

Destined For The Periphery?
Sovereignty, Globalisation and Politics in the
Commonwealth Caribbean

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Abstract

There is broad based recognition that globalisation is reshaping the fixed and firm boundaries between national and international spheres and influencing conceptions of the apposite domain of domestic and international law and politics. Today, the superiority of markets over state control is almost universally accepted. Mercantilist notions have been replaced by a global capitalist system characterised by global markets, borderless global communications networks, highly mobile capital and technology and explosive growth of direct foreign investment by virtually unregulated trans-national corporations. These activities and the emerging multilateral frameworks they engender have in sum severely restrained the exercise of political sovereignty. States are no longer free to pursue a range of macro-economic and industrial policies to influence the wider objectives for their domestic economy. Globalisation has introduced significant and progressive limitations on policy choices and decisions and on a broader level has inspired critical debate on the future of the state and sovereignty.

This essay examines the globalisation/sovereignty paradox and looks at the restructuring of the world economy and international state system and what it implies for the future development of the Caribbean. It argues that statehood in the twenty first century is considerably less dependent on formal ascriptions of sovereignty and considerably more on ability to bargain and successfully influence the agenda that drives the changes in global affairs. Unless the states of the Caribbean can contribute effectively in further directing and defining global trends and hemispheric processes to ensure that it produces more positives than negatives for them, they will be committed to the pursuit of interests and agendas that are not their own and perhaps worse, destined to the periphery for years to come.

Abbreviations

ACS	Association of Caribbean States
CACM	Central American Common Market
CARICOM	Caribbean Community and Common Market
CARIFTA	Caribbean Free Trade Association
EU	European Union
GATT	General Agreements on Trade and Tariffs
IMF	International Monetary Fund
NAFTA	North American Free Trade Agreement
OECS	Organization of Eastern Caribbean States
RNM	Regional Negotiating Mechanism/Machinery
SAP	Structural Adjustment Programs
USAID	United States Agency for International Development
UN	United Nations
WTO	World Trade Organization

CHAPTER 1: DEPENDENCY

“If the international society must in the immediate future live and develop in accordance with the law of the struggle for life and the survival of the fittest, I myself wish that my country will not remain on the side of the weak and the incapable, destined for submission and disappearance.”

*Enrico Catellani,
(1856 – 1945)¹*

The Premise

The study of international law and Politics in these times is a complex and fascinating undertaking. Dramatic changes in the current global political economy are inspiring an overarching re-assessment of the prevailing wisdoms on which we have depended to shape our world for centuries. Globalisation, internationalisation, integration, are the contemporary preoccupations of the world’s predominant pundits and ferocious debate is the order of the day as the world tries to determine the shape of this century.

Perhaps in no other realm is the discourse more passionate and polemic than on the role and the future of the nation state. There is broad based recognition that the new wave of globalisation² is reshaping the fixed and firm boundaries between national and international spheres and influencing conceptions of the apposite domain of domestic and international law and politics. The state and the doctrine of sovereignty that underpin it are considered to be under considerable threat of extinction. State sovereignty is the cornerstone of international law. It is the notion that the state has the authority to exercise power within its natural borders free from external interference. It is also that characteristic of a state that qualifies it to be treated equal to other states. As

¹Enrico Castellini, quoted by Koskenniemi in his book *The Gentle Civilizer of Nations: The Rise and Fall of International Law 1870-1960*, pg. 99.

²Globalisation is not a new phenomenon, although the experts agree that this wave of Globalisation is different in fundamental ways from the first. The world experienced a similar era of globalisation at the close of the nineteenth and the beginning of the twentieth century. The onset of World War I, the Russian Revolution and the Great Depression, ended the first era of globalisation.

Tsai put it, “sovereignty is the power which enables an entire body politic to exercise some control over its destiny, implying two distinct but related aspects of sovereignty: defensive and affirmative sovereignty”.³ Defensive sovereignty is the right of states to avoid being adversely affected by decisions and events happening outside its jurisdiction and affirmative sovereignty, is the state’s right to develop its own policies and development agenda.⁴

Today, by all accounts, the superiority of markets over state control is almost universally accepted. Mercantilist notions emphasizing trade restrictions, protectionism and control within a geographical framework have been replaced by a global capitalist system, characterised by borderless global communications networks, highly mobile capital and technology and explosive growth of direct foreign investment by virtually unregulated trans-national corporations. Increasing market integration has rendered defensive sovereignty all but impotent and the emergence and increasing influence of international organizations like the IMF and the WTO have presented a serious challenge to affirmative sovereignty. Yet, although the notion of sovereignty⁵ is increasingly at odds with current realities, the world is still organized by nations, valid international conventions⁶ codify the customary law of non-intervention and sovereign states remain the major players in the international arena.

This essay does not purport to contribute to the current discourse on the role of the state; that is better left to the modern theorists and practitioners of international law and politics. Instead, it examines the likely effect of the globalisation/sovereignty paradox on the small states of the Caribbean.

³ Tsai, M. (2000), “Globalisation and Conditionality: Two Sides of the Sovereignty Coin”, 31 Law and Policy in International Business, (Westlaw 31 Law & Pol’y Int’l Bus. 1317), pg. 1

⁴ *ibid*, pg 1

⁵ All references to sovereignty, unless otherwise stated, include both affirmative and defensive dimensions. The term is used interchangeably with formal sovereignty or national sovereignty throughout this work.

⁶ For example the Montevideo Convention, Rights and Duties of States, 1933

For the Caribbean states recently liberated from colonialism, political and economic independence is their *raison d'être*. However, disadvantaged by size and scope, independent statehood has proven difficult to cultivate and sustain. Global power configurations have imposed a type of “independent dependency” on these countries where political sovereignty, i.e. the undisputed right to determine their own framework of rules and regulatory policies and to govern accordingly, is strongly influenced and directed by more powerful external forces. With a view to mitigating the disadvantages of size, the Caribbean countries turned to a brand of regionalism tolerant of the restrictions imposed by national sovereignty.

Globalisation, underscored by a liberal model of economic development grounded in the logic of the market and driven by open markets and free trade, has introduced a new global political and economic context. Grappling with the practical effects of this, and more threatened than ever before, the countries of the Caribbean continue to pursue regionalism as a viable alternative to mitigate the disadvantages of unilateral integration into the global market. However, effective integration continues to be thwarted by divisive politics and an overarching reluctance to share sovereignty.

Viability⁷ in the twenty first century is considerably less dependent on formal ascriptions of sovereignty and considerably more on ability to bargain and successfully influence the agenda that drives the changes in global affairs. Not to recognize and react to this presents the most credible threat to the sovereignty of states.

This essay argues that given current realities, the nations of the Caribbean are effectively imposing non-viability on themselves through “xenophobic nationalism”⁸

⁷ As in the ability to preserve the trappings of statehood defined by the possession of territory, population, government and independence

⁸ Bernal, R. (2000) “The Caribbean in the International System: Outlook for the First Twenty Years of the Twenty-First Century”, Hall, K., Benin, D, (ed) *Contending With Destiny, The Caribbean in the 21st Century*, Ian Randall Publishers, Jamaica, pg 315

punctuated by the subscription to an increasingly obsolete notion of sovereignty. Unless the states of the Caribbean can harness the collective power of their formal sovereignty to contribute effectively in further directing and defining global trends and hemispheric processes to ensure that it produces more positives than negatives for them, they will be committed to the pursuit of interests and agendas that are not their own and perhaps worse, destined to the periphery for years to come.

Organization

Chapter one introduces the small states of the Commonwealth Caribbean, their history and unusual relationship with sovereignty. A review of the Caribbean's development policies is offered culminating with the era of globalisation and the challenges and responses of these small states.

Chapter two looks at the globalisation phenomena in more detail and explores the background and economic context. The national/international market dichotomy that dominates the foundation of development economics is used to explain the pull between the logic of the state and the market, with clear indication that in the age of globalisation, the logic of the market prevails.

Chapter three introduces the context of public international law and looks at its evolution over time. Dominated by Western hegemony, international law is seen to adjust to take on current preoccupations, which in this era is underscored by the inadequacies of positivist doctrines of the state system and sovereignty. Contemporary philosophies are explored and the chapter culminates with a discussion on the sovereignty debate.

After establishing the challenges in the economic and political spheres, chapter four revisits the Caribbean states juxtaposed against these. The inadequacies of their

response to globalisation are discussed in detail and the futility of reliance on notions of sovereignty under attack and likely to be adjusted is established. The advantages and disadvantages of regionalism are discussed. The chapter concludes with some discussion on the prognosis for the Caribbean States and final considerations.

Challenging Destiny

Even though hyper-globalists posit a global reality in which states become increasingly irrelevant, by all accounts states have a very definite role to play in the formulation and orientation of any new world order. The function of the state though is still very much uncertain. States are now forced to recognize not only the power of other states and inter-state organizations but also of global capital and finance which scrutinize their internal activity and can favour or disfavour based on the hospitality of political and economic policies to capitalist interests. Thus, all states, the developed and the developing have to react to pressures of global production by adjusting national political practices to the exigencies of the global economy. These developments in the global political economy have severely challenged notions of state sovereignty.

Sovereignty underpins the current global political system and the rights imbued in the sovereign nation are enshrined in the rules that have and continue to regulate world affairs. Challenges to sovereignty are not new. Indeed absolute sovereignty has never been a practical application of the sovereignty doctrine. However, current realities threaten to distort and twist traditional notions of state sovereignty beyond all recognition. As such, international law is in the midst of a transition. What results is yet undetermined and will very much depend on the orientation of globalisation and its underpinning ideology. However, if the economic globalisation currently underway is any indication, the new world order could result in increasing disparity between the rich and the poor, developed and developing and this situation could be perpetuated and

legitimised by the rules that regulate global affairs. Indeed the debate on sovereignty takes on ominous undertones for nation states, which are products of the twentieth century, and flexing their muscles as newly sovereign nations. For most of them, the right to independent selection and practice of political, economic and in some cases cultural policies have been extremely compromised by inherent dependencies on larger, more powerful nation states.

