groups, the media and political parties (see Apreda, 2005–2006:49, cited in Grenade, 2010).

While useful, this list does not capture the nuances of governance in the 21st century. What we need is an understanding of public governance that includes, but also transcends, the domestic sphere.

For small developing states, public governance occurs within a multi-level, multi-dimensional web that includes the interplay of national, regional and global forces. For small developing post-colonial countries, effective public governance occurs when the outcomes of governance process positively impact the polity, economy and, perhaps most importantly, the society. In the following section, I will examine three interrelated forces that influence governance in the region: (i) the external environment; (ii) domestic political culture; and (iii) the (in)security landscape.

## Some challenges to Caribbean governance

### (i) The external environment

One of the conditions for and outcomes of effective governance is the ability of a sovereign independent country to have control over public policy decisions. That is, governance requires policy autonomy and maneuvering space to determine policy outcomes. Yet, despite the fact that most Caribbean countries are sovereign independent states, external forces heavily influence decision-making. As small, open dependent economies, Caribbean countries face severe constraints to growth, which poses challenges to development. These constraints include<sup>3</sup>:

- An over-dependence on external trade
- Limited private sector capacity
- A narrow production base
- Lack of diversification
- Diseconomies of scale
- Inadequate human resources

- Insufficient institutional capacity
- Limited infrastructural development
- High public debt.

External shocks compound the situation for these small developing economies. For example, the region's development challenges are exacerbated as a result of the current global financial and economic crisis. The Caribbean is highly dependent on tourism, as well as on foreign direct investment and remittances. The region was the hardest hit in the world and is currently undergoing the most sluggish recovery. The Caribbean Development Bank (CDB) reported that the context framing regional prospects remains one of limited fiscal space and an uncertain global outlook (CDB, 2011).

Global governance institutions such as the International Monetary Fund (IMF) and the World Bank (WB) are closely involved in managing the current global crisis. However, global governance poses a dilemma for small developing states. On the one hand, global institutions can provide fiscal support, concessionary financing, policy advice, etc. Yet, on the other, they often recommend austerity measures that can undermine economic well-being and stability. For countries in the Caribbean, there is a direct relationship between their economic dependency, their relative powerlessness to influence decisions in the global system, and their limited policy autonomy. Therefore, although most Caribbean countries are independent sovereign states, external forces and actors are instrumental to the process of governance in the region.

External environmental shocks can also undermine effective governance. The Caribbean faces additional risks relating specifically to the region's vulnerability to all forms of natural hazards<sup>4</sup> and climate change impacts. Environmental vulnerability exacerbates the challenges in the economic, societal, institutional and political realms. A confluence of vulnerabilities can undermine economic well-being, state capacity and societal security. However, the small states in the Caribbean are generally resilient. There is often strong social capital based on kinships and community networks. This is one of the advantages of small size that can foster cohesiveness and promote an environment to support effective governance. This is dependent to a large extent on the political culture.

### (ii) Domestic political culture

A healthy, mature political culture is both a condition for and an outcome of effective governance. However, the Caribbean's political culture is one of the factors that mitigate against effective governance. There is no doubt that the Caribbean has a strong tradition of formal democracy (Dominguez et al., 1993), and for the most part there are functioning state institutions. Citizens enjoy constitutional rights and civil liberties and general freedoms. There are regular constitutional transfers of power through

multi-party elections. Yet there is an ongoing debate on the quality of democracy and governance in the region (Hinds, 2008; Ryan, 1999).

Since independence, what has evolved in the Caribbean is an adversarial political culture. Caribbean prime ministers have excessive powers and often marginalise opposition parties, co-opt or ostracise civil society organisations, and alienate citizens. This is rooted in the Caribbean's history (Grenade, 2010). The situation is exacerbated by the first-past-the-post (FPTP), winner-takes-all electoral system, where undemocratic outcomes can ensue. While the Westminster system presupposes a parliamentary opposition, this is not always the case. For example, in Grenada in 1999, the incumbent New National Party won all 15 parliamentary seats. There are other distortions in terms of proportion of parliamentary seats to votes gained. For example, in 1998, in St Vincent and the Grenadines, the opposition United Labour Party amassed 54.2 per cent of the popular vote, while the ruling New Democratic Party obtained 45.8 per cent. Yet the ruling party won eight seats and the opposition seven. This is one of the major distortions of the FPTP system, and is a serious challenge to governance.

### (iii) The (in)security landscape

A stable security environment is one of the conditions for effective governance. In the Caribbean, the rise in crime and violence is a major challenge to governance and poses a threat to development. In 1996, Caribbean Community (CARICOM<sup>5</sup>) Heads of Government declared that the associated evils of narco-trafficking constitute the major security threat to the Caribbean (Barrow-Giles and Marshall, 2003). It is noteworthy that criminal activity within the Caribbean is complicated due to the region's vulnerabilities and increasing global interconnectedness. Per capita murder rates in the Caribbean are higher than anywhere else in the world, and estimates in the 2007 global report by the United Nations Office on Drugs and Crime (UNODC) suggest that reducing the homicide rate in the Caribbean by one-third of its current level could double the rate of the region's per capita economic growth (UNODC Report, 2007). Governance in the Caribbean is negatively affected by the growth and solidifying of narco-trafficking, other organised crime and corruption. A stable security environment is one of the bedrocks for effective public governance. This is one area that demands regional co-operation and collective action. Regional governance is therefore essential.

