

## **CARICOM – do integrative efforts of small states make sense?**

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### **Abstract**

Globalisation is not slowing down in the new millenium. When not able to support their international position through some valuable comparable assets, small states in particular can have problems with self-assertion. For such states one way to attain more acknowledgement is to join with others which is happening in various parts of the world and on various levels.

One example of such integrative efforts by small states is CARICOM which was formed in the 1970s and includes mainly former colonies of the United Kingdom in the Eastern Caribbean area. The aim of this analysis is to discover the extent to which the endeavor of small Eastern Caribbean states is effective and whether it contributes to their better promotion and self-assertion in international relations.

**Key words:**Caribbean, integration, small states

### **Introduction**

Globalisation, generally understood as the quickening of the connection between different areas in the lives of individuals, groups, states, and economic units, was a highly modern term in the 1990's, and this process is not slowing down in the new millennium. When not able to support their international position through some valuable comparable assets, such as strategic raw materials, production or geopolitical location, small states can have problems with self-assertion. For such states, one way to attain more acknowledgment in international relations is to integrate with others, which is happening in various parts of the world and on various levels. The importance of integration is also underlined by the fact that even states playing a significant role in international relations intensify their influence through the association with other states. In Europe, for example, such associations have included the European Union, EFTA or the dissolved COMECON. Also there have been numerous attempts to establish a purposeful integrational coalition in Africa (Krejčí 1997, 155), for example ECOWAS in West Africa, SACU in the south, EAC in the east or COMESA – the Common Market for Eastern and Southern Africa (El-Agraa 1999, 15-17). A purposeful integrational group has also been forming in Asia over the last 10 years in the form of ASEAN and countries in the Pacific-Asian region are joining in the free association of APEC. There are many integrational associations also in the western hemisphere. The most influential is the North American Free Trade Association (NAFTA), but gaining in importance is MERCOSUR in South America, and geographically in between lies the Central American Common Market - CACM.

The status of small member states of the European Union is an example of how participation in an integrational group can benefit their interests in foreign policy. Also the Visegrad cooperation between Central European countries for over ten years shows that common policy between small countries can increase their influence in foreign policy (Gubová 1999, 108). The evaluation of the Central American Common Market (CACM) (Rodlauer, Schipke 2005, 3) reveals the usefulness of coalitions as well. Regional academic

circles regard CACM, despite its slow advancement, as positive mainly because an integrational group can withstand globalisation pressures better, cope with economic regression, and negotiate with foreign partners; also investment resources can be more easily reinvested back into the region (Trinidad 2004, 81). Another example of new regionalism (Cihelková 2007, 1-25, 107) and such integrative efforts of small states is CARICOM, the Caribbean Community and Common Market, which includes mainly former colonies of the United Kingdom from the Eastern Caribbean area. The aim of this analysis is to discover the extent to which the endeavor of the small Eastern Caribbean states has been effective and whether it contributes to their better promotion and self-assertion in international relations.

### **Basic characteristics of the CARICOM member states**

All member states of CARICOM are located in the area of the Caribbean Sea, which determines their way of life (Gubová 2007, 73-96). None of the member states is an inland state, all states have similar climates, and regarding the area and population, they belong to smaller states. Only some of the member states have important natural resources. The production of sugar, which in previous centuries determined the economy and the way of life, has become marginal and many states depend on the import of food nowadays. The majority of the states derive their largest economic benefit from tourism, and some specialize in financial services. Even if the differences in the living standards of the states are very large (relatively rich Barbados and very poor Haiti), the key problems in all of them are the social situation, unemployment and education. The majority of the member states have very similar colonial histories, in which the leading role was played by Great Britain, but France and Holland played parts also, hence the similarity of cultures, language, composition of the population and political practices. Labor forces were imported to all territories of the area in the past, mainly from Africa (Kašpar 2002, 111). The most common language in the area is English. One exception is Haiti, where French is the official language, and Surinam, where Dutch predominates, but English is also widely spread there. Aside from these languages Creole (Saint Lucia), French dialects, Hindi and Chinese are also used on some islands. In Guyana, Amero-Indian dialects are used. In Surinam, even Javanese is common as a secondary immigrational effect and also the Taki-Taki language, sometimes called Surinamese.

### ***Geographic particularities***

Member states of CARICOM are in most cases island states, and the exceptions are Surinam and Guyana on the South American mainland and Central American Belize. They have a similar number of inhabitants and not a very big area. The five member states with less than 100 000 inhabitants are Antigua and Barbuda, Dominica, Montserrat, St. Kitts and Nevis. The states with between 100,000 and 300 000 inhabitants are Barbados, Belize, Grenada, Saint Lucia, St. Vincent and the Grenadines. The states with between 300,000 and 1 million inhabitants are the Bahamas and Surinam and Guyana. More than one million people live in Haiti (7 482 000), Jamaica (2 644 600), and Trinidad and Tobago (1 290 646).