Such is the context in which the independent countries of the Commonwealth Caribbean find themselves, sovereign but extremely vulnerable, independent but increasingly dependent, and destined for the periphery in world affairs.

Small and Vulnerable Economies in the Global Economy

Small States⁹ comprise the majority of sovereign states in the world. Using World Bank established standard of population of 1.5 million people or less, 45 developing countries are small, accounting for nearly one third of the total number of developing countries.¹⁰ There are small states in every geographic region but most countries fall into three main groups: the Caribbean Region, East Asia and the Pacific and Africa.¹¹ The product of the decolonisation process started at the end of World War II, these countries enjoy formal sovereignty but because of their size and inherent vulnerabilities, remain dependent on larger sovereign states for protection and resources. Yet, they are entitled under international law to the same legal status and considerations as the United States or Great Britain. However, in the modern world of comparative advantages, global markets and free trade, the viability of these countries is relentlessly questioned and severely tested.

⁹ Used interchangeably in global discourse with Small and Developing Countries, Small and Developing Countries, Small and Relatively Less Developed Economies.

¹⁰ See breakdown from the World Bank insert

¹¹ There are two in South Asia, two in the Middle East and three in Europe as well

The Caribbean

Perhaps none more threatened than the countries of the Caribbean.¹² Extremely small by international standards and generally lacking natural resources,¹³ and elements conducive to the construct of modern, diversified domestic economies, the Caribbean is to paraphrase William Demas, believed to be doomed to abject subordination.¹⁴

The states of the Commonwealth Caribbean emerge as an excellent laboratory to explore the globalisation/sovereignty debate because through attempts at regional integration they have cultivated a presence in world affairs that attempts to influence the structure and dynamics of their regional subsystems as well as the international system. Defiant, these states refuse to accept their destiny and instead prepare to mount an offensive to reserve a place in the Darwinian scenario that characterises global politics.

Yet, despite attempts at integration since the early 1960s, in the twenty first century the states of the Caribbean are more threatened than ever. The traditional goodwill on which the Caribbean has depended is a diminishing asset.¹⁵ The postcolonial model based on trade preferences, official aid and “emotional” relationships with former powers is fading fast and a new model is being born. The nation states of the Caribbean like all other countries have to take their chances with the challenges and opportunities that come from economic globalisation. The attitude of the US government in the recent WTO bananas case is instructive! Dependency is no longer a tolerated aspect of an “independent” state.

¹² It is noted that the islands of the South Pacific are similarly challenged. Caribbean in this essay is referent of the Anglophone island and mainland sovereign nation states. These specifically are the islands of the Commonwealth Caribbean including, Bahamas, Trinidad and Tobago, Jamaica, Turks & Caicos Islands, Barbados, Lesser and Greater Antilles and the mainland states of Belize and Guyana. See insert 2.

¹³ With the exceptions of Trinidad and Tobago (Petroleum Reserves) Jamaica and Guyana (Bauxite)

¹⁴ Erisman quoting William Demas, Erisman H.M, (1992), Pursuing Post Dependency Politics: South- South relations in the Caribbean, Lynne Rienner Publishers, Inc, Boulder, Colorado, pg 5

¹⁵ Lewis, V. (2000) “Looking from the Inside Outwards: The Caribbean in the international system after 2000”, Hall K, Benin D., (ed) Contending with Destiny: The Caribbean in the 21st Century, Ian Randle Publishers, Jamaica, pg 332

The History of the Caribbean

Caribbean society has been completely shaped by its experience with colonialism and as Payne and Sutton point out it was not only formative, it set in motion “an important and enduring contraction between a legacy of political fragmentation, on one hand, and economic uniformity on the other”.¹⁶

By the end of the Napoleonic wars, Great Britain’s powerful fleet dominated the Caribbean, successfully defeating Spain and eradicating its control in the region. With Spain crippled, the English quickly extended their holdings. In 1625, the English settled in St. Croix, then Barbados in 1627. They took possession of Nevis the year after, Antigua and Montserrat in 1632 and St. Lucia in 1638 and by the end of the seventeenth century, devoid of former power and war weary, Spain surrendered Jamaica and accepted the legitimacy of the other English colonies.

A period of intermittent warfare between the dominant European states in the region followed throughout the eighteenth century during which many of the smaller islands, such as Grenada and St. Lucia changed hands several times¹⁷ in concert with the ebb and flow of the fighting.¹⁸ The consolidation of imperial rule following these struggles bestowed each territory with different legal and governmental systems patterned on the practices of its particular metropolis. “The colonial tradition was mostly autocratic, with local legislative councils, where they existed, having limited power to shape policy”.¹⁹ Communication was directed toward the metropolitan capital and little attempt was made to engender a sense of unity among the possessions in the area. As

¹⁶ Payne, A., Sutton P (1993), Modern Caribbean Politics, Johns Hopkins University Press, Baltimore Maryland, pg. 4

¹⁷ According to Knight, St. Lucia changed colonial status fourteen times, Knight, F. W., (1990), The Caribbean: The Genesis of a Fragmented Nationalism, 2nd edition, Oxford University Press, New York, pg 281

¹⁸ Payne, Sutton, *ibid*, pg. 4

¹⁹ *ibid*

a result, all the territories of the region developed parochial political cultures “beyond even the call of their natural insularity”.²⁰

The economic system by contrast was broadly similar across the region. All were formed as appendages of European metropolises in the era of mercantilist expansion. “The metropole provided organization, decision making, capital, transport, supplies, markets and even slaves transplanted from Africa”,²¹ relegating the Caribbean to merely the locus of production. Thus, the local economy came to be composed predominantly of a plantation sector, exporting a single crop, largely sugar, in unprocessed form to European markets. By the mid nineteenth century, the loss of preferences in the British market and the ending of slavery undermined the Caribbean plantation economy and provided the impetus for the emergence of a new feature of the regional economy -- subsistence farming and later farming for the domestic market and for export. Agriculture became a staple of the Caribbean economic landscape.

By the close of the nineteenth century, England was at its imperial zenith; the centre of which had moved away from the Caribbean.²² According to Knight from the metropolitan perspective, the colonies became less attractive -- a charge, the response to which wavered between “maudlin paternalism and exasperated contempt”.²³ Looking for ways to reduce the administrative costs and “the embarrassment of small, non-white colonies that seemed economically unviable and inconsonant with nineteenth century preoccupation with efficiency, the British government began to disengage itself from the responsibilities attached to the ownership of colonies. By the twentieth century, encouraged by an increase in nationalism and unrest in the colonies, the British began to guide its colonies toward greater self government via a careful process of schooling,

²⁰ *ibid*, pg 5

²¹ *ibid*

²² Knight, *ibid*, pg. 275

²³ *ibid*, pg 276

beginning with the grant of universal adult suffrage and followed by further constitutional concessions as and when Britain deemed each territory to be ready.²⁴ But Britain's careful decolonisation plans collapsed under the strain of unrest and division among the colonies and was replaced by a default policy to grant political independence to its Caribbean colonies "more or less when they asked for it".²⁵ Thus between 1962 and 1966, the four largest territories – Jamaica, Trinidad and Tobago, Barbados and British Guiana (Guyana), became independent.²⁶ The process continued right up to 1983 with the independence of St. Kitts and Nevis.

Free at Last? Sovereignty and the Caribbean

Eager to dismantle the dependency model inspired by colonialism, local politics in the Caribbean has always been underpinned by nationalism; specifically the achievement of political independence, with the pursuit of a measure of national economic independence and integration into the international system consonant with the status.²⁷ Yet, as Knight put it, "the long tortuous struggle to dismantle imperialism, overcome colonialism and create independent states or forge cohesive nations has produced bittersweet results throughout the Caribbean".²⁸

With the achievement came the further expectation on the part of the people that economic improvements would follow. Thus, governments throughout the Caribbean were put under considerable pressure to deliver material benefits in the way of jobs, welfare and advanced living standards.²⁹ Masters of their destiny, and socialised by

²⁴ Payne, Sutton, Modern Caribbean Politics, *ibid*, pg 7

²⁵ *ibid*, pg 7

²⁶ The other territories became independent as follows: Antigua and Barbuda, (1981), Bahamas (1973), Belize (1981), Grenada (1974), St Kitts Nevis (1983), St Lucia (1977), St. Vincent and the Grenadines (1979), Suriname (1975)

²⁷ Payne, Sutton, *ibid*, pg 6

²⁸ Knight, *ibid*, pg 308

²⁹ Payne, Sutton, Modern Caribbean Politics, *Ibid*, pg 9

their former metropole to demonstrate sovereignty in political and economic affairs, the Commonwealth Caribbean embarked on a series of economic development initiatives.

Development Strategies in the Caribbean

Industrialisation, Diversification – The 1950s & 60s.

Free enterprise development underscored the political economy of the Post-war era in Caribbean development. In some territories, the exploitation of natural resources such as minerals and oil reserves was the first indication of economic diversification. “However, many of these industries were initially developed by foreign corporations, which limited their contribution to the economic development of the region”.³⁰ Thus, industrialisation became the “panacea” that would engender successful regional development through injections of foreign capital. The strategy, based on the Puerto Rico model, was to encourage foreign companies selling in overseas markets to establish manufacturing plants in the Caribbean by offering tax and investment incentives. The model worked to the extent that foreign capital responded bringing a number of highly visible manufacturing industries. However for the most part the industries assembled were based upon imported products, which had relatively little value added and generally failed to penetrate export markets. They produced few jobs and were peripatetic in their commitment to the Caribbean.³¹ While some Caribbean countries achieved short-term gains from the experience, the “Caribbean economy as a whole lost”.³² The experiment did recreate a basis for greater regional integration with the establishment of CARIFTA in 1968, but mainly as a device to overcome some of the constraints imposed by small size in the industrialisation process.

