

# **REDESIGNING STRATEGY FOR CARIBBEAN SUCCESS IN THE AGE OF GLOBALIZATION**

**BY**

**DR. BHOENDRADATT TEWARIE, PRO VICE-CHANCELLOR AND CAMPUS  
PRINCIPAL, ST. AUGUSTINE CAMPUS, UNIVERSITY OF THE WEST INDIES, 17  
SEPTEMBER 2003, BELIZE**

**SIXTH LECTURE OF THE DISTINGUISHED LECTURE SERIES CELEBRATING  
THE 30<sup>TH</sup> ANNIVERSARY OF THE CARIBBEAN COMMUNITY**

---

## **1. (i) THE FUNDAMENTAL CHALLENGE**

There are some who argue, and their case is strong, that the Caribbean has been, since the fifteenth century, an integral part of the process of globalization involving trade, investment, transnational corporations and under-development. In the final chapter of his book "The Caribbean in the Wider World 1492-1992" Bonham Richardson points to the uniqueness of the economic history of the Caribbean:

.... The Caribbean has been closely linked in a dependency relationship with Europe and North America for five hundred years, a part of capitalism's periphery long before world-economy thinking or the "Third World" ever existed....

Caribbean lands and peoples .... always were immediate appendages of a larger European-centred economy; there was little indigenous economy or ecological tradition

....<sup>1</sup>

And there are those who argue, further, that the consequence of this economic experience has been fundamentally debilitating. Lloyd Best, the father of the Plantation School of Economics, argued over thirty years ago that:

.... this plantation legacy represents an endowment of mechanisms of economic adjustment which deprive the region of internal dynamic. More specifically it involves patterns of economic distribution and disposal against economic transformation.<sup>2</sup>

Though the colonial economic legacy might have been debilitating, Best, however, never in his assessment of the economic condition of our region saw our situation as hopeless. This is what he wrote in 1968, six years after West Indian Federation had collapsed and during the period when Jamaica, Trinidad and Tobago and Barbados had already established the trend of national Independence for individual territories in the region. Thinking regionally, in spite of the collapse of the Federation and, notwithstanding the rise of territorial nationalism, Best gave this prescription to generate the internal dynamic needed that could fuel economic transformation of the region:

To give the economy the internal dynamic necessary to create new internal linkages, it is necessary to change the pattern of tastes to develop residentiary industries with lower import content and larger local purchases, to increase the degree of local processing of agricultural and mineral resources, to reallocate land resources to halt the brain drain, to restructure financial institutions, to widen the channels of national savings and investment flows and to break down the barriers between individual territories within the

region. In conditions of plantation economy such structural transformation is not possible without breaking the traditional patterns whereby Caribbean economy is incorporated into the metropolitan economy. It is for this reason that the localization of economic decision-making lies at the heart of transformation.<sup>3</sup>

I take this opportunity to highlight to you three key issues which Lloyd Best stressed. First of all the region needed what he called an “internal dynamic” to propel it forward; two, the fundamental issue was economic transformation and three, the localization of economic decision-making was essential to economic transformation.

At an economic forum on September 10th 2003 Best asked the following challenging question: “How come the Caribbean has had growth for 500 years and it has not made any difference to development?”<sup>4</sup>

(ii) **WHAT HAPPENED TO THE VISION?**

It is quite possible that the thinking of the plantation school and the emergence of the New World Movement<sup>5</sup> may have had a direct influence on the establishment of CARIFTA (Caribbean Free Trade Agreement) in 1968 which had negligible real positive impact and which by 1973 had evolved into CARICOM. But whatever the genuine achievements of CARICOM, few would argue with the assertion that CARICOM has hardly brought us anywhere close to the economic transformation which we have consistently articulated as an objective.

Notwithstanding the failure of Federation, buoyed by emerging nationalism, hope remained high and belief in the future strong. Wendell Bell, the noted Sociologist and Caribbeanist, now Emeritus Professor at Yale, was in Jamaica during the 1960's and he points out how his experience of Jamaica at the time changed his intellectual interest and outlook to such an extent that he made the Caribbean his special area of interest for almost a decade:

“It was a heady time in Jamaica. Everyone was looking forward to the future. People of all walks of life talked of little else but the coming of political independence. What had to be done to create a new Jamaica? What would Jamaica be like – and what ought it to be like – after Independence .... They wrote a new constitution. They designed a new government. They envisioned a new national future. Some of them questioned and thought of redesigning the entire society.<sup>5</sup>

What we may well ask now, happened to the vision of a new Jamaica along the way? But is it fair to ask this question of Jamaica alone? Might we not reasonably ask this question of every nation-state in the Caribbean and might we not reasonably ask this question of CARICOM itself?

Now don't get me wrong. There is no need for us to be overly hard on ourselves. There is no need to beat ourselves up. After World War II, beginning with India in 1947 and escalating into Africa, Asia and the Pacific in the 1950's and 60's Caribbean nations joined over 120 new states in a post colonial global reorganization. Though some of those states have done better than us, we in the Caribbean have done better than most of them. Not one of the English speaking Caribbean states is included in the 49 least developing countries in the world, most are in the

medium category in terms of human development and some have achieved classification as high human development countries. Yet I think that it is reasonable to conclude that deep in our hearts most of us feel that we have hardly achieved the vision which we once envisaged for ourselves and this remains true whether we look at our individual nations or as a region of people with a shared history and common interest.

The whole purpose of CARICOM was to increase intra-regional trade and to develop internal entrepreneurial capacity and indigenous industrial capability. But this has not happened to the extent that might be considered desirable or in the way that we might have anticipated and as a consequence today, September 17<sup>th</sup>, 2003 we face the same challenges which we faced in the period of decolonization; that is to say, to generate greater internal capacity, to transform the economy and to localize economic decision-making. The whole purpose of this, we must not forget, is to achieve a more desirable standard of living, a better quality of life and a greater sense of equity in our societies. It is clear that though we have achieved much, both in terms of where we have come from and in terms of comparison with other countries that have achieved their Independence in the decolonization period, being the best we can be remains something elusive yet to be achieved in the future. Yet, as we seek to act now we must take fully into account the fact that, while we have not succeeded in transforming our economies, the world around us and the global economic system in which we operate has changed rather dramatically.

(iii) **THE WORLD BETWEEN OCTOBER 1989 AND SEPTEMBER 11, 2001**

But let us take stock of how the whole world has changed and the extent to which globalization today is a far cry from fifteenth century or early twentieth century or even post World War II globalization. The fall of the Berlin Wall in 1989 unleashed global capitalism at a pace and level of intensity hitherto unknown because of the computer, telecommunication, technological innovation and information flows. The attack on September 11, 2001 on the twin towers of the World Trade Centre revealed the vulnerability of individuals, nations and societies to unpredictable interventions of the most traumatic kind in a way that we had not felt possible before. In the Caribbean we now need to add this glaring vulnerability therefore to our traditional vulnerability to natural disasters.

In view of what has been transpiring across the world system since 1989 and given the shock of September 11, 2001 and its implications for safety, security and stability, it should now become clear to us that the strategies which we must design for our development and sustainability can hardly be the same as those we sought to design before. Such strategies as we may design now must take into account the need for security in the context of such open vulnerability to forces both outside and within which threaten stability, safety, security and capacity building in our countries. Secondly, it must take into account development strategies for integration, rather than incorporation and absorption into the global economy. Moreover, any development strategy must take fully into account the fundamental reality that any integration must take place in a knowledge-driven, technologically sophisticated global system and that the transformation we must pursue is the transformation of our economy and system into a knowledge economy and system.