### ***Political particularities***

The majority of the member states are former colonies of Great Britain and gained their independence in the 60s – 80s of the 20<sup>th</sup> century. The only non-independent member state is Montserrat, which is still a British overseas dependency. Other exceptions are also Surinam, which was a Dutch colony, and Haiti, which acquired its independence from France as early as 1804. The political status of the member states of CARICOM reflects the important historical, as well as contemporary influence of Great Britain. The states have unicameral or bicameral parliaments elected in general elections and a limited number of

political parties and the head of the state is the governor general or president. Longevity in political office is almost a rule in many Caribbean countries. There is evidence of gender equality in two cases where women are in leading state positions – the Prime Minister of Jamaica and the Governor of Montserrat.

#### ***Contemporary political status of the member states:***

- **Independent states, members of the Commonwealth** – Trinidad and Tobago (headed by a president), St. Vincent and the Grenadines (governor general), St. Kitts and Nevis (federation, governor general), Saint Lucia (governor general), Jamaica (governor general - woman), Guayana (president), Grenada (governor general), Dominica (president), Belize (governor general), Barbados (governor general), The Bahamas (governor general), Antigua and Barbuda (governor general)
- **Independent states outside the Commonwealth** - Surinam, Haiti
- **Dependant overseas territories**(Kubát, Sokol 2001, 233-235) **of Great Britain** - only Montserrat has this status from the member states, but all CARICOM associate members have it – Anguilla, Bermuda, British Virgin Islands, Cayman Islands, Turks a Caicos Islands.

#### **Economics**

The predominant source of income in the majority of the member states is tourism and agriculture. Important agricultural products are sugar, bananas, coffee (Haiti), tobacco (Jamaica) and also the production of cane rum. Jamaica and Surinam have considerable resources of bauxite, Jamaica being the third and Surinam the fourth largest producer in the world. For Trinidad and Tobago oil and metallurgical production are very important. Some of the islands, such as The Bahamas, have been concentrating on financial services recently. The economies of some states suffer from natural catastrophes, such as hurricanes (Grenada) or volcanic activity (Montserrat) in the long term.

Also the domestic currencies deserve to be mentioned: the domestic currencies are the gourde in Haiti, the guilder in Surinam, the dollar on The Bahamas, in Belize, on Jamaica, on Trinidad and Tobago, and the gulden in Guyana. The East Caribbean dollar is used in Grenada, Saint Lucia, Montserrat, St. Kitts and Nevis, and St. Vincent. The American dollar is used on the majority of the islands together with the domestic currency, but it is used exclusively on the British overseas dependencies, the British Virgin Islands and Turks and Caicos Island, which have an associate status.

#### **Basic characteristics of CARICOM**

##### **The aims of the CARICOM**

The creation of the Caribbean Community (CARICOM 1973), part of which is the Caribbean Free Trade Area (CARIFTA 1968), was the result of a 15 year endeavor to establish regional integration, which goes back to the foundation of the British West Indies Federation (WIF 1958). In the preamble of the Treaty of Chaguaramas (1973), which established the Caribbean Community, the aims of the community are formulated as follows:

- full employment and an increase in living standards and working conditions
- accelerated, coordinated and sustained economic development and the considerate use of natural resources
- efficient operation of common services
- functional cooperation in social, cultural, educational and technological fields a common front in relations to the external world (Treaty of Chuagaramas 1973, 2-3)

#### ***The Caribbean Single Market and Economy (CSME)***

The CSME came into force on January 1, 2006. On this date six member states were ready to join: Barbados, Belize, Guyana, Jamaica, Trinidad and Tobago and Surinam. Another six states should have been ready by June 30, 2006: Antigua and Barbuda, Dominica, Grenada, St. Kitts and Nevis, Saint Lucia and St. Vincent and the Grenadines. These states came together at a meeting of the heads of state on August 7, 2006 to confirm their readiness (Caribbean Community Secretariat, CSME). According to the information from January 2007 (CARICOM Community Secretariat, CARICOM law) twelve of the above mentioned states signed and ratified the Revised Treaty about the establishment of free trade and a single market. The main elements of the CSME are the same the as in the case of the Single Market of the European Union - the free movement of goods, the free movement of (only qualified) employees, the free movement of services and the free movement of capital. However, the establishment of a customs union as an essential part of the Single Market is far in the future, as the common external tariffs and other administrative regulations have not been adjusted yet. Moreover, the revised CARICOM Treaty does not prohibit dumping even if it is considered undesirable by most of the states. The much needed standardization of products is also a problem to be dealt with, because it complicates exportation and inhibits much needed economic growth at the same time. Free movement of individuals does not exist yet. In principle, the Community does not have the free movement of services. The member states are expected to create a regional stock exchange, however, they are encountering a lot of difficulties such as ownership relations. The free movement of capital is therefore very restricted as well.