³⁰ Payne, A., Sutton P, (2001) Charting Caribbean Development, MACMILLAN Education Ltd, London & Oxford, pg. 2

³¹ Payne, Sutton, Charting Caribbean Development, ibid, pg 10

³² Payne, Sutton, ibid pg 11

During this time, the Caribbean also moved in a major way to promote tourism. However because the Caribbean initiative was geared toward the North American and European markets, it was extremely vulnerable to recession in these countries and to bad publicity and could compete only by maintaining the highest standards of accommodation and hospitality. Again, this meant that foreign imports, especially of food, underwrote the industry producing inflated import bills and profit repatriation.

While various initial attempts to diversify were successful in engendering economic growth in some countries, it did little to address the problems of development in the region as a whole and in fact may have served to exacerbate divisions within the region, as Caribbean economies became competitor economies. Certified by the Commonwealth Caribbean Regional Secretariat as “a continuation of the centuries-old pattern of West Indian economy”, the Caribbean continued to search for an economic model that afforded greater degrees of autonomy and development.

The Crisis Years - 1970s

Even as the region's governments were debating the merits and demerits of the industrial experiment, an alternative analysis of the development predicament emerged from the University of the West Indies. At the centre of the analysis was the theory that the size of the region made it dependent on the rest of the world for markets, supplies, transfers of income and capital, banking and financial services, business and technical skills and 'even for ideas about themselves'.³³ It was and would always be unable to engender the capacity to manipulate the operative elements of the international economic system.³⁴ Thus, it would always be susceptible to the vagaries of the global political economy.

³³ Payne, Sutton, Charting Caribbean Development *ibid*, pg 7

³⁴ *ibid*

The crises of the 1970's, punctuated by massive increases in oil prices, highlighted the vulnerabilities described in the dependency theory and the increasing disillusion with the free enterprise system ignited in a number of Caribbean countries a push toward greater involvement in the management of the economy by the state. "The thinking generally was that the various countries of the region had to negotiate better terms for themselves in their dealings with the international economy and that the state, rather than the local bourgeoisie, had to assume responsibility for executing this task".³⁵

Accordingly, several Caribbean states searched for new strategies of development. Experiments with co-operative socialism,³⁶ and democratic socialism³⁷ were attempted locally, and foreign policy and dealing with the international community were awarded priority. For the first time in their history, Caribbean states were drawn fully into international politics as independent actors.³⁸ Associations with external organizations such as the Group of 77 and the Non-Aligned Movement were cultivated and clear positions of support were enunciated for the concept of the New International Economic Order. Regional integration was deepened with the conversion of CARIFTA to CARICOM, which did include foreign policy coordination as one of its goals, and enabled effective negotiations with the European Community culminating in the Lome Convention in 1975.

In the end however, not much had changed. "In general, the much vaunted ideological pluralism of the Commonwealth Caribbean in the 1970's concealed only different techniques for "living with dependency".³⁹ At the end of the crisis years, no strong model of development remained and the radical experiments with socialism

³⁵ Payne, Sutton, Modern Caribbean Politics ibid, pg 1

³⁶ Guyana in 1970 under Forbes Burnham

³⁷ Jamaica in 1974 under Michael Manley

³⁸ Payne, Sutton, Charting Caribbean Development, ibid, pg 16

³⁹ ibid, pg 9

created hostility from US based multinationals and agencies of the United States. The 1970s closed on countries in economic decline and political violence.

Neo-liberal Political Economy and Market – 1980's

Caribbean Politics in the 1980s continued to focus on ways to shatter the dependency mould through political and economic development and international relations but it tried to do this in a time when the extent to which the options open to Caribbean States in all these spheres were overwhelmed by the interests and actions of the United States.⁴⁰

The attempt of the United States in the 1980s to reassert control of the global system, after a perceived weakening of American Hegemony in the 1970s had a profound effect on the Caribbean States. In the words of Payne and Sutton, “the US succeeded during the 1980s in reshaping the agenda of politics and political economy in the Caribbean to the point where it was able to lay down the parameters of what could be done and even what could be articulated”.⁴¹ In accordance with the neo-liberalist economic ideology underpinning the US administration, development in the Caribbean implied creating market-based economies in the region capable of competing successfully in international export markets. This would require less reliance on statism, market intervention and import substitution than had been the norm in earlier eras. The US relied on the tried and true carrot and the stick mechanism to bring about the changes in the Caribbean states. The carrot this time was the Caribbean Basin Initiative and the stick, structural adjustment packages imposed by the IMF, the World Bank and USAID.⁴² The favoured measures of adjustment were always the same---liberalisation

⁴⁰Payne, Sutton, *Modern Caribbean Politics*, ibid, pg 17

⁴¹ Payne, Sutton, *Charting Caribbean Development*, ibid, pg 12

⁴² ibid, pg 13

of foreign exchange and import controls, devaluation of the currency and the deflation of domestic demand.⁴³

The Caribbean states had little choice but to follow the prescription. Recession, as reducing demand for a number of the region's exports and a reduction in the number of tourists, created a balance of payments crisis, a debt crisis, and a fiscal crisis⁴⁴. Desperate for aid, Caribbean governments turned to the IMF and its market friendly prescription for economic development. But the social cost of liberal economics, measured in unemployment, inflation and declining living standards were severe and by the end of the 1980s, it was apparent that the regional economy still faced fundamental structural problems. Striking about the Caribbean's experience with neo-liberalism is that it signalled the end of the quest for independence based on homegrown development strategies. For the first time in the region's independent history the development strategy came from outside the region.⁴⁵

Regionalism as a Response to Globalisation

Despite being battered by Western prescriptives for development, the Caribbean by the 1990s had embraced Western economic and political norms. However, the 1980s had highlighted alarming prospects for the region. To their credit, early in the 1990s, the leaders of the CARICOM⁴⁶ countries took a decision to set up the West Indian Commission of wise men and women, and charged it with the task of presenting a report on the options facing the region in the future.

⁴³ *ibid*

⁴⁴ *ibid*

⁴⁵ *ibid*, pg 15

⁴⁶ CARICOM member states by that time were: Antigua & Barbuda, The Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Jamaica, Montserrat, St. Lucia, St. Kitts and Nevis, St. Vincent and the Grenadines, Suriname and Trinidad & Tobago

Touted as “a source of wisdom on everything under the sun”⁴⁷ the report entitled Time for Action provided the impetus for important debates in the region. Given that by the early 1990’s the traditional patrons of the Caribbean states, i.e. the US and the EU had other priorities and were indifferent to the fate of the region,⁴⁸ the report focused on the unrelenting nature of global change and strategies for Caribbean solidarity and independence. Particular emphasis was given to the niche of the Commonwealth Caribbean in the new world order and the role of CARICOM. The Commission proposed that a simultaneous deepening and widening of CARICOM was required to respond to the trend of new regional centres of power in the global economy like the EU and NAFTA.

However, while the CARICOM heads acknowledged the weaknesses of the CARICOM machinery, they rejected a key proposal of the report i.e. the establishment of a permanent Caribbean Commission of three former political leaders to drive the internal integration process and instead opted for what Payne and Sutton call a “feeble compromise”.⁴⁹ Thus, “CARICOM did not take the big step forward demanded by the West Indian Commission and, for all of its eventual embrace of the concept of a single regional market, it had certainly not become in the 1990s the decisive agency for charting the region’s future development strategy”.⁵⁰

Economic Development in 2000 and Beyond

Perhaps the lethargic response to deeper and wider integration in the early 1990s was precipitated by the report’s inability to capture sufficiently the “implications of the contradictions of globalisation and restructuring for the world economy and the

⁴⁷ *ibid*, pg. 18

⁴⁸ *ibid*, pg. 17

⁴⁹ *ibid*, pg. 18

⁵⁰ Payne, Sutton, Charting Caribbean Development, *ibid*, pg 18

international state system as a whole and for the future development of the Caribbean in particular”.⁵¹

Today scepticism about the power of globalisation to wreak havoc on the world’s political and economic systems is the preserve of the staunchest of rejectionists. There can be little doubt that the world economic system has been irreparably altered and the international state system is under relentless attack. These together present terrifying prospects for the Caribbean.

It is clear that the Caribbean experience with colonialism inspired a curious sovereignty model of “Independent dependency”; characterised by strong nationalistic sentiment, a closer identity with the former metropolis or dominant superpower than with Caribbean counterparts and acceptance of various forms of dependency in economic affairs. Tolerated by the economic and political climate of the past, this model of sovereignty is under extreme challenge from the changes in the world economic and political systems. The remainder of this essay is dedicated to exploring the context of these systems and the prognosis for the countries of the Caribbean.

CHAPTER 2: RESHAPING THE INTERNATIONAL ECONOMIC SYSTEM

“For better or worse, we are being propelled into a global order that no one fully understands, but which is making its effects felt upon all of us.

*Anthony Giddens
Runaway World, 2002*

Globalisation

People, goods, services and information are traversing the globe in an unprecedented fashion. The Internet and satellite television have made it possible to share perspectives and information from around the world at the touch of a button.

⁵¹ Hilbourne Watson, quoted in Payne and Sutton, Charting Caribbean Development, *ibid*, pg. 19

There were 60,000 trans-national corporations with over 800,000 affiliates abroad, aggregating \$1.3 trillion in Foreign Direct Investment in 2000.⁵² Advancements in technology and communications allow businesses to conduct transactions in several places around the globe at the same time. International organisations are making decisions at the global level that reverberate at the local level. Yes, the world is definitely in the throws of unprecedented change. Is it Globalisation?