Today Globalization embraces the way in which transport, communication and technology enable goods, money, people and ideas to move around the world faster and more cheaply than ever before. Contemporary globalization is a new international system overwhelmingly dependent on knowledge and information and the platform we should be striving to build today for our current and future success needs to be entirely different from anything that we have ever attempted to do in the past. The building of a knowledge system needs to be at the heart of any development strategy for the region and I will explain what I mean by this in a minute, but, before I do so, I want to take a serious look, in a comparative way, at what was occupying the world between November 9<sup>th</sup>, 1989 and September 10<sup>th</sup>, 2001 and why the design, development and careful construction of a knowledge system is so essential.

After the fall of the Berlin Wall, the dominance of the US in military, economic, technological terms was finally established and the spread of global capitalism into the far reaches of the former Soviet Block accompanied by the dismantling of the state-controlled centrally-managed economic systems could not be curbed. Major trading blocks were forming in the Americas, in Europe and in Asia. This was the era of “trade not aid”<sup>6</sup>, the era of “democracy and markets”<sup>7</sup>, a time of free movement of goods and money and the coming of the end of preferential arrangements and the intensification of the economic liberalization process across the globe. It was in this climate that Michael Porter’s “The Competitive Advantage of Nations”<sup>8</sup> emerged as a work of significant influence.

(iv) **COMPETITIVENESS, INFORMATION AND KNOWLEDGE**

The Competitive Advantage of Nations sought to explain why some nations succeed economically and why others do not. Porter pointed out that countries compete through the companies which emerge to compete with other companies for market share in the world. How internationally competitive such companies are, he argues, depend on such variables as factor conditions, the extent to which other industries either connect with or support them, as well as the effectiveness of firm strategy. Porter identifies other variables including the role of government and even chance. But the important thing that we need to remember this evening as we reflect on the future of the Caribbean is that if you don't have firms or companies or industries or sectors which can sell its products or services in the global market place, in competition with others, then you cannot begin to raise your standard of living as a country. In other words, the competitiveness of a country depends on the number of competitive firms it spawns. So let me speak aloud a question that has been on my mind ever since I presented a study on the development of a sustainable Tourism strategy in the wider Caribbean region to the Ministers of Tourism of the ACS States in 1997 in Santo Domingo. How competitive have we made our Tourism industry compared to Tourism in the rest of the world? Have we strengthened or transformed the industry in anyway? Have we looked at any significant factors other than price to improve our competitive capacity? Have we looked at the components within the Tourism sector with a view to achieving competitive synergy? I ask these questions because Tourism is the number one export product and the most internationally competitive industry for most countries of the region. If we cannot make Tourism competitive in terms of value rather than price, then many of our countries in the region are going to be faced with economic crises.

What did we do to make the banana industry competitive except insist on preferential treatment? What significant value did we add to the industry over the last decade? I ask this question because Bananas are a major income earner for Dominica, St. Vincent, St. Lucia and Jamaica and it is important in Belize as well. How long do we intend to continue to make bananas a source of our vulnerability? When will we do something with bananas to transform it from commodity to product? And how, ultimately, are we going to deal with the banana challenge?

I want to point out that in the manufacturing sector and the financial sector we have seen some build up of competitive capacity. This does not mean that they are sustainably competitive but they have indeed built up significant capacity. Companies such as Republic Bank, RBTT Bank, CL Financial, Guardian Holdings, Associated Brands, S M Jaleel and Company and others have developed, expanded and are competing effectively. All of these companies are Trinidad and Tobago Caribbean companies. However, the build up of competitive firms is not limited to Trinidad and Tobago. The Barbados based Sagicor is trading on three stock exchanges in the region and also from that island, Barbados Shipping and Trading has been growing, expanding and competing. And from Jamaica companies such as JMMB and Grace Kennedy have been doing exceptionally well. Even in the Tourism industry now we are witnessing the emergence of the CARA Suites hotel chain as we acknowledge the long-standing breakthrough of a company such as Sandals. What is to be noted here, though, is that the larger private sector companies have been able to rise to the challenge of globalization through a process of efficiency gains, mergers and acquisitions and export expansion, and in this way significant internal/indigenous capacity has been built. So we can indeed be competitive if we think things through and act decisively. However, the reality of our situation does seem to suggest that firms and companies are better able to act decisively than governments. If we look carefully at the region we will see

that any significant integration that is taking place in the region is taking place at the level of business.

In the middle of 1991 a writer from Japan, Kenichi Ohmae published a book entitled “The Borderless World: Power and Strategy in the Interlinked Economy”<sup>9</sup> and in October 1992 Walter Wriston published “The Twilight of Sovereignty: How the Information Revolution is Transforming our World”<sup>10</sup>. Both of these books focused on the implications of information and technologies for the diffusion of information and the extent to which they were altering the nature of business, societies, nations in a market driven world. Both books to varying degrees took note of the extent to which an increasingly interconnected economy would undermine traditional notions of political sovereignty. At just about this time, however, economic liberalization, mediated by the IMF, World Bank and the IDB, was taking root in the Caribbean along with structural adjustment. Countries in the Caribbean, it would seem now, were ideologically confused; they embraced economic liberalization and structural adjustment on the one hand and fought for continued preferential arrangements on the other, while at the same time some countries sought to assert notions of sovereignty to challenge what was regarded as the high handedness of the multi laterals from Washington. In the end the countries of the region did not liberalize fully, structural adjustment was not consistently followed through, industries such as Bananas were decimated any way and assertions of sovereignty provided no answers to an intensifying globalization. Meanwhile the East Asian countries were being celebrated as success stories – Korea, Taiwan, Singapore and Thailand were all being regarded as economic tigers. What it is important to note from our point of view is that during the 1990s we never really took fully into account in this part of the world the deep significance of the information

revolution in an interconnected economic system that was global in scope. In terms of necessary action it did not really occur to us that perhaps as a region the Caribbean could carve out a response together, both to secure some measure of regional sovereignty (since we were all individually under threat) and to reap some of the benefits of the information revolution.

Other books came to be written about equally vital subjects. Take the case of Francis Fukuyama who now teaches at George Mason University, who wrote a book on how social capital contributes to the creation of a prosperous economy. Entitled TRUST<sup>11</sup> Fukuyama showed how family systems and other forms of social capital facilitated business creation, supported entrepreneurship and fostered the competitiveness of business in East Asian economies. Researchers such as Robert Putnam of Princeton in examining social capital formation and its impact in the USA reinforced the view that as important as information and competitive businesses were, social capital was a significant contributor to economic prosperity. Of course, at this time, books and articles were appearing everywhere on the importance of human and intellectual capital.

If social capital was important human and intellectual capital were vital to the challenge of economic prosperity in a changing world of work in which money and physical assets still mattered but in which information was the new wealth generating resource and brain power and more sophisticated skills were more vital than muscle power. The role of education in fuelling economic prosperity in East Asia became a subject of debate. Some comparisons were done of educational achievement in East Asia and the Caribbean and Latin America and we were found to be lagging behind. Some books for example one on Imitation and Innovation<sup>12</sup> in Korea made

it clear that education, especially tertiary education, played a decisive role in leapfrogging countries forward in the development process. But while information and intellectual capital were important, it was the application of intellectual capital and information in order to create knowledge leading to innovation and other wealth creation and wealth generating activities that really made the difference.<sup>13</sup> And so we found ourselves smack into the knowledge era in which learning and the application of learning came to be regarded as critical for success.