### ***Institutional structure of the CARICOM***

According to the so-called Revised Treaty of Chaguaramas (Caribbean Community Secretariat, Community organs) the institutional structure of the Community closely parallels that of the European Union.

The principal Community institutions are: **the Conference of the Heads of Government, the Community Council of Ministers and the CARICOM Secretariat**. Another organ is the **Parliamentary Assembly (ACCP)**, which is, however, not directly elected. An important step was also the foundation of the **Caribbean Court of Justice**.

### **Conclusion**

The big geopolitical players, such as the USA, the EU, China and Japan have various interests in Latin American countries. Whereas the EU sees Latin America as an area for greater self-assertion in relation to the USA, many of the Latin American countries observe the EU as a potential counterbalance to the USA (Dinan 2005, 540). For the previous ten years, the American continent had two faces, one of George W. Bush and the other of Hugo Chávez (Ehl 2006, 5) While world powers uproariously discuss the political direction of Venezuela (Pilátová 2006, 11) or Bolivia and the exploitation of their strategic resources, or the influence of Brazil, Argentina or Mexico, the voices of the states of the Caribbean area are silenced. Knowledge of the CARICOM Community is quite limited outside of the Caribbean area. For example, even though the Czech magazine *International Politics* dedicated its entire eighth issue in 2006 to Latin America, not a single reference to CARICOM can be found in it, despite the fact that one of the articles deals directly with the issue of integration in the region (Hrabálek 2006, 18-19). Therefore, much of this essay has been devoted to the facts related to CARICOM. The Czech ambassador to Brazil, V. Hubinger, says that “we are at the beginning of the era of a real change of the social and political image of the Latin American countries. The globalisation, which is cursed by many, seems to be the right surroundings and cure for the chronic maladies of the local societies. Integrative processes are markedly held back by economic and political nationalism, but they are irreversible” (Hubinger 2006, 9). It

is undoubtedly true also for the second oldest integrative group, CARICOM, although its gentle development can seem inefficient and slow. The perennially urgent concern that progressive globalisation, a changing geopolitical environment and the energy situation will continue to have a serious influence on the small and tiny states of the Caribbean region has been a challenge since the negotiations about the declaration of CARICOM and will continue to be in the 21st century. The member states see the mutual interaction as their chance (Wickham 1998, 37-38) and the significance of the coordinated foreign relations of CARICOM with foreign partners is therefore rising (Wickham 2005, 22-34). In addition to creating solidarity among the inhabitants of the member states, the attempt to establish the Caribbean Single Market and Economy (CSME) and a coordinated foreign policy can result in a greater visibility of the region and also in a more influential position of the region in international relations. The first small achievements are starting to show (Jungbauer 2006, 15-17). This was also confirmed by the demand of the President of the Dominican Republic in March 2007, during his visit to the Secretariat of CARICOM, for closer cooperation, mainly in EU-APC relations (APC-EU Agreement 2000, 34). The decision to further coordinate foreign policy is also confirmed by one of the important decisions of the foreign ministers of member states; the so-called shared diplomatic representation, which should show in selected countries how various types of joint diplomatic representation are beneficial. The aspiration to create special conditions for small and particularly vulnerable states in the region is, according to the Secretary General of the Caribbean Community E. Carrington, the main motive for the intensification of CARICOM's integration. With all respect to the principle of equality in international relations, it would only be possible to hope that these small states could individually enforce their particular needs in international relations. Together the member states of CARICOM comprise 462 344 km<sup>2</sup> and the total number of inhabitants of the member states is 14,565,083. In comparison with truly influential integrative groups of the region, such as NAFTA or MERCOSUR, or compared with the big states of the American continent, this data is certainly not impressive. However, behind these figures we can perceive a moderately sized state, which usually can stand up for itself in international relations. The CARICOM states as described above do not have many remarkable economic comparative advantages. They are states with an attractive location, not only from the point of view of tourism, but also in regards to their strategic sea location between the Atlantic and Pacific Oceans. The latter is particularly relevant because of the increase of the Panama Canal's capacity and its potential to be a passageway for ships that are important for the security of the USA. In this way this area, with the largest concentration of the smallest states in the world, can, as in the past, find its place in the spectrum of interests of world powers (Grenada 1983).

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