Globalisation has been associated with everything from a passing fad to the “new world order”. Such that defining it is, as Jones asserts, “elusiveness itself”.⁵³

Discussions on globalisation usually focus initially on changes in the economic realm, in particular two of the more dramatic changes. The first is the cross-border integration and interdependence in a number of economic activities. The second is the application of newer, better technology for greater processing and transmission of information. The effect is a significant reduction in the spaces, spheres and time that separate human beings, both within established societies and across borders.⁵⁴ This increased interdependence and virtual collapse of borders is generally termed globalisation.

However, globalisation in some spheres is evocative of much more than the dramatic changes in the economic realm. Consider this perspective. In his book entitled the Lexus and the Olive Tree, Thomas Friedman asserts that globalisation is the “new international system”. He makes the point that it is neither an “economic fad” nor a “passing trend”.⁵⁵ It is the dominant global system that replaced the Cold War system. Just as the elements of the Cold War system influenced the political, business and legal

⁵² World Investment Report 2001: Promoting Linkages, UNDP Report

⁵³ Jones R.J. (2000), The World Turned Upside Down: Globalisation and the Future of the State, Manchester University Press, Manchester, England, and pg. 9.

⁵⁴ Jones, *ibid*, pgs 9 & 10

⁵⁵ Friedman, T. (1999) The Lexus and the Olive Tree, Harper Collins Publishers, Great Britain, pg. 7

climates of its time so does the new system of Globalisation. According to Friedman, there is one overarching and infinitely important difference between the different global systems; that is the way the societies of the world interact with each other. The dominant feature of the Cold War system was division. The world was divided into a communist camp, a Western camp and the neutral camp and dominated by the clash between communism and capitalism and the threat of nuclear annihilation. Economics and markets, business, politics all had a narrower more localised focus. Globalisation is diametrically opposite. Its hallmark is integration -- integration of markets, economies, cultures, races and societies.⁵⁶ Friedman defines globalisation in this way:

*“It is the inexorable integration of markets, nation-states and technologies to a degree never witnessed before—in a way that is enabling individuals, corporations and nation-states to reach around the world farther, faster, deeper and cheaper than ever before, and in a way that is enabling the world to reach into individuals, corporations and nation-states farther, faster, deeper, cheaper than ever before. The driving force behind globalisation is free-market capitalism—the more you let market forces rule and the more you open your economy to free trade and competition, the more efficient and flourishing your economy will be. Therefore Globalisation also has its own set of economic rules ---rules that revolve around opening, deregulating and privatising your economy, in order to make it more competitive and attractive to foreign investment”.*⁵⁷

Is this globalisation? Jones informs the discussion with his assertion that the new global realities notwithstanding, we are yet to determine whether globalisation is an established fact or a state to be realized from the processes and developments currently under way.⁵⁸ Building on this he identifies the emergence of four broad positions that prevail within the sphere of the current debate which offer some perspectives on

⁵⁶ Friedman, *ibid*, pg.7

⁵⁷ Friedman, *ibid*, pg. 9

⁵⁸ Jones, *ibid*, pg 10

globalisation once realized. The first is globalisation as the homogenisation of societies within the global system—that is no divisions. One world, one dominant economy and culture. The second he calls the “strong globalisation view”. This position denies homogeneity and accepts some forms of division but postulates that the nature and significance of the global realities are such that they usher in a distinctively new era in human affairs, termed globalisation. The weak globalisation perspective, suggests that the new developments are undoubtedly significant but they signal an increase in internationalisation within the international political economy, and not necessarily a “new world order”. States remain and retain some form of sovereignty. The fourth and final position is that of the rejectionists who deny any significant or irreversible changes in the global system. States retain complete sovereignty and people continue to be divided by culture, language and nationality. Jones dismisses both the first and last positions, claiming the first to be a utopian perspective and the last untenable, given the changes that litter the global landscape. However, he aptly makes the point that because of its imprecise characteristics, how policymakers conceptualise globalisation is immeasurably important to how they re-conceptualise their sphere of authority. Perceptions regarding the nature and extent of globalisation influence the implications for individuals, businesses, economies, societies and the nation state.

What globalisation is very much depends on who is defining it. It can be as Friedman asserts, the new world order driven by integration and free market capitalism or it can be any of three positions posited by Jones. For the moment globalisation as the new world order remains a process, globalisation as economic integration underpinned by free market capitalism is a reality. And one that is irreversible. The world has accepted the pursuit of a global market based on liberal premises and to quote Dani

Rodrik “the genie cannot be stuffed back into the bottle”.⁵⁹ If one accepts this assertion then certainly a relevant question is, who is her master.

Restructuring the World Economy

The Logic of the Market: Liberal Development Strategies

Although it is widely recognized that globalisation has a political, technological and cultural component, the use of the term globalisation in these times is usually referent of the economic aspect of globalisation – the integration of markets underscored by the integration of trade policies set out in the GATT and regulated by the WTO. Central to the success of the multilateral trading system is the consensus by all party to the agreement that trade is an important part of the overall economic activity of nations. Countries agree they would be worse off if they were precluded from trading --- “attaining self sufficiency at the national level is no more feasible than it would be for a single family to produce all the goods it must consume”.⁶⁰

But dominating the shape of the international trading system since the post-war era are the views of the United States, as the most wealthy and influential actor on the economic scene. Using its influence, it pressed for progressive liberalisation of the international trade regime underscored by the embrace of non-interventionist principles and open markets and inspired by the increasing global expansion of its larger corporations.

This approach also inspired like ideologies applied to the process of development. The classical liberal school of development economics, developed by Western economists, saw the path to development as the transformation of economies

⁵⁹ Rodrick D, (1997) Has Globalisation gone too far?, Institute for International Economics, Washington DC, pg. 9.

⁶⁰ Markusen J., Melvin J.R., Kaempfer W.H., Maskus K.E., (1995), International Trade: Theory and Evidence, McGraw Hill, Singapore, pg. 6

from agrarian to industrial. According to this school, the cause of underdevelopment lies in the isolation of developing nations from the international economic order. Thus, the objective of development is to transform isolation into integration and stimulate economic growth through greater linkages of capital, technology and production. In this way developing countries could catapult themselves from a traditional, stagnant, subsistence-oriented economy into a dynamic, capitalist, economy. Underpinning this approach is the principle that a historical process, comprised of stages, predetermines development. As Cao asserts, “by presenting a theory of development as stages of growth culminating in a stage which most Western industrialised economies have either begun to reach, have already reached, or from which they are beginning to emerge, the model equates development with Western modernisation and Western modernisation with the condition of universality”.⁶¹ This classical liberal model was later adapted to supplant industrialisation as a solution with a market-based approach urging minimal state intervention in national markets and a reliance on the law of comparative advantages to negotiate the national/international market dichotomy.

The Logic of the State

In response to the liberal assertions of non-intervention by the state and market integration, radical models based on increased politicisation, intervention and extrication of the national from the international market emerged. The Structuralist Model, associated with the developmental strategies of Latin America, perceive the liberal model as inapplicable to the economic conditions facing developing countries because of the structural inequality that characterises the international economic system. The Structuralist’s approach to development was insulation from, rather than integration with the international economy, inward strategies relying on import substitution rather than

⁶¹ Cao L (1997), “Toward a New Sensibility for International Economic Development, 32 Texas International Law Journal, 209, Westlaw reference (32 Tex. Int’l L.J. 209), pg 16

outward strategies relying on exports to allow developing countries to successfully integrate. Subscription to this model entailed a belief in a state-oriented sensibility that promotes home market nationalism and sovereignty but without a total rejection of the international market.

The dependency model in contrast rejects completely the positive sum view of international economic relations. “Because the private international order is as politicised and coercive as the public international order, long-term insulation of the national market from the politics of the international market is deemed preferable to international economic integration.”⁶² Thus the countervailing force to the intrusive international market is an intensely nationalist, state-dominated economic regime. Under this logic underdevelopment is not a phase of development but a specific historical condition caused by “plunder thinly veiled as trade”⁶³ during the age of empire. While Europe went through its cycle of capital accumulation and progression to economic prosperity, the now developing nations went through a reverse process of deliberate underdevelopment. For dependency theorists, the colonial mode of production produced “a backward dependent capitalism whose own horizon of reproduction is infinitely more restricted than that which faced the nascent bourgeoisie of Europe”.⁶⁴ Thus, capitalism because of its control by the international market is antithetical to development and the only way out of dependency is to completely sever developing country markets from the international market dominated by developed nations.

Thus, the pull between the logic of the market and the state emerge. If ruled by the logic of the market, developing countries best hope for progress stems from their

⁶²Cao, *ibid*, pg 18

⁶³ Paul Baran quoted by Cao, pg. 19

⁶⁴ *ibid*, pg. 19

ability to successfully integrate into the global economy by establishing their comparative advantages and adopting liberal policies conditioned to promote open markets and free trade. If ruled by the logic of the state, developing countries have either to employ inward looking policies first to strengthen national markets before embarking on the international integration process or avoid market integration all together.

Given the developments of the past decade and the palpably integrationist design of the global economy, it is safe to infer that the logic of the market, more than that of the state significantly influences the policies of the current multilateral trading regime, with the approval of all involved. As the current development experiment progresses however, practical application of the logic of the market is found significantly wanting.

Globalisation and the View from the South

Ask the developing countries⁶⁵ what they think of globalisation and the likely response is as Giddens opines, that it is merely the latest stage in the exploitation of the third world by the West – a project from which the rich countries gain at the expense of the poor,⁶⁶ ----- empty rhetoric or basis in fact? The 2002, Oxfam Fair Trade Campaign Report starts its executive summary with these words . . .