Emphasis began to be placed on learning organizations<sup>14</sup> and on such things as learning and unlearning, knowledge acquisition, knowledge transfer, knowledge system and so on and what this meant was that the value of education, knowledge systems to company competitiveness had just increased. What this meant also was that countries could not hope to build competitive capacity unless they had sound educational infrastructure and systems as part of a wider knowledge infrastructure and systems.

A book such as Thomas L. Friedman "The Lexus and the Olive Tree"<sup>15</sup> made it clear how globalization really works, and how irreversible the process of globalization was, given the interconnectivity that has been achieved through communication technology and the speed with which information can flow from one part of the world to another, notwithstanding any political resistance which might emerge. But Friedman's book also makes another telling point which is that globalization by its very nature is a threat to whatever is authentic and unique and one of the great risks is that we might end up with a universal sameness all across the globe.

This again emphasizes the significance of education this time not only to competitiveness but to the development process itself because it raises the fundamental issue of how does a country or society reap the benefits of globalization without being rolled over by the globalization process. Or how does a society reap the benefits of globalization and not sacrifice its soul.

(v) **THE KNOWLEDGE AND INNOVATION GAP**

So where are we today? In the Caribbean region we find that we have not achieved the optimum in competitiveness. Our agricultural revolution never took place and all our long years of effort as primary producers of agricultural products, whether sugar in Trinidad, Rice in Guyana or Bananas in the Windward Islands, have now led us to a situation in which without preferential arrangements our industries as currently constituted cannot survive. We did not succeed in making agriculture competitive and we did not achieve an effective industrialization either. As a consequence, industrial production is not as widespread or pervasive as it might have been. Many of our industries are small and medium in size and are basically family owned. They will never succeed in a sustainable fashion unless they are given market space to grow, bring in up-to-date technology and take a knowledge-driven approach to management and development.

As long ago as 1949, inspired primarily by the experience of Puerto Rico, Sir Arthur Lewis had recognized that agriculture had reached its boundaries of internal and external cultivation. At that time he argued that, although everything possible should be done to make agriculture efficient and profitable, because the growth rate of the population was faster than the growth of

agriculture, a manufacturing base had to be established to absorb agricultural output, to create employment opportunities and to remove the surplus labour.<sup>16</sup>

Lewis argued that the size of the islands, even with a customs union, was insufficient to facilitate a manufacturing base of ample magnitude to benefit from economies of scale. Lewis differed from Best in that he argued that the small population size of the Caribbean (and this applies to Guyana and Belize which are large countries with small populations) could not provide a basis for internally propelled growth. Consequently, he felt that any manufacturing enterprise, therefore, needed to focus on the foreign market for its sustainability.

Arthur Lewis had very clear views on how industries could be strategically selected:

“The secret of success, for any country is to specialize in those (manufacturers) to which its resources are most appropriate and to avoid the others”.<sup>17</sup>

Lewis was also a strong advocate of foreign investment, not only because he felt that internally generated savings alone could not support the industrialization process, but also because foreign investors brought markets and transferable know-how as well as capital. Lewis also supported an interventionist approach by government and charged that the “Laissez-faire economic philosophy of British West Indian governments has been the principal obstacle to ... industrialization”.<sup>18</sup>

In arguing that an interventionist role for government was necessary for development of the industrial sector, he expressed the view that industries are “gregarious” and “like to move together”<sup>19</sup> and so the absence of industry acts to discourage the formation of new ones. The converse is also true Lewis argued. If industries exist, then there is the definite likelihood that new ones will enter the market. If no industries exist none is likely to come. It is in this context that Lewis argued that a government, in forcing initial industrial activity, could help to accelerate the structural diversification of Caribbean countries beyond agriculture toward manufacturing. Lewis, using the analogy of a snowball for the industrial sector noted:

“Once the snowball starts to move down hill, it will move of its own momentum, and will get bigger and bigger as it goes along”.<sup>20</sup>

In many ways these ideas about the gregarious nature of industries anticipates Porter’s argument about clusters which have won widespread support in both theory and practice today. As I have argued in an article published in a book of essays in honour of Lloyd Best, Trinidad and Tobago seems the one country in the region to have benefited from the ideas of both Lloyd Best and Arthur Lewis.<sup>21</sup> I have already mentioned the significant capacity built by the manufacturing and Banking sector which is today locally owned. At the same time Trinidad and Tobago developed oil, natural gas, methanol, urea, fertilizers and steel as truly competitive global industries through a mixture of state planning and intervention as well as foreign investment. And some transformation of these industries has taken place over time since the single largest player in Trinidad and Tobago’s Methanol industry (and Trinidad and Tobago is the top producer

of methanol in the World) the single largest player in the methanol industry in Trinidad and Tobago today is CL Financial, a local company.

Why did this not happen elsewhere in the region? Could something similar have happened elsewhere? These are questions with many possible answers but we need not dwell on them at this time. What it is important to point out is that it is possible to build industries that can be best in the world and I don't mean only Trinidad and energy because the Sandals all inclusive hotel chain from Jamaica sets the standard for all inclusives in the tourism hotel industry. And it is possible to build competitive companies which effectively expand market share over time whether it is Barbados Shipping and Trading, Grace Kennedy, Republic Bank or S M Jaleel.

Moreover, we can achieve world-class performance in a number of areas. We have won Nobel prizes in Literature and in Economics; our A level students can top the world in their respective subjects; whenever we succeed in getting our act together our worthy team of cricketers are regarded as the best in the world and from time to time our other sportsmen or athletes whether in Golf, Swimming, the one hundred or the four hundred metres distinguish themselves as world leaders in their particular sport or event.

So we have enough evidence which tells us that first of all we can compete successfully in certain areas and secondly, that we can be best in the world if we make strategic choices. There is also ample evidence to tell us that we have never really gotten our act together in the past and that for us to compete, for us to be the best we can be, for us to really rise to the challenge of realizing our potential we must get our act together.

Today, a huge gap exists between us and the more industrialized world. That gap is in information, it is in knowledge, it is in science and technology, research and innovation. The competitiveness of the Caribbean region will improve only to the extent that we succeed in closing these gaps in information, knowledge and innovation through education, research, scientific development and technological application. This is the missing ingredient in business in the region. More businesses will only be able to compete effectively if they close the information, knowledge and innovation gap.

The formidable challenges which we currently face: an intensifying globalization, a pending FTAA (and I know that there are those who argue that the FTAA might never become a reality or might not be achieved within the stipulated deadline, but my position is this: if we are CSME ready we are better prepared for the FTAA and if we are FTAA ready before the FTAA becomes a reality then we are better off to face the world) but we are talking about current challenges and I continue: increasing initiatives at open regionalism, the consolidation of huge trading blocks, an imminent end to preferential regimes, current major setbacks to our sunset industries especially those linked to primary production, challenges to the tourism industry, vulnerability to petroleum price volatility, limited export industry potential because of an undiversified economic base, all of these are challenges which the region currently faces. However, none of these challenges can be met adequately and sustainably if we do not put education, knowledge and innovation into the equation by building a knowledge infrastructure and system.