## The way forward

Regional governance is a necessary imperative for the Caribbean<sup>6</sup>. When CARICOM was established in 1973, its original objectives were economic integration, functional co-operation and foreign policy co-ordination. Over the years, CARICOM has achieved relative successes in the

realm of functional co-operation (Thomas, 2008)<sup>7</sup>. Given the security landscape in the Caribbean, security was included as one of the key pillars of CARICOM in 2008. The regional security architecture is evolving and has promise. The sub-regional grouping of the Organisation of Eastern Caribbean States (OECS)<sup>8</sup> is also pursuing deeper levels of integration and is strengthening its framework for sub-regional governance. These are positive developments. Yet, while regional governance is necessary, it presents three main challenges.

- First, CARICOM is a community of independent sovereign states. Hence foreign policy harmonisation is not often possible. Although they belong to a regional grouping, CARICOM states are free to engage external actors as independent sovereign states. While this approach has advantages, it can further marginalise these small states in the global environment and erode their policy autonomy. Yet foreign policy harmonisation is critical to increasing bargaining power and voice on global governance issues.
- Second is the need to preserve national sovereignty while enjoying the benefits of collective regional action. There is need to go beyond a limited conceptualisation of sovereignty to unlock greater regional potential.
- Third is the challenge of domestic politics. The adversarial political culture within member states does not lend itself to co-operation among political elites. Regional integration is thus held hostage to narrow partisan interests.

The way forward must include democratising global governance institutions to allow less powerful states to have a voice in the decisions that affect their ability to govern their domestic affairs. The future of governance in the Caribbean must also include a transformation in the political culture towards greater power-sharing arrangements and governments of national unity. This should diffuse the adversarial nature of politics and create an environment conducive to effective governance. Above all, there is an intricate relationship between Caribbean security and Caribbean governance. There is need to consolidate and deepen the regional security architecture if the Caribbean is to reach its fullest potential.

## Conclusion

This article argued that while the Caribbean has maintained a tradition of formal democracy, the interplay of external shocks, an adversarial political culture and (in)security helps to undermine effective governance arrangements in the Caribbean. There must be greater voice on global governance issues, a transformation in the political culture, efforts to strengthen regional security and deeper regional governance arrangements if the Caribbean is to truly realise the dream of independence.

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## Endnotes

- 1 The West Indies Federation (WIF) was established by the British in 1958 among ten of its colonies: Antigua and Barbuda, Barbados, Dominica, Grenada, Jamaica, Montserrat, St Kitts-Nevis-Anguilla, St Lucia, St Vincent and the Grenadines, and Trinidad and Tobago. Despite significant collective gains, such as a Federal Civil Service, a West Indies Shipping Association and the University College of the West Indies, the WIF was short-lived due to several factors.
- 2 While I am cognisant of the imperative to broaden analyses of 'the Caribbean' to include all the countries in the Caribbean Basin and the Caribbean Diaspora, in this paper 'the Caribbean' refers to the member states of the Caribbean Community.

- 3 The Caribbean region is one of the most highly indebted regions in the world. In 2010, in 10 of the 12 countries for which data is available, the debt ratio exceeded 60 per cent. Of these 10 countries, four had ratios ranging from 61 per cent to 80 per cent, three had ratios ranging from 81 per cent to 99 per cent and three had ratios surpassing 100 per cent. In only two countries was the debt ratio less than 60 per cent. Within the sub-regional grouping of the Organisation of American States (OECS), the regional public debt jumped to above 100 per cent of GDP at the end of 2009, from an average of 93 per cent of GDP in 2006–08, reverting earlier gains in debt reduction.
- 4 Since 1974, the region has been affected by severe hurricanes: Hugo in 1989; Andrew in 1992; Luis and Marilyn in 1995; Georges in 1998, Lynn and Floyd in 1999, Keith in 2000; and Ivan and Jeanne in 2004. In addition, many Caribbean countries are of volcanic origin. The Langs Soufriere in Montserrat erupted almost continuously since 1995; La Soufriere in St Vincent and the Grenadines erupted in 1979; and Kick 'em Jenny, an underwater volcano off the coast of Grenada, erupted in 1991 (CARICOM Secretariat 2005, p. 170). In 2010, a massive earthquake devastated Haiti – CARICOM's most vulnerable member state.
- 5 The CARICOM member states are: Antigua and Barbuda, Bahamas, Belize, Barbados, Commonwealth of Dominica, Grenada Guyana, Haiti, Jamaica, Montserrat, St Kitts and Nevis, St Lucia, St Vincent and the Grenadines, Suriname, and Trinidad and Tobago.
- 6 See Rose Hall Declaration on Regional Governance and Integrated Development 2003 and CARICOM Secretariat Technical Working Group on Governance 'Managing Mature Regionalism Regional Governance in the Caribbean Community', 2006.
- 7 Also see other essays in Kenneth Hall and Myrtle Chuck-A-Sang (eds.) *The Caribbean Community in Transition: Functional cooperation as a Catalyst for Change*. Kingston: Ian Randle Publishers, 2008.
- 8 The OECS was established by the signing of the Treaty of Basseterre on 18 June 1981. Its main objectives are, inter alia, to promote co-operation, maintain unity and solidarity in defense of their sovereignty and territorial integrity, assist member states in realising their obligations to the international community, seek to achieve the fullest harmonisation of foreign policy and establish joint overseas representation. Its member states are: Anguilla, Antigua and Barbuda, British Virgin Islands, Dominica Grenada, Montserrat, St Kitts and Nevis, St Lucia, and St Vincent and the Grenadines. The OECS recently established an Economic Union and launched a regional assembly. Its member countries share a common currency which is pegged to the US\$ at EC\$2.67.

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