”Various polite formulations can be found to describe the behaviour of rich-country governments. But the harsh reality is that their policies are inflicting

⁶⁵The increasing heterogeneity of the category makes it difficult to generalise. However, the Caribbean is considered a part of this group and the experiences discussed are effectively those of the Caribbean.

⁶⁶ Giddens, A. (2002) Runaway World, 2nd edition, Profile Books Ltd, London, pg xx

*enormous suffering on the world's poor. When rich countries lock poor people out of their markets, they close the door to an escape route from poverty".*⁶⁷

And the latest human development report concurs and corroborates:

*"World inequality is very high. In 1993, the poorest 10% of the world's people had only 1.6% of the income of the richest 10%. The richest 1% of the world's people receives as much income as the poorest 57%. The richest 10% of the US population (around 25m) had a combined income greater than that of the poorest 43% of the world's people (around 2 billion people)".*⁶⁸

To be fair the report also asserts that despite these chilling figures, all regions have made progress in human development in the past thirty years, but are advancing at very different paces and achieving very different levels of success. For example, East Asia and the Pacific have made rapid, sustained progress in most areas while South Asia, Sub-Saharan Africa and Arab states lag far behind other regions, with human and income poverty still high.⁶⁹ While there have been improvements and "improvements" have to be qualified, there is no denying that world inequality is expanding and globalisation is identified as the main culprit.

The WTO

States party to the GATT agreed to exercise less control over the design and implementation of national and international economic policy in exchange for gains achieved through reciprocal market access. Yet, by all accounts, the benefits for developing countries have not materialised and they find themselves increasingly insignificant actors in the rules determination process in the WTO.

⁶⁷Oxfam Trade Report (2002) Rigged Rules and Double Standards: Trade Globalisation and the Fight Against Poverty, Oxfam International, <http://www.madetrade.com>, accessed 12/07/2002

⁶⁸ Human Development Report (2002), Human Development –past, present and future, United National Development Project, New York, <http://www.undp.org>, accessed 06/07/02

⁶⁹ Human Development Report, *ibid*, pg 10

What are some of the problems realized by developing countries in the multilateral trading regime? According to the pundits of the Third World Network developing countries face several types of problems: First, some of the structural features of the system and many of the existing agreements are imbalanced against their interests. Second, the anticipated benefits to developing countries have not materialised, in part because the developed countries have failed to fulfil their commitments, (e.g. in expanding market access in textiles and agriculture, or in providing special and differential treatment and assistance). Third, developing countries face mounting problems in attempting to implement their obligations under the rules. Fourth, they face intense pressures to accept new obligations being proposed by developed countries under the rubric of “new issues” and a new round. Fifth, the decision-making process is less than transparent or fair and makes it difficult for developing countries to adequately participate or to have their views reflected in the decisions of the organization, especially at Ministerial Conferences.⁷⁰

But, as Giddens asserts, “a retreat from globalisation, if it were possible, would not adjust the inequities”.⁷¹ Rodrick adds, “protectionism is not a solution because it would likely generate its own set of social conflicts, even if one were to discount its costs in terms of economic efficiency”.⁷² Besides, “well managed trade has the potential to lift millions of people out of poverty”, argue the authors of the Oxfam Report.⁷³ What then are the options for countries disadvantaged by economic globalisation? They could leave the multilateral system, violate the rules or attempt to address the inequities. Of the three, the last is perhaps the most practical, given the isolation associated with the first and the countervailing measures associated with the second. But this takes a

⁷⁰ Third World Network (2001) The Multilateral Trading System: A Development Perspective, Background Paper, United National Development Report, pg. 6,7.

⁷¹ Giddens, *ibid*, pg xxix

⁷² Rodrick, *ibid*, pg 71, 72

⁷³ Oxfam Report, Executive Summary, pg 7

degree of bargaining power that developing countries simply cannot muster in unilateral representation. The alternative is to combine like agendas and speak with one voice but with multiple votes. However, organizing collective agendas often present fundamental difficulties for development countries.

Complicating the issue for developing countries is the concurrent attempt to restructure the international political system. The dominance of the market in the economic sphere has inspired a critical review of the utility of the international state system, culminating in a call for sovereignty as the underpinning doctrine, to conform to reflect current preoccupations. The trouble is if the new role of the state is underpinned by the dominant ideology in the economic sphere, the state may be forced to capitulate completely to the logic of the market, making the state formally just another player in the international sphere. States may find that they have to prove their viability in the global economic context, in order to protect their right to exist and to be recognized as an independent state.

The challenges in the economic sphere present a pressing need for the expression of pragmatic dissent if the obvious imbalances in that system are to be adequately addressed. Finding ways of addressing these imbalances have naturally been the central preoccupation of many developing countries. But perhaps equally threatening to developing countries, if it is allowed to develop intact, is the orientation of the political system and in particular international law toward a new, "more realistic" definition of sovereignty. When the existing challenges in the economic arena engage those likely in the political arena, countries likely to be further disadvantaged by the unbridled expansion of the logic of the market, should be imbued with an urgent desire to seek ways of mitigating if not influencing the shape of world affairs.

CHAPTER 3: RESHAPING THE INTERNATIONAL STATE SYSTEM

“A critical issue in the debate on globalisation is the question of how this process affects national sovereignty. In my opinion the Caribbean leaders should be more engaged in this political debate at the highest levels to ensure that the small states vulnerabilities remain on the international agenda.”

Albert R. Ramdin

Adviser to the OAS Secretary General

January 2002

It can hardly be disputed that sovereignty, as traditionally defined, is an increasingly incapable doctrine. Many of the policy decisions traditionally within the domain of the nation state are now outside its control. The integration of the world's financial system has subjected states to unprecedented limitations on the making and implementation of economic policy. Governments are no longer free to pursue a range of macro-economic and industrial policies to influence the wider objectives for their domestic economy. Globalisation has introduced significant and progressive limitations on policy choices and decisions.

But in considering a redefinition of sovereignty the agendas that motivate the state/market dichotomy should lend equal value to its new shape, particularly since the experiment with the logic of the market in the economic realm has virtually de-legitimised the already disadvantaged. International Law will likely play a central role in mitigating, if not resolving, this conflict, on the side of either the state or the market.

International Law in Transition

International Law reflects the state-oriented character of world politics. “Units of formal independence benefiting from equal sovereignty in law and equal possession of the basic attributes of statehood have succeeded in creating a system enshrining such

values”.⁷⁴ Yet, looking back at the seventeenth, eighteenth, nineteenth and early twentieth centuries, the underpinning elements shaping international law have changed in fundamental respects. In fact, change in the premises by which international law is understood and accepted as compelling, is central in its construct. Essentially, then, just as international law gave legitimacy to conceptions of a world order based on a model of sovereign, coequal actors with a territorial nexus, in the twenty-first century, it can and is being re-conceptualised to reflect the realities in the global political economy.

Naturalism and Positivism

The search for ideas governing human and state relationships started with the transformation of power from the church to the state in the early middle ages. This transition inspired the organization of states and state interaction based on the Greco-Roman precept of Natural Law, which was preoccupied with the notion that all human activity was bound by an overarching morality.⁷⁵

Soon the sensibility of ordering international law on the philosophies of natural law inspired criticism from thinkers who stressed the importance of modern practice. Positivism, a philosophy concerned with deriving knowledge from observable phenomena, rather than speculation or reasoning, entered legal discourse. Positivists argued that the rules of international law should be discerned from a careful study of the actual behaviour of states vis a vis prescribed actions based on rules of the law of nature.⁷⁶ Moreover, since the actions of states were to inform the rules of international law, the ruler or sovereign assumed extreme significance. Thus, no higher authority than the sovereign could guide state action and it could only be bound to which it had agreed

⁷⁴ Shaw M. (1997) International Law, 4th edition, Press Syndicate of the University of Cambridge, Cambridge, pg 37

⁷⁵ Anghie A, (1999) “Finding the Peripheries: Sovereignty and Colonialism in Nineteenth Century International Law”, 40 Harvard International Law Journal 1, (Westlaw reference 40 Harv. Int’l L.J. 1), pg. 5

⁷⁶ *ibid*, pg 22

to be bound. Eschewing the principles of natural law, positivist international law elevated the sovereign [state] to a status of supreme power.

By the nineteenth century, positivism had taken hold. A new international order had been established based firmly on a European balance of power and imperialism, and “International Law became Eurocentric, the preserve of the civilised”.⁷⁷

The expansion of European empires brought Europeans into “contact with societies and cultural forms that seemed to share little of what they felt was the common core of their civilized identity”.⁷⁸ Thus the question of the “uncivilized” became central in positivist jurisprudence. To participate as full members of the international community with all the attendant rights and powers, one had to be sovereign. The positivist insistence that sovereignty was the founding concept of the international system naturally inspired careful scrutiny of what entities could be regarded as sovereign.⁷⁹ The practical task of identifying the “sovereign” and defining sovereignty posed a number of complex problems but for positivists, the general answer was that sovereignty could be most clearly defined as control over territory. The problem then confronting jurists was that of the “uncivilized”. Anghie argues that many of the “uncivilized” Asian and African states easily met the territorial requirement.⁸⁰ The general response from legal positivists was that territorial dominance notwithstanding, unless the criteria of membership in “civilized” international society was met, one did not enjoy the full range of powers of sovereignty imbued in European sovereigns.⁸¹ “Positivists argued that sovereignty and

⁷⁷ Shaw *ibid*, pg 24

⁷⁸ Koskenniemi M. (2002) *The Gentle Civilizer of Nations: The Rise and Fall of International Law 1870 –1960*, Cambridge University Press, United Kingdom, pg. 101

⁷⁹ Anghie, *ibid*, pg.10

⁸⁰ *ibid*, pg 11

⁸¹ Anghie, *ibid*, pg 11

society posed two different tests, and the decisive issue was whether a particular entity - even a sovereign – was a full member of international society.⁸²

The positivist interlude with international law firmly established international law as the law that guided the family of nations and sovereignty as the doctrine which designates the characteristics of a state that qualify it to be treated as equal to other states. Equality defined in overtly parochial terms, depended first on a territorial grounding and then on a “standard of civilisation”.