We cannot be part of the knowledge economy unless we make effective use of information technology as a communication, information and management tool. We cannot make the most effective use of information technology unless we have a telecommunications infrastructure which facilitates low cost easy access to everyone. After all we have small societies including microstates. A country with a million people has about 250,000 households. A country with 100,000 has 25,000 households. A country such as Belize has less than 100,000 households. So the one thing we must not ignore in our countries and in our region is telecommunications and information technology. Anyone who has access to the internet has an information and education tool immediately at his or her disposal and the process of intellectual capital accumulation can begin in an informal way. In an information rich age, in a knowledge economy, in an interconnected world, widespread internet access and connectivity is essential. In addition information communication technology needs to be infused in the functioning of business, government and institutions in other sectors throughout the society including labour unions and NGOs so that efficiency gains are made, effectiveness is achieved and transformation of institutions, work processes and systems come about. But perhaps the key area in which ICT technologies need to be harnessed and deployed is in the formal education sector.

### **EDUCATION SECTOR**

Education is an area in which the region is not doing well comparatively speaking. Here I am comparing ourselves to those who are doing better than us rather than those who are doing worse. Traditionally, the region always had a primary and secondary education system which catered at best for the top 20% and then a small percentage of each generation went on to University or some kind of tertiary or professional education. Today, we find ourselves in a

situation in which few countries in the region have achieved universal primary and secondary education and therefore the numbers that make it to tertiary or University level is rather limited.

Indeed only 24,000 students throughout the region pass 5 subjects at CXC every year to achieve a full certificate. This is out of about 70,000 who offer themselves for the examination. Moreover, students do poorly in basic subjects such as English (only 50%) and Maths (39% pass) and the number of students who study science subjects except for integrated science, is rather limited (3000-5000) in the entire region. The highest number taking a CXC subject in any one year is only about 70,000. Less than 14,000 go on to Advanced Level and less than 40% meet the minimum matriculation requirements for University so that the total annual pool eligible to attend University with the required 'A' level passes is only about 7000-8000 in the entire region depending on whether it is a good year or not. In Belize, you might be interested to know it was only 105 students in the year 2002 who actually passed two or more 'A' levels, but I am quite aware that your CXC graduates go straight on to two-year colleges and four-year Universities.

In terms of tertiary level participation in the region, the figure generally agreed upon as having been achieved is 10%. Caricom has set, in my view, a very modest target of 15% by 2005. But we are also already at the end of 2003. In countries such as the United States, Canada, UK, Finland, Singapore it is between 40 and 60%. Progressive countries around us such as Costa Rica have long crossed the 20% mark. The issue is not only one of numbers and percentages however, but responsiveness to a different kind of world and preparation for a knowledge economy, world and system. So that basically as far as education is concerned, the system needs

to be overhauled, expanded and transformed and we need to develop a strategy in the region that would recognize education as the driver of development in the knowledge era and that would make education the region's number one priority.

But what kind of education? It has to be education in which ICT is a major component and this should be so, whether we are talking about preschool, primary, secondary, tertiary or University. ICT in the classroom will immediately transform the classroom, it will change the role of the teacher as well as the role of the students and in an information rich environment the issue will no longer be one of gathering information but knowing where to find it, knowing what to look for and learning how to apply it. Moreover, the vital issue would no longer be how much to remember but how to think, how to learn, how to approach and solve a problem by applying what we know.

More than enriching education with the technology of communication it is necessary to ask the question what is education for? If in today's world we want to equip our citizens with the skills and capability to function in a knowledge economy; if we want to educate people who can generate internal capacity to produce and invest and we want people who can play a role in transforming our economy, then that requires a certain kind of education. If the society we want in the twenty first century is a productive, entrepreneurial, environmentally aware and creative society, that can generate wealth creating capacity on a sustainable basis; then the fundamental question is what kind of education system do we need to create a productive, entrepreneurial and creative society in which citizens really care about what happens to the environment?

Certainly we cannot continue in the way in which we have been going with the education system because that will mean that we will simply continue to support the society we have now. Nothing new or different will happen if we continue as we have been doing. And how can we get a different outcome from our education system if we have the same teachers functioning in the same traditional way?

So that we have to start with the teachers in the School of Education throughout the UWI system, the Teacher Education departments of other Universities in the region such as University of Guyana, University of Suriname, University of Belize and all the teachers in the Teacher Training institutes. By retraining these teachers who teach our teachers who function in the preschool, primary and secondary areas we will succeed in creating in the region a cadre of master teachers who can equip other teachers with the skills, competence and techniques to be quality teachers effective in the knowledge age. The whole idea behind the retraining of Teachers would be to make them creative, sensitive to environmental issues, entrepreneurial and innovative so that they would create a generation of environmentally sensitive, entrepreneurial, creative, innovative teachers who would in turn create generations of entrepreneurial, creative, innovative, environmentally sensitive citizens of the students who pass through their classrooms. In addition, all the teachers in the primary and secondary system would also have to be retrained. This would be in the first instance a measure for damage control in the sense of not wanting to perpetuate the irrelevancy of the system but also it would be a means (coupled with the infusion of ICT within the classroom) of transforming existing classrooms and schools and therefore the education system itself.

I want to say that it is quite possible to do this. I have personally been involved in a project with the Ministry of Education in St. Lucia involving 103 schools together with my colleagues from the St. Augustine campus and significant transformation was in fact achieved over a two-year period. It goes without saying that all teachers of tertiary level institutions would also need to be retrained and retooled and that would include all University teachers as well.

We are talking about a sector and system transformation here. All preschool teachers in the system would have to be specially trained and systematic training of all new preschool teachers and all new teachers before they enter the profession at any level would have to become a fact of life.

Essentially, the retraining and retooling of teachers at every level of the system would facilitate a complete overhaul, reorientation and reinvigoration of the entire education sector. In repositioning the education sector as the driver of the development process we would need to determine what kind of outcome we want from different levels of the system and that would assist in determining the character, content and methodology of the teacher training and retraining programme. Focusing on the outcome we desire at each level of the system in alignment with a strategy for the development of a knowledge economy will alter dramatically the way we approach education and the things we emphasize in the development process. Let us say for instance that we could agree that the objective of preschool education, which is such a vitally critical aspect of education in perhaps the most absorbitive years of a child, were to develop a curious, creative learner who values cooperation, collaboration and working together to achieve objectives; that such a child by the time he enters primary school would have

developed some concept of right and wrong, would have been exposed to the computer and would be culturally rich. Then we would need to design the preschool curriculum and programme to achieve that and teacher training at this level would accordingly take such things into account.

What about primary education? Suppose we agreed that what we wanted to develop out of the primary school system was a child who at the age of 12 would be a self disciplined purposeful learner and self developer, confident and curious, oriented towards problem solving who has mastered the basic skills of reading, writing, adding, subtraction, multiplication and division, computer literacy, some scientific exposure, technological literacy, teamwork and cooperation. Suppose we could agree that this child of twelve would also be aware of the significance of ethics and ethical considerations, that his or her creative, analytical and entrepreneurial skills should at least be teased and that primary education should be infused with cultural richness and vitality including information about healthy lifestyles. Again here, alignment of curriculum and programme to these objectives and preparation of the teachers to facilitate the programme and achieve the objectives would be necessary.