Pragmatism

By the early twentieth century, two world wars, an attempt at globalisation and decolonisation, inspired yet another debate on the justifications for international law. Increasingly unable to reconcile traditional state-centric, positivist philosophies, with the preoccupations of the twentieth century, international law adopted a “realist” posture --- eschewing philosophical underpinnings and theoretical doctrines grounded in sovereignty and autonomy for practices that are functional and reflective of the times. Legal Pragmatism⁸³, which emphasizes a contextual foundation, eschews overarching principles, embraces practical effects and perspectivalism⁸⁴, and focuses on “what works”, provided the new underpinnings of modern international law. To quote David Kennedy . . .

“As legal scholars we have progressed from legal theory split between incompatible and unsatisfying philosophical explanations for the existence of international law, like “positivism” or “naturalism” to a more pragmatic attitude about philosophical explanation in general, and increased

⁸² Anghie, *ibid*, pg 12

⁸³Based on philosophical theories of Pragmatism introduced by American Charles Pierce in 1878. Defined as the “attitude of looking away from first things, principles, ‘categories’, supposed necessities; and looking towards last things, fruits, consequences, facts.” Pg 5 www.marxists.org/reference/subject/philosophy/works/us/james.htm, accessed 17/07/02

⁸⁴Perspectivism emphasizes that all is messy, open-ended, and subject to revision in light of another perspective or further information (Shutkin 1993, p.66), <http://www.utm.edu/research/icp/1/leglprag.htm>, accessed 17/07/02

disciplinary attention to what is useful, or what functions for real actors in concrete situations".⁸⁵

Current philosophies underpinning international law, then, are concerned less with notions of justice and equity, and states as the principle determinants and more with what works for "real actors". However, this begs the following questions --- who are considered the "real actors" and do they engender universal agreement on what works? Pragmatism it is suggested can be either objective or subjective; it can be seen either as a validation of objectively determined, cogent standards or as a subverter of them.⁸⁶ The answers to the questions posed above will be indelibly etched in the new shape of international law.

Recreating Sovereignty – A Liberalist Preoccupation

Western dominance in the creation and evolution of international law is established; such that the Western model of political and legal organization have come to dominate the normative and ontological landscape. To avail themselves of the benefits of international law, non-Western civilizations have traditionally had to conform to Westerns style political and legal systems and prescriptive norms. In the early nineteenth century, acceptance of a Western model of statehood and organization of state was critical to attaining the "standard of civilisation" needed for membership to international society.⁸⁷ Kingsbury asserts that the articulation in parochial terms, of the membership "standard of civilization" and insistence on the Western model of statehood and political organization were applied in self-serving ways but had the important effect of establishing a degree of structural homology among sovereign states.⁸⁸

⁸⁵ Kennedy D. (1997) "International Law and the Nineteenth Century: History Of An Illusion", 17 Law Review Association of the Quinnipiac College School of Law, 99 (Westlaw Reference, 17 OLR 99), pg 2

⁸⁶ Pragmatism, www.xrefer.com/entry/553242, accessed 17/07/02

⁸⁷ Kingsbury B. Sovereignty And Inequality, <http://www.ejil.org/journal/Vol19/No4/ab1-1.html>, accessed 20/07/2002, pg 2

⁸⁸ Kingsbury, *ibid*, pg. 3

As such, non-Western civilizations legitimised as states in Western hegemonic international law are precariously poised on a precipice of standards, subject to the whim and fancy of Western ideology. Could globalisation be the inspiration for the development of a new standard of membership to international society?

Consider the assertions of David Fidler. He concludes that the structural adjustment policies (SAPs) of the IMF are the resurrection of political, economic and legal thinking that created and maintained the system of capitulations⁸⁹ in the nineteenth century.⁹⁰ The non-European, uncivilised countries⁹¹ of the nineteenth century were recognized as subjects of international law but lacking the internal capacity to conform to some of the rules and standards found in customary international law, capitulations were required until the standard of civilisation could be met by the uncivilised nations.⁹²

Fidler asserts that in the twenty first century the new imposition is a “standard of globalisation”, encouraged through the IMF’s SAPs and supported by Western hegemony and international law. Like uncivilised states, unglobalised states are recognized as subjects of international law but lacking the internal capacity to fulfil some of the rules and standards of contemporary international law, SAPs are required until the standard of globalisation is achieved by the unglobalised nations. To benefit from the international legal principles of sovereign equality and non-interference in the globalised era, sovereign but unglobalised states may have to admit the “inferiority of their political and socio-economic systems” and permit massive interference with their internal

⁸⁹ Capitulations, as defined by Black’s Law dictionary, pg. 167 as giving subjects of a Christian state (European civilized states) privileges in the territory of a non-Christian state (uncivilized state). According to Fidler, capitulations in the nineteenth century were used to impose the policies, rules and institutions of powerful, capital exporting countries on weaker, non-European regions.

Fidler D. (2000) “A Kinder, Gentler System of Capitulations? International Law, Structural Adjustment Policies, and the Standard of Liberal, Globalised Civilisation, 35 Texas International Law Journal 387 (Westlaw Reference, 35 Tex. Int’l L.J. 387), pg. 1.

⁹⁰ Fidler, *ibid*, pg. 2

⁹¹ Some example of these would be Japan, China, the Ottoman Empire

⁹² Fidler *ibid*, pg 4

affairs.⁹³ SAPs Fidler posits, are just one of a number of prominent phenomena that indicate that a liberal standard of globalisation powerfully influences how international law is created and applied in the twenty first century.⁹⁴ Seen from this perspective the sovereignty debate takes on new meaning.

The New Sovereignty – What Works for the Only “Real Actors” That Matter

While the traditional sovereignty system is flawed and strained to its limits by the infringements on state independence, it still affords the prospect of some autonomy. Some elements of state sovereignty such as the capacity to make treaties, join the United Nations and claim act of state and sovereign immunity⁹⁵ are still intact, and based in part on mutual interest and reciprocity, allow some structural equilibrium. What would be the result of a general rejection of the commitment to state sovereignty in favour of pragmatic liberal alternatives?

One dominant alternative, deriving from Western populist democratic theory, stresses the values of participatory democracy in social and economic affairs as well as the political realm and centres on the increased involvement of the private individual vis-a-vis the state in international law. Proponents of this alternative envision the emergence of a trans-national civil society, which finds voice and political expression not only through states but also in many other ways. International law is thus seen as the law of the trans-national society, regulating states but not dependent entirely on states for its existence, content or implementation. The state is an important locus of power and authority, but is only one of many functional institutions competing with each other and with other actors in a market to provide cost-effective governance at the required

⁹³ *ibid*, pg 14

⁹⁴ *ibid*, pg 13

⁹⁵ Although accepted as a general principle, sovereign immunity is subject to wide-ranging exceptions, which are themselves exceptions to the general rule of territorial jurisdiction.

standard. Responsiveness to the needs and interests of the individual and particular constituencies is a vital element of success.⁹⁶

Within this framework, states would not disappear and would remain the principal units of order and governance. However, the protections and status conferred by the present concept of sovereignty would cease to be a fundamental right of states and instead become overtly contractual and subject to revision, objection, forfeiture or annulment.⁹⁷ Legal sovereignty would become a variable rather than a parameter.⁹⁸

The implications of “contractual” sovereignty are significant, particularly for weaker states. An argument can be made that states deemed insufficiently democratic or deeply divided or unable or unwilling to meet the plethora of international demands for adequate regulation, institutions and policies, ought to lose their sovereignty.⁹⁹

Such a course of events would in turn significantly reduce autonomy and independent decision-making and thus difference and dissent. But these fall casualty to the argument of pragmatists who posit that differences protected by state sovereignty often comprise undesirable traits such as the subordination of women, the maintenance of corrupt elites or the suppression of political dissent or religious freedom. Contractual sovereignty is an emergent but important thesis that bears scrutiny.

Emergent liberal thinking also embraces the development of different spheres of international law, constituted by liberal states practising a higher degree of legal civilization,¹⁰⁰ to which other non-liberal states would be admitted only when they meet

⁹⁶ Kingsbury, *ibid*

⁹⁷ Kingsbury, *ibid*

⁹⁸ *ibid*

⁹⁹ *ibid*

¹⁰⁰ Characterised as states operating in the zone of law, i.e. juridical equality, constitutional protections of individual rights, representative republican governments and market economies based on private property rights versus. Non-liberal states, operate in a zone of politics i.e. politics influences all aspects of domestic law. For more information see Burley, A.M (1992) “Law among Liberal States: Liberal Internationalism and the Act of State Doctrine 92 Columbia Law Review 1907 (Westlaw Reference 92 CLMLR 1907), pg. 3.

the required standards. Rather than the violation of sovereignty of non-liberal states, the argument goes, this model seeks to spread the Universalist vision through the vindication of sovereignty.¹⁰¹ Non-liberal states will still be sovereign just not “as sovereign” as the liberal states. While it is defended as merely a description of existing or emerging reality it is evocative of earlier patterns in international law in which the non-civilised had to meet the self aggrandizing, self serving criteria of the “civilized”.

If Fidler is right and there is compelling evidence to suggest that he is, the liberal standard driving the changes in the economic sphere, threaten to overwhelm the political sphere and result in a reshaping of the state system that significantly threatens the right of some developing nations to exist and survive.