What about secondary school? What should we be doing with these adolescents? Suppose that we could agree that we would seek to create sixteen year olds who were self confident, capable of self expression and thoughtful discussion, who had the experience of some kind of research, who would have a sense of not just being an individual but also part of a wider community, whose competence in the basic skills in reading, writing, basic maths and computational skills and computer usage and applications would grow. Suppose we helped that kid to grow

intellectually, to be a responsible citizen, a problem solver, a contributor and we developed his/her socialization skills and some managerial and leadership skills. Suppose we focused on developing strong analytical skills, ethical values, developed the creative, entrepreneurial and innovative spirit and prepared this young man or woman for lifelong learning. Again this would require alignment of curriculum, programme, plan, and delivery with objectives and alignment of teaching dispositions, approaches and methodologies with curriculum and objectives through training.

There is general agreement that technical and tertiary access needs to be expanded, but what do we want to achieve at this level? Suppose we can agree that the first thing that we want to do at technical and tertiary level is to reinforce and consolidate the high school skills and competencies and take the student more deeply into these skills and competencies. But the student here is being prepared for the world of work and life in the real world so we need to ensure that when he completes technical and tertiary, besides the skills of his or her special area and besides computer applications skills which at this level we take for granted, we should also have an individual capable of sound analysis, who is a problem solver, team player and community builder. Again we want to strengthen the creativity, entrepreneurial and innovative skills not to mention the further strengthening of ethical values. Since this person is likely to end up being a worker and possibly supervisor and even manager of either his or her own business or someone else's then those who make it through the technical and tertiary systems should also be prepared for lifelong learning and strengthened with leadership skills. Moreover, we want to strengthen the lifestyle behaviours to guard him/her against diabetes, hypertension, cardiac

diseases and HIV/Aids. And we want to create a citizen who will not mindlessly degrade and damage the environment.

I do not need to stress the significant realignment of curriculum and teacher training that would have to take place at this level, and given the changing face of tertiary education in the region, the emergence of national colleges to complement the regional University of the West Indies and the development of a regional community college system, it seems to me that we will be needing many new teachers to support the expansion of the tertiary system in the region in the near future and therefore we need to have a plan for the training of tertiary level teachers in the region. At the St. Augustine campus of the University of the West Indies we have both a School of Education that is beginning to focus on some of the issues related to tertiary education and the Instructional Development Unit which specializes in instructional methodologies, techniques and technologies at the tertiary level.

And what about the University of the West Indies? The students who enter the University of the West Indies are the brightest and the best in the region by the standards of the system in the region. They come largely from the 'A' level pool in the region and they come from a select group within this already limited pool. So students first of all must have at least two 'A' levels (and generally more is required) and they must have top grades. The University of the West Indies is expanding its intake considerably in order to support CARICOM in the achievement of its 15% target by 2005 and in order to support the development needs of the region. In this 2003-2004 academic year the University of the West Indies will be serving about 30,000 full

time students in a range of faculties and disciplines. In addition, there are part-time offerings and an active distance education programme.

But what should the University be producing? What should be the outcome of three years of undergraduate education after 'A' levels at the University of the West Indies? UWI is in the process of implementing a strategic plan 2002-2007. We are committed to creating society's leaders by example who will be lifelong learners creating learning environments wherever they go. Besides the information, knowledge, skills and competencies which they will undoubtedly possess, we want to ensure that they are committed to enlightened leadership and play a leadership role.

We need to take into account how the education sector works as a driver of the development process. University students become knowledge workers in the system and eventually supervisors, managers and ultimately leaders in the economy and society. Some of them become entrepreneurs and we are seeking to increase the number of those, they become creators and artists of one kind or another as well as teachers and researchers in the system.

At the level of technical and tertiary education (a number of the newer tertiary institutions focus on technical, science and technological subjects) the focus needs to be on skills and competencies aligned to the market. This needs to be linked to some kind of national planning framework both in individual countries and in the region as a whole and such a planning framework needs to take into account the reality of the knowledge economy and a development focus which links investment strategy, diversification strategy and human development strategy

to one another and to development targets. But out of the technical and tertiary institutions, entrepreneurs, creators and teachers will also be produced. Development links between the University of the West Indies and other tertiary institutions should be actively pursued to strengthen the system as a whole so that articulation arrangements can become routine, synergies can be leveraged and complimentaries strengthened. We must work actively therefore not just to build a tertiary institution but to build a tertiary sector and system functioning as clusters usually do to share information, increase synergy and improve standards. But the entire primary and secondary system needs to be fundamentally overhauled. We need to establish universal preschool education in every country throughout the region in order to give our children and our newest generation a head start in the world. But we also need to ensure that we achieve universal primary and secondary education in every country throughout the region. It is education up to secondary level that builds up the absorptive capacity required to make one's way through tertiary education and full participation in the knowledge economy. So we must achieve universal education for all our children up to age sixteen and we must teach them more than just passing exams. We must teach them attitudes and values, root them in the region yet give them a global outlook, teach them to be confident in and proud of who they are but also to appreciate and value diversity and to develop the capacity to put themselves in the shoes of the other. Teach them to preserve the environment and not to live unhealthy self-destructive lives.

As I have hinted, the focus on the kind of person whom we wish to produce at different levels of the system and ultimately from the system as a whole will have implications for the inputs that we make and therefore change is necessary in a number of key areas. For example, examinations will have to be rethought and redesigned. Curriculum, teaching methodologies, classroom

culture, learning strategies will require massive realignment. The integration of ICT technology is fundamental. Approaches to individual and group work will have to be thought through. Internship in private and public sector for all tertiary level students should be implemented. And I am happy to share that we are in fact doing this at the UWI St. Augustine Campus. And not only teacher training and retraining but teacher recruitment and teacher reward systems – all of these things will have to be transformed.

But we should not ignore the fact that while we need to continue to provide a great deal of our education via face to face mode, even while supporting such teaching and learning methodologies with information technology, the use of CD Rom etc. we must not ignore the fact that one of the great innovations in education today is technology to support distance education.

We need to build in the region a distance education capability which combines the strengths of all the Universities and University Colleges of the region. I believe that some discussion on this is taking place through UNICA (the regional network of Caribbean Universities). This is very important because currently various international institutions are working at various levels and with different governments to promote agendas which may not always be compatible. We need to work in the region to establish a common agenda and plan which is technically sound, sustainable on a long-term basis and acceptable to all the countries and key institutions that are in a position to contribute. If the IDB works with Trinidad and Tobago, and the World Bank works with the OECS and another institution works with Belize and so on, we will only keep going around in circles. We need a distance education framework and system where we can be complimentary to each other and supportive on one another and one which given our citizens

easy access at low cost with reasonable choice at the same time we build up institutional capacity to deliver. We need to be alert to what is happening in the realm of educational services at the level of WTO. We must not create a situation in which the internet provides a means to undermine the development of national and regional capacity from the outside. We must not create a situation in which national and regional educational institutions are undermined by international deliverers from the industrialized countries. Nor should we have a situation in which the opportunity to develop our own national and regional capability in distance education is undermined because this capability is already in an advanced stage of development elsewhere.

### **THE CHALLENGE OF DEVELOPMENT**

Globalization already favours the highly industrialized countries which dominate the world in investment, trade, education, science, technology, education and research. The major exporters of education are in fact the USA, UK and Canada. The development of a distance education policy framework, a strategy and an implementable plan of action should therefore be of a high priority on the regional agenda. We are developing the capability in St. Augustine and Mona to transmit and receive lectures from one classroom to another across the globe. If you develop that capability here in Belize, then the possibility of exchange and sharing through technology will be possible. Also web based and CD Rom education is proceeding apace at the University. We should also not forget that limited institutional capacity is one of the current drawbacks of the region. We should also bear in mind that one of the reasons our food import bill throughout the region is so high is because we ourselves have not succeeded in developing an effective and efficient food production capability. And that the reason why we import so much in the non-

food sectors is because our import substitution strategies failed with the end result that we were never able to produce competitively what our own markets are demanding. And if we cannot produce competitively for the home market then there can be no platform for an export thrust.