The Case for Formal Sovereignty: Protection of the Weak

Currently sovereignty provides a shield for weak states and institutions and moderates to some extent the existing inequalities of power between states. As Kingsbury asserts, “these inequalities would become more pronounced if the universal normative understandings associated with sovereignty were to be discarded, and sovereignty were to become simply a summation of the operations of the market, a bargaining resource to be traded off against other sources of value”.¹⁰² In strong states there is little prospect that the autonomy inherent in the traditional sovereignty will be compromised and the politics of civil society will continue to be channelled through state institutions even as the activities and concerns of civil society gradually become more transnational. De-legitimising the state by dispensing with its sovereignty is a process likely to be imposed on weak states outside the West.¹⁰³

¹⁰¹ Burley, *ibid*, pg 10

¹⁰² Kingsbury, *ibid*

¹⁰³ *ibid*

In the end, inequalities among states and the dominance of major powers currently qualify the legal autonomy of many states. However, it is still true that even the weaker states are equal in law and entitled to reciprocity in rights and obligations. To quote Schachter, weak and vulnerable states are generally more likely to obtain protection and benefits through their territorial state than through free markets or the civil transnational societies that lack effective authority¹⁰⁴.

Whether the future is of a sovereignty lost or a sovereignty retained, it is as Lee put it, the “future of world affairs”.¹⁰⁵ Thus, the issue is too important for developing countries not to be involved. Their continued participation in international affairs as a recognized actor may depend on it.

The future has never appeared more bleak or challenging for developing countries. The world has been turned on its head in every sphere and the new shape is being formed at the highest levels by the most influential in the new power configuration. Finding a way to cultivate a presence that demands attention, offers pragmatic alternatives and refuses to be suppressed or supplanted is an important leap in the right direction for developing countries. Anything less suggests either ignorance of the dominance of emerging power structures or the deliberate imposition of non-viability by a dogged refusal to adjust philosophies and attitudes.

¹⁰⁴ Schachter O. (1997) “The Decline of the Nation-State and It’s Implications for International Law” 36 Columbia Journal of Transnational Law 7 (Westlaw Reference 36 Colum. J. Transnat’l L. 7), 7

¹⁰⁵ Lee S. (1997) “A Puzzle of Sovereignty: Sovereignty Either Is or Is Not” 27 California Western International Law Journal 241 (Westlaw Reference 27 Cal.W.Int’l L.J. 241), pg 2

CHAPTER 4: DEPENDENCY UNDER CHALLENGE

“If we are not able to be an equal partner in the negotiating process as a sub-region, we really have to ask ourselves “who’s agenda are we carrying out and who’s interest are we serving?”

Albert R. Ramdin

Adviser to the OAS Secretary General

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Given the history of the Caribbean, one could forgive these countries for dismissing globalisation as the latest phase in the Western dominated world development debate. After all the Caribbean has been the traditional laboratory for Western development prescriptives for over thirty years and globalisation philosophies appear to offer little beyond the core tenets of dependency theory. But an apathetic perspective is a mistake.

Despite its untidiness, globalisation underpins the shape of the twenty-first century. It is neither temporary nor uni-dimensional. Its scope is deep, wide and pervasive and its effects significantly dependent on how its frameworks are defined. This perspective of globalisation has to be the starting point for the policy makers in the Caribbean. Empowering themselves to successfully engage globalisation must be the strategy. The relevant question is of course, how?

Taking a wider perspective on the fate of small countries like those in the Caribbean, despite the dynamism of globalisation and its unipolar character, there seem to be possibilities for viability. In fact, it is suggested in some spheres that these post cold war days offer small states the greatest flexibility in formulating their own foreign policies as well as the greatest opportunity in helping shape the international order.¹⁰⁶

¹⁰⁶ Mark Hong, quoted by Vaughn Lewis *ibid*, pg. 334

The argument for the imposition of non-viability emerges in the Caribbean's responses to globalisation thus far. If the Caribbean community intends to help shape the new international order, and they must if they want to remain viable, they must assume a more pragmatic posture in designing responses to globalisation. Bargaining power and negotiating prowess underscore the power dynamics of the new global agenda. This overarching reality should guide the actions of these small states as they chart their way in the next century.

The Future of the Caribbean

The future of the Caribbean depends significantly on the role assumed by these countries in world affairs. According to Michael Erisman, the role of small states in global affairs is usually confined to three foreign relations, macro-perspectives: i.e. power politics, interdependence/integration, or dependency.¹⁰⁷ Each of these has a particular perspective and emphasis that affects not only how the main problems confronting these countries are defined but also the options for appropriate policy response and ultimately viability.

Power Politics

Power Politics implies a notion of foreign affairs that is a constant struggle among states for the power they need to pursue and protect their vital interests, the most important being national security. Thus in a world where power is considered the only unit of political currency that matters, the interests of small states are routinely sacrificed to the preferences of the strong. According to Erisman, small states are accepted as the inevitable victims of the global hierarchy of nations created by the most powerful, and their role is "to be incorporated into a sphere of great power influence".¹⁰⁸ The

¹⁰⁷ Erisman, *ibid*, pg 5

¹⁰⁸ Erisman, *ibid*, pg 7

opportunity of small states to control their destinies is minimal, unless they are ignored or deemed unimportant. Their destiny lies in the dynamics of external power struggles between the power centres. In rules of the international game dominated by the Power Politics theory, the fate of the small state is securely etched on the periphery.

Interdependence/Integration

Much more optimistic about the prospects for small states, this paradigm places emphasis on the opportunities presented by the pervasive patterns of interdependence that characterize the modern world.¹⁰⁹ Interdependence theorists put much stock in the (theoretically)¹¹⁰ positive sum game associated with integration. Cognizant of the vulnerabilities associated with interdependency, interdependence theorists look to regional integration as an alternative to minimizing the potential liabilities of interdependency. Regional integration involves usually a number of independent states coordinating policies and pooling resources to achieve as a group, higher levels of socio-economic development than could be achieved individually.¹¹¹ Political unification, characterised by the delegation of authority to make choices regarding the allocation of values and resources to collective decision-making bodies, is recommended. The interdependency theory offers an alternative to small states by allowing them to position themselves to mitigate challenges and take advantage of whatever opportunities await more importantly it signifies a proactive attempt to control their fate.

Dependency Theory

¹⁰⁹ *ibid*, pg 8

¹¹⁰ Inserted by author

¹¹¹ Erisman, *ibid*, pg 9

Dependency theorists on the other hand believe third world states start from a position of inferiority and exploited status in the international community because of technical imbalances in the economic structure or worse, fundamental flaws in the capitalist structure of the global economy. “Dependistas” who posit a technical imbalance concentrate on the context of trade and what they perceive as the unequal terms of trade between industrialized and less developed countries. They thus espouse remedies in strategic economic policies founded in diversification of exports, import substitution and regional integration. The more radical dependency theorists posit that the situation was “deliberately created and maintained by the industrialized countries to facilitate their systematic pillaging of the Third World”.¹¹²

The result nevertheless is the external penetration of the developing countries’ economic political and/or socio/cultural processes to the extent that crucial decision-making power is acquired and exercised by outsiders. When applied within the context of contemporary international power configurations, the loss of control engenders practices evocative of the modern manifestation of classical colonialism. This complete loss of control is one of the major elements that distinguishes the interdependency theory from the dependency.

Putting Dependency under Challenge

Given the legacy of foreign domination and viability problems associated with size, it is hardly surprising that dependency theory has shaped perspectives on the role of the Caribbean in international affairs. The loss of “effective sovereignty”¹¹³ is the label of choice for the pundits in the Caribbean.

According to David Lowenthal, this is what has occurred in the Caribbean . . .

¹¹² Erisman, *ibid*, pg 10

¹¹³ Labelled by William Demas in his work entitled *Consolidating Our Independence: The Major Challenge for the West Indies*, quoted in Erisman’s *ibid*, pg12.

*“new forms of dependency reinforce old colonial habits. Political, economic and cultural constraints are intimately interlinked—commercial ties lead to strategic accommodations, cultural dependency stems from overseas economic dominance. Submission to external cultural criteria is the inevitable concomitant of West Indian political and economic dependence”.*¹¹⁴

When a nation reaches the point described by Lowenthal, it has fallen into a position of comprehensive dependency: i.e. it does not possess effective sovereignty and instead has been incorporated into an informal empire”.¹¹⁵

In analysing the future for the Commonwealth Caribbean based on Erisman’s premises, it is difficult to overlook the linkages between the three. Power Politics can perhaps be best used to provide insight into the historical dynamics that led these states into dependency but it provides no assistance in alleviating their plight. In fact, if the policy makers in the Caribbean are inclined to subscribe to this theory, then the Caribbean is indeed doomed. Dependency may be the reality but it also offers little in the way of charting a viable future, because while the dependency theorists display analytical and ideological differences, there is overwhelming agreement on one key point --- in the majority of cases, there is a negative correlation between dependency and the long term developmental prospects of small states.¹¹⁶ Given the increasing interdependency of markets and people in the global era, if development is the objective then integration, through regionalism offers the best alternative for the future. But efficacious integration is undeniably determined by the prevailing political and economic climate and is not without significant challenges.

Power in Numbers

¹¹⁴ David Lowenthal, *West Indian Societies*, quoted by Erisman, *ibid*, pg. 14.

¹¹⁵ Erisman, *ibid*, pg 14

¹¹⁶ Erisman, *ibid*, pg. 19

Integration for administrative efficiency and improved economic viability is not new and the recent significant increase in developing country efforts to integrate inspired by globalisation has prompted pundits to make a distinction between old and new regionalism.

As Kennes explains old regionalism refers to the integration initiatives practiced in the 1960's and 70's. Inspired by the prevailing development strategy of import substituting industrialisation, using high protective barriers, integration was considered necessary to improve the chances of developing countries with small economies to utilize the strategy effectively.¹¹⁷ However, plagued by inadequate institutional design and the failure to fulfil important pre-conditions of integration, many of these initiatives failed.

Inspired by different political and economic contexts, new integration initiatives no longer emphasize high protective barriers or regional import substitution, and they are generally more outward oriented. Additionally the concept of regionalism has been broadened to cover a variety of issues "beyond the borders" such as: common technical standards, competition policy, investment regulations, the provision of services and government procurement".¹¹⁸

Perhaps the European Union is the best example of a new and progressive integration initiative in the era of globalisation. Since its origin, the EU has embraced a supranational approach to economic integration, and has complemented this by an intergovernmental approach toward foreign and security policy and justice and home affairs. Its hallmark is the development of a regime composed of a set of norms, rules and regulations that give predictability to decision-making and accountability. As a result

¹¹⁷ Walter Kennes, Developing Countries and Regional Integration, http://www.euforic.org/courier/165e_ken.htm, accessed 1/08/02.

¹¹⁸ Kennes, *ibid*

it awards significant attention to political preconditions, insisting for example on democracy, rule of law, human rights, and respect for and protection of minorities, and economic preconditions, requiring in some cases drastic economic policy reform, as strict requirements to accession of new member states. Economic Integration is also supported by a European Monetary Union and common currency.

Indisputably, the most significant difference between the old and effective new models of regional integration such as the EU is the embrace and development of formal institutions of regional public governance. Increasing the size and scale of agents of public governance offers an effective counter to the growing scale and power of private enterprise and affords stable and credible representation in multilateral forums. In the contemporary international system, effective public governance is not only a matter of form but as Jones asserts, in the longer term it is also a matter of securing and sustaining legitimacy¹¹⁹. “Durable and stable states have succeeded precisely because of their ability to combine effective institutions with the widespread support of those for, and over, whom they rule”.¹²⁰

Imposing a State of Non-Viability – The Caribbean and Regional Integration

CARICOM – A Product of Old Regionalism

According to Payne and Sutton, the key to the successful launch of CARICOM was that it “eschewed any commitment to the political integration of the Commonwealth

¹¹⁹ Jones, *ibid*, pg. 203

¹²⁰ *ibid*, pg 203,204

Caribbean and thus contained no threat to the national sovereignty of the independent nation state".¹²¹ Indeed the Treaty of Chaguaramas, which established the Caribbean Community, deliberately avoided any mention, even a hint of supra-nationality and accordingly countries were flexing their individuality before the ink on the treaty was dry.¹²² For example during the oil crisis in the 1970s instead of acting in "the common interest", Jamaica sought to unilaterally protect its national economy by contracting with Venezuela.¹²³ Clearly, CARICOM was shaped by men and women entrenched in the "mental universe of traditional inter-state relations where the concept of national interest reigns supreme".¹²⁴

As a result, CARICOM has never been an integration movement, where integration is defined as the process in which countries accept that national interest may be a casualty of the greater regional good. Attempts at regionalism have resulted in what Payne and Sutton term, neither nationalism nor regionalism but a hybrid creature consisting of elements of both.¹²⁵ It is according to Ian Boxill, a weak and unstable institution.¹²⁶ Instead of a harmonious regional relationship benefiting all parties, what has resulted is an ever-present conflict in all areas of regional cooperation and the "perpetual emasculation of the principles and spirit of the CARICOM treaty".¹²⁷ The Caribbean's attempt at regionalism then can be classed as nothing more than a structure created by national governments to make nationalist policies more palatable and effective by pursuing them within a regional framework. Despite the appropriate rhetoric, the Caribbean has always rejected political integration in favour of the more

¹²¹ Payne, Sutton, Charting Caribbean Development, *ibid*, pg. 173

¹²² *ibid*

¹²³ *ibid*, pg 183

¹²⁴ *ibid*, pg 174

¹²⁵ *ibid*, pg 174

¹²⁶ Boxill, I (1993) Ideology and Caribbean Integration, Consortium Graduate School of Social Sciences, Mona Campus, Jamaica

¹²⁷ *ibid*, pg 109

palatable policy coordination. Moreover, it is unlikely to change in the near future. Consider the orientation of the new CARICOM.

Old Regionalism, New World

Unable to ignore or deny the exigencies of the global economy, CARICOM has expressed some support for greater levels of integration. For example, the creation of the Association of Caribbean States (ACS), an initiative anchored on CARICOM but open to other Caribbean states, and other diplomatic initiatives aimed at improving relations with Latin America reflects general support for the argument to widen the regional machinery. The creation of the Regional Negotiating Machinery (RNM) to administrate the task of negotiating with greater strength against the EU and the US indicates recognition of the advantages of political integration. But unilateralist orientations in attempts to respond and adapt to changes in the international environment persist. Perhaps the most notable example of this is Jamaica and Trinidad's decision to seek individual accession to NAFTA.

Nevertheless CARICOM continues to endure and perhaps when compared with other regional "third world" efforts, it has enjoyed significant successes. However, as Payne and Sutton point out, it has not developed into the articulate and capable defender of the regional interest. It has remained an example of regionalism as previously defined.¹²⁸

In 2002, the small states of the Caribbean are faced with difficult choices. First, they will have to assess "whether the new forces and trends in the international environment threaten to make them irrelevant because of the slow pace of the stratagems of regional integration that they have pursued",¹²⁹ and if so, whether they are

¹²⁸ Payne, Sutton, Charting Caribbean Development, *ibid*, pg. 200

¹²⁹ Lewis, *ibid*, pg. 344

prepared to search and apply effective strategies, despite the costs. Second, because they face the very real situation of being small states alone, with no firm alliances that might provide meaningful arrangements to enhance their small size, they have to decide whether they want to discharge the notion of a community system in search of future economic growth through unilateral action.¹³⁰ A positive response to the latter question would imply the end of a “Caribbean identity” in the region. As the countries vacillate between commitment to higher levels of regional integration and unilateral action, it is helpful to look at the challenges and incentives that accompany effective regionalism in the Caribbean.

Undermined by Diversity

There are considerable challenges associated with regional governance in the Caribbean, beyond political will to cede sovereignty. For example, the geopolitical and socio-economic diversity within CARICOM presents a challenge to both wider and deeper initiatives.

If the Caribbean Sea is used as the common basis for integration then countries such as Venezuela, Colombia, Panama, Costa Rica, Nicaragua, Honduras, Guatemala, Mexico, the Lesser and Greater Antilles and Cuba all present potential strategic alliances. However formulating alliances with any one of these countries would involve considerable complications. For example included in these are three formal economic groupings and three independent countries i.e. Cuba, Dominican Republic and Panama who do not belong to any grouping. Colombia and Venezuela belong to the Andean Community, the Lesser and Greater Antilles belong to the OECS and Panama, Nicaragua, Costa Rica and Honduras belong to the Central American Common Market (CACM). Some CARICOM countries like Belize and Guyana belong to other regional

¹³⁰ *ibid*

organizations. This suggests some creativity in defining the role of these countries. Additionally metropolitan powers are still active in the region. France, Holland, the United Kingdom and the United States maintain interests that would affect the effectiveness of any regional body, given the continued direction of these territories by the metropolitan capital. Cuba presents an interesting dilemma because its sheer size would add credibility to the union but its fundamental divide with the United States would, as is currently the situation with the ACS, prohibit the membership of Puerto Rico and the US Virgin Islands.

Much more difficult to overcome perhaps is the diversity in socio-political contexts evident among CARICOM countries since independence. Different levels of successes with development initiatives have undermined a clearly defined “Caribbean niche” within globalisation. According to Payne & Sutton there is no necessary “regional niche” and indeed it has to be noted that a “region which had a fairly “homogenous” level of under-development in the mid-1960’s now finds itself at the end of the twentieth century with sharp differences in development levels”.¹³¹ However it is impossible to ignore that the broader picture across the region still reveals “endemic high unemployment, severe poverty, amidst wealth and good living for some, social decay, growing amounts of crime and worrying levels of environmental deterioration”.¹³²

Integrated by Commonalities

On the other hand, unwillingness to cede sovereignty is diverting attention and effort away from an alternative that engenders the foundation for long-term survival of the Caribbean. For example, the case for widening hinges directly on the fact that fourteen or fifteen micro-economies will not significantly increase the regional market to

¹³¹ Payne, Sutton, Charting Caribbean Development, ibid, pg 21

¹³² Payne, Sutton, Charting Caribbean Development, ibid, pg 22

a size sufficient to achieve efficient economies of scale. However, attempts at wider integration can easily overwhelm a diverse and scattered CARICOM membership. As the West Indian Commission's report stated, it would be a mistake to see the process of widening simply in terms of enlarging CARICOM's membership . . . It is important that we make progress in that direction without being lost within our own widened Community.¹³³ Thus, a strategy to widen CARICOM must be accompanied by the embrace of regional harmonisation so that the Caribbean identity is preserved and the Caribbean gains credibility in its global market transactions and efficacy in its foreign affairs interactions. It must be able to speak with one voice, whether in a hemispheric or global context. The importance of effective representation and ability to influence the shape of the new world cannot be overstated given the present and evolving challenges in the global economic and political spheres.

Another compelling argument owned exclusively by effective integration and urgent in the age of globalisation is the preservation of a "West Indian culture". There are significant unifying factors present in West Indian life, which complement effective integration and could enhance the lives of all West Indian people. Central among these is a common culture, history and identity. Ross Brewster asserts that cultural identity and a sense of history and kinship are already a good part of West Indian reality".¹³⁴ Indeed, it is a case that political expression needs to catch up with social reality, as these essential ingredients are far more developed in West Indian society than are reflected in its political institutions.¹³⁵ He asserts that a more formal expression of West Indian cultural identity, history and kinship, representative as they are of a distinctive

¹³³ West Indian Commission report entitled A Time for Action, quoted by