Our current economies with their narrow production base, limited export capability, and preferential arrangements have brought us to a position at the beginning of the twenty-first century where we have significant poverty and unemployment, large numbers of unskilled unemployed, limited skills at supervisory, management and technical level, a mismatch of skills and competence to the market, continuing brain drain (nurses, teachers, professionals) not enough investment from abroad, limited investment from inside, hardly any innovation: basically wrestling with the challenge of development in a condition of under development in yet another century. The only thing is that in this century information is the critical wealth generating resource, intellectual capital is the critical asset of any country, and knowledge is the key currency. No society can compete in the global knowledge economy if it does not transform itself into a Learning Society. Indeed only learning societies will be able to compete in the knowledge economy. The Caribbean region must pursue the goal of becoming a Learning Society by making education its number one regional priority and making the education sector the driver of its development thrust. Key in this is reorganization of the entire pre tertiary system and expansion and greater emphasis on the tertiary sector. The Caribbean can no longer look to land, labour and capital to secure a sustainable future. It needs instead to focus on information, intellectual capital, knowledge and innovation. For this it must link intellectual capital formation with ICT technologies in order to integrate into the global knowledge economy. ICT technologies present a new platform for the creation of a new economy. The way out of

underdevelopment is through development of the human mind and by leapfrogging to make the available technologies of communication and information our own. Intellectual capital is the resource today that will generate an internal dynamic as well as attract foreign investment in knowledge-driven industries to stimulate the region in building a new economy. The decision to speed up the pace of development in our region is in our hands.

Based on my experience of living in the Caribbean and my observations of what has been happening in certain countries over the last two decades, I want to share with you a perspective on what makes development happen. My perspective is not that of an economic historian and having mentioned Lloyd Best and Arthur Lewis already, I am not going to dwell any further on the views of development economists regardless of their perspective. I share a quotation with you now from a 19<sup>th</sup> century educator and philosopher from Peru named Augusto Salazar Bondy. This is the quotation:

*“Underdevelopment is not just a collection of statistical indices which enable a socio economic picture to be drawn. It is also a state of mind, a way of expression, a form of outlook and a collective personality marked by chronic infirmities and forms of maladjustment.”*<sup>22</sup>

I want to emphasize that what Salazar is saying is that underdevelopment is a state of mind and a form of outlook and I want to ask bluntly if we in the Caribbean are prepared to take a hard look at the chronic infirmities and forms of maladjustment which need to be addressed? Bondy is saying that the problem of underdevelopment is a problem of mind set and if we agree with what

he says then unless we have a significant mind shift among the people of the region, starting with the leadership in politics, government, business, labour unions, NGOs and the education sector, unless we have a significant mind shift in the region we are unlikely to make any real progress.

First of all we need to make an ideological shift in order to come to terms with current and future realities and the fundamental challenges that we face in order to find solutions for surmounting this challenge. We need to fully understand the world we live in from our perspective, to grasp the full meaning of living in such a world for us. And that only comes with research, analysis, clarity of thought, exchange of views, public education and dialogue and the engagement of ideas and issues. Out of such a process some clarity of philosophical perspective might then emerge. There is no doubt at all in my mind, that, unless we develop a different less insular world view, a more can do attitude, clarify our value system and shift our mindset we are not likely to make any significant leap in the short term. We need to change the way we think but also the way we act. Because once we succeed in shifting our mind set (changing our paradigm so to speak) we need to change our behaviours so that thought and action are aligned. Finland experienced 900 years of colonialism under the Russians and look at that country today. Iceland is cold and relatively isolated today with a population of just 300,000 yet she is a modern sophisticated country. Singapore and Malaysia have built their economies on education, research, science, technology and business through foreign investment. Look at Costa Rica compared to the rest of Central America.

What are some of the things we need to change? We need to change our view of the world and our perception of our place in it. We need to change the way we think about ourselves, our

society and the world around us. We need to change the way we behave and act individually and collectively. For that we need a transformation of entire system and where you might legitimately ask do we begin?

Ideally, we must begin in the heart and mind of every citizen in the region. This is tackling the challenge at the human system level. We have to tackle the issue of the relationships and culture at the level of the family as a unit. Here we are addressing the challenge at systemic level with the family. And then we must move systematically to our institutions. The private sector, the business sector which constitutes the industrial and commercial system; the public sector and its institutions constituting the government, administrative and service system, then the trade union movement, essentially the worker interest and advocacy system and then non-governmental and citizens organizations, the multiple constituencies that contend for space in a democratic system.

Unless education is infused into all of these systems as a kind of lifeblood transfusion to transform them to meet the challenges of an interconnected global age of knowledge then we are unlikely to see real development happen. Because at the end of the day in all of our individual societies and in the region as a whole we need to build our own national and regional interconnectivity and synergy within a shared framework of development. Governments, business, labour, public sector, NGOs, whatever other institutions and the mass of citizens in every country and throughout the region need to be pulling together in the same direction, finding common ground to meet the challenge and threat of globalization. By viewing self-interest in the context of national interest in the global system; by agreeing to disagree within a mentally shared framework, we can succeed within national systems to find common ground even on the most

contentious issues by keeping the bigger picture constantly before us. And what is the bigger picture?

The bigger picture is to view development within the context of a higher standard of living and a better quality of life for an ever-increasing number over time measured against international benchmarks. And just as we need to cede self interest within a society in order to see the bigger picture and rally behind a national development strategy or objective in the context of a threat from global forces, so too within the region individual governments need to cede national sovereignty as they grasp the bigger picture which is to view development in terms of a mentally shared framework for the region as a whole as developing a higher standard of living and better quality of life for an ever increasing number over time measured against international benchmarks for the region as a whole.

This is why I make the argument for a transformed education sector with an overhaul of the entire system and an emphasis on the leverage possibilities of the tertiary sector and that is why I take the view that only a Learning Society can compete in the knowledge economy. Because the engine of development in our time is human creative capacity.

We asked the question what makes development happen? Let us answer that with a quote from Lawrence E. Harrison who wrote a book some years ago called Underdevelopment is a State of Mind. I quote from Harrison:

“What makes development happen is our ability to imagine, theorize, conceptualize, experiment, invent, articulate, organize, manage, solve problems and do a hundred other things with our minds and hands that contribute to the progress of the individual and of humankind. Natural resources, climate geography, history, market size, governmental policies and many other factors influence the pace and direction of progress. But the engine is human creative capacity.”<sup>23</sup>

But how does that human creative capacity work? Let us pay attention again to what Harrison has to say:

“It is not just the entrepreneur who creates progress, even if we are talking narrowly about material-economic progress. The inventor of the machine employed by the entrepreneur, the scientist who conceived the theory that the inventor turned to practical use; the engineer who designed the system to mass produce the machine; the farmer who uses special care in producing a uniform new material to be processed by the machine; the machine operator who suggests some helpful modification to the machine on the basis of long experience in operating it – all are contributing to growth. So is the salesman who expands demand for the product by conceiving a new use for it. So too are the teachers who got the scientist, the inventor and the engineer in their professions and who taught the farmer agronomy.”<sup>24</sup>

This kind of thinking is “systems thinking” and therefore if we want a society that is productive, entrepreneurial and creative and that can generate wealth-creating capacity on a sustainable

basis, then we need to redesign the education system appropriately to get the society we desire. And we therefore have to put our house in order together because not only do we need a different kind of education to play a more strategic role but we need to develop the synergies between the inputs and outputs of the system developing a national and regional wealth creation and wealth generation capacity in the process.

There can be little doubt that the Caribbean is lagging behind badly now in the field of education, the key to development and successful participation in the international system. The term education refers not only to education in the conventional sense but also includes knowledge in the broader sense since the globalized society is characterized by an explosion of knowledge and the availability of such knowledge.

The education system must be strengthened since it provides training for the workforce. Of the approximately 700,000 students in the 16-24 cohort in the region, the group that places the greatest demand on the tertiary education system, just over 80,000 are undergoing tertiary education. There is no need for me to stress the urgency of increasing these numbers as rapidly as possible if the region is to have even a remote chance of competing successfully.

I want to emphasize that all sectors of society have a role in creating a system of education that meets existing and anticipated needs. No progress will be made unless all sectors of society recognize the importance of education. National governments alone do not have the means to create a successful system. The education sector must therefore be repositioned to facilitate development at a faster pace in individual countries and therefore in the region as a whole.

Public policy must recognize that education lies at the basis of capital formation, that it creates new knowledge and thus wealth.

We therefore require a sound preschool, primary and secondary system that recognizes the importance of sound communication, mathematics, the humanities and science and technology. In this context, the lack of national systems of articulation and accreditation is a cause for national and regional concern, given the explosion in the availability of private sector tertiary education, the decision by CARICOM to facilitate the movement of professionals under the CSME and the impending liberalization of trade in services at the level of the WTO. The establishment of national accreditation bodies is an integral part of the regional accreditation system to facilitate the integration of the tertiary education sector nationally and regionally and also of giving our citizens access to the systems of the world.

The establishment of the CARICOM Regional Accreditation Agency should be established as soon as possible to facilitate the establishment of a seamless, efficient, internationally recognized system of post-secondary and tertiary education. It will facilitate the movement of adequate numbers of people from national tertiary level institutions (TLIs) to the University of the West Indies and reinforce the links between UWI and regional TLIs as well as facilitate easy movement across institutions throughout the region.

## **RESEARCH, DEVELOPMENT AND INNOVATION**

I emphasize the importance of increased education opportunities since trade and international competition have become more and more knowledge-based. We have no choice but to pay greater attention to the development of national networks focused on the adoption, adaptation and dissemination of new technology as well as national Research and Development and Innovation. This requires incentive structures, coordinating mechanisms and the graduation of more trained specialists. More generally, to compete successfully, the skills levels of our citizens must be upgraded through more effective education, access to vocational training and day-to-day exposure to information technology. Given what we know of the global economic reality, you will understand therefore why, not only is education important but why lifelong learning, the creation of a learning society is so crucial to the Caribbean.

It is generally accepted that societies and economies in which inventive talent is nurtured are leading sources of invention as well as potential sources of much innovation and new technology. The encouragement and accumulation of creativity, knowledge, skills and experience is thus a prerequisite for our society to become a major source of invention, innovation and new technology and thus create wealth for our people and the ability to compete effectively in the international economy. But this will take time since the talents and intangibles required may not necessarily be widely known or may even be difficult to determine in our circumstances. We therefore have a major challenge on our hands in fostering the necessary creativity, knowledge and skills.

At this stage, I want to emphasize the importance of investing in graduate research, of strengthening the graduate and research capabilities of the University of the West Indies to

encourage knowledge-based innovation in industry and informed policy making at governmental level. We can only address the problems of our society if we bring our best minds to consider them. Encouraging graduate research is crucial, not only to create new knowledge, the dissemination of which is crucial for encouraging invention and innovation, but for ensuring that we train the next generation and build up a cadre of individuals capable of serving as experts and problem-solvers. In this context, Caricom governments have an obligation to increase funding for all tertiary education but especially for the University of the West Indies since it is the strongest research university in the region and since it is already involved in resolving many issues for the private and public sectors. Collaborative research between UWI and national Universities should be actively encouraged to solve national and regional problems and existing national and regional research capacity should be reoriented and strengthened wherever they exist.

Innovation and invention create both opportunities and challenges. On the one hand, the emerging global economy provides the Caribbean with the opportunity to tap into the global knowledge base. Since we spend only a negligible amount of GDP on research and development, we must increase this if we are to meet the challenges of our industrial sector. There is no country in the region which contributes as much as 1% of its GDP as an investment in science and technology. Most industrialized countries invest at least 3% and some as much as 10%. At the same time throughout the region we have a marked shortage of skilled workers in science and technology related fields. High tech exports as a proportion of manufactured exports for the region remains very low at 2%. The major high tech exporters are USA, Europe and Japan.

In order to gain access to the global knowledge base, the Caricom region must therefore build networks and develop collaborative opportunities. We must create post-graduate and post-doctoral training funds to facilitate the establishment of these opportunities by exposing our citizens to global centers of excellence in advanced science, high technology, entrepreneurship and innovation. Since countries with the strongest performance in research and development themselves can also assimilate foreign innovations most quickly and effectively, it is imperative that we therefore improve the ability of our scientists and technologists to tap into the global knowledge base. A strong and coherent innovation system is thus valuable not only in its own right but also to facilitate the entry of Caribbean countries and their successful participation in the global innovation system. Simultaneously, we must address the protection of intellectual property rights as we develop and expand our research.

Even a seamless meaningful education system, however, that facilitate global integration is not enough. We need further to build a research, knowledge generation, transfer and innovation system. A competitive economy in the knowledge age requires a knowledge system to support it. We therefore need to design and construct a knowledge system in the region. Everything that we do must be informed by knowledge. Our citizens must be learners willing to absorb, thinkers capable of customizing, culturizing, and innovating and doers dedicated to creating.

I am afraid that the Caribbean has been much too sanguine about economic and trade issues and pays too little attention to the growing economic integration between North America, the EU and Japan/ASEAN as well as to the fact that most international trade takes place within multinational

corporations in locations across the world. If this region does not recognize the importance of creating the most favourable terms for its active and effective participation in international economic and trade activity, it will remain a backwater. If it continues to ignore the creation of an education system that is on par with the best in the world and that is open to all on the basis of merit, it will fall further behind.

Several challenges must therefore be confronted. There must be unequivocal commitment to national and regional development and economic integration as a prelude to closer integration with the international economic system. There must be determined and purposeful domestic leadership that is supported by the majority of the population. Unless the urgency of internal reform and external involvement are appreciated across all sectors, there will be no support for the difficult decisions that have to be taken.

There is no magic solution to ensure the Caribbean adjusts to the new global reality. Common sense and a commitment to change are the priority. But the time that is available is short. Unless Caribbean countries adopt an honest and straightforward approach to their shortcomings and failings and recognizes that there is no more time to procrastinate, unless the Caribbean gets its economic house in order and unless its leaders pay attention to the needs and wishes of national populations, the regional movement may well become yet another footnote of Caribbean history.

It makes little sense to connect to the world, shift our paradigm, liberate our population through education and develop our knowledge capabilities and capacity if we cannot manage threats to

our freedom and security. Indeed our very existence, peace, safety and security are vital to Caribbean development. The events of 9/11 have made the situation much more urgent than ever.

### **SECURITY – Fundamental to Development**

Security issues and the threats posed by trafficking in drugs and arms, organized crime, money laundering and financial crimes, computer and cyber crime, commodity smuggling, the theft of intellectual property, porous borders and terrorism, among others, have serious consequences for national governance, the successful functioning of economies, social well-being and national and regional stability. While many of these may be seen as national problems, they can only be solved within a regional context and as part of a larger process of solving a set of interdependent problems.

The illegal drug trade involves more than the development of an illicit market or a parallel economy. In several countries in the Caribbean and Latin American region, narcotics-related corruption among public officials, the judiciary and the protective services, has caused the virtual collapse of the state apparatus and has ushered in the rule of drug cartels. A novel approach to security as well as a comprehensive, integrated monitoring, regulatory and action system are therefore required urgently.

This is what CARICOM had to say about the impact of crime in the region:

*“The negative impact of crime and violence on the sustainable development of most member states compels us to see a clear link between crime prevention and development strategies. Foreign investment, which is an essential requirement in the development process, is impeded by the social instability which exists in several member states. Social stability, on the other hand, can only be achieved if there is specific investment in the communities. This ‘chicken and egg’ situation, in the view of the Task Force, necessitates an urgent shift in emphasis from that which approaches crime as “security issue” to one that tackles crime as a “developmental and social issue”.*<sup>25</sup>

Clearly security has become a fundamental developmental issue.

In order to address the broad range of threats to the region, the following may be considered:

- Harmonisation of domestic and regional strategies, co-operation on cross-border operations, and better understanding at functional levels of the operating and legal systems of neighbouring countries.
- Governments must treat the illegal commodities and their markets as a whole, to determine how to attack the market itself rather than depending solely on legislation and law enforcers to stop the activity of the criminals or a specific criminal business.
- Appropriate national and regional legal frameworks (updating laws if necessary) and better use of existing legislation are vital.
- Greater cooperation is needed among government departments, including sharing information to help create proactive national and regional strategies. A multi-disciplinary

approach with increased cooperation among government, law enforcement agencies, and the private sector is imperative.

- Governments must raise public consciousness about the threats confronting the region.
- Intensified national efforts against criminal elements should be supported by regional efforts.
- More research, analysis, and evaluation of criminal operations at national and global levels should be funded. Academic researchers should have access to law enforcement information in order to prepare reports that can be fed back into the policy field and to law enforcement officials.
- Infusing the education system and culture with an anti-drug bias in order to condition lifestyle choices and influence the growth of the market.

In addition to the establishment of institutional frameworks and the undertaking of research, there are concrete steps that may be considered urgently. The establishment of an Integrated Investigative Service will ensure security of member states affected by trans-regional criminal activities, particularly those relating to the movement of narcotics and related offences, including the easy movement of criminals between jurisdictions.<sup>26</sup>

A regional police force is not being proposed but rather a corps which deals with the type of problem with which national forces cannot cope. The regional investigative service would form part of the existing Regional Security Service which would derive its authority not from an intergovernmental treaty but from a 'direct effect' treaty. Its accountability would, in turn, be

directed to appropriate institutions, laws and regulations of this system. Thus, the Investigative Service would have automatic authority to function in member states.

The establishment of such an institution is premised on a fundamental decision that needs to be taken at this point, this is, the extension of the OECS-Barbados Regional Security System to encompass the southern flank countries of Trinidad and Tobago, Guyana, Suriname and Belize. Moreover, we should cooperate with the major powers of the world and collaborate with all countries whose shores are washed by the Caribbean Sea to secure our maritime borders to establish the Caribbean Sea as a Sea of Peace and to make the Caribbean region as a whole as crime-free as possible. These recommendations were included in a report which I did together with other colleagues from UWI for CARICOM Heads meeting some time ago.<sup>27</sup>

In that report we also mentioned things that needed to be done nationally in every country throughout the region in order to build up national capacity in economic, financial, ecological, human and social terms and things that require regional coordination if we are to reap the most significant benefits in national as well as regional terms. I will not dwell on these here except to say that for all of these things from tourism and agriculture to energy and social development, we need to introduce a knowledge-based approach. Adhocracy has no place in the knowledge era.

As I close, I again reiterate that the challenge for us regionally is to integrate into the global knowledge economy in order to reap the benefits of globalization. We must use knowledge and the technologies of information to facilitate convergence of our production systems and improve productivity and competitiveness by linking the education, research and innovation system with

our production sectors. We must do what we can to secure our borders against crime and criminals, terrorism and terrorists. We must educate our people to prevent the proliferation of lifestyle diseases. We must systematically adopt an open regionalism approach to trade, investment, markets and development. I have in the past advocated integration of CARICOM and CACM. I am sure that, properly thought through, such a development would redound to Belize's favour and I am sure benefit the region as a whole. I have expressed the view in the past that we should do these things before FTAA and Cotenou are realities and that our strategic approach should be one of open regionalism, simultaneously in the context of the hemisphere as well as globally.

But I close on the note of good governance and leadership and management of our people. We will make no progress unless our people cohere. We need national plans with education and knowledge as the driver and all of these national plans should converge in a regionally coordinated effort with a vision of possibility for the region pulling us forward. National populations must buy into this and so the regional population as a whole can look to the same sunrise on the horizon. But the combative political systems and the multi ethnic, multi religious nature of our societies need to be effectively managed so that the national and regional will of our people can be summoned to a noble purpose. With your mixture of mestizo, creole, maya, garifuna and other diverse elements of your population, you in Belize should understand this well. Fragmentation is easy, cohesion difficult. In this region we must set an example and rise to the challenge of harmony and cohesion.

So what is my answer to the question? How do we redesign our strategy for Caribbean development in the age of globalization?

- Recognise that only Learning Societies will be able to compete in the global knowledge economy. Make a commitment to create and build a Learning Society in the Region.
- Build a knowledge system and make a transformed education system the driver of development; dovetail investment and diversification strategy with education output.
- Embrace ICT as an ally in the development of a Learning society and to integrate into the global knowledge economy by building a new knowledge based Caribbean economy.
- Use the ICT platform to infuse knowledge into dull systems and to transform existing institutions and production systems into more relevant and competitive entities and facilitate their convergence with the new economy.
- Link and integrate the tertiary sector throughout the region and leverage the sector to quicken the pace of development. Give the University of the West Indies system the mandate to drive the sector and to support the development of national systems and institutions.
- Synchronize national plans and regional objectives in developing a knowledge-based strategy for the region as a whole.
- Secure our borders and make the Caribbean Sea a zone of peace and the region a relatively crime-free zone through regional and international collaboration.
- Unite the people behind a vision for national and regional development which gives the Caribbean region the desire of carving out a meaningful place in the world as they educate themselves, lift themselves out of poverty, adopt healthy lifestyles, secure higher

paying jobs in a knowledge-based economy and contribute to the wealth creation process through productivity and creativity and ecological sensitivity.

I take this opportunity to wish the Honourable Prime Minister, the government and people of Belize a Happy 22<sup>nd</sup> Anniversary of Independence on September 21<sup>st</sup>. I take this opportunity to wish CARICOM Happy 30<sup>th</sup> Anniversary. May the people of the Caribbean soon rise to their true potential and empower themselves and our region through education and knowledge. Onward to a Learning Society in the Caribbean.

Dr. Bhoendradatt Tewarie  
Pro Vice Chancellor and Campus Principal  
14<sup>th</sup> September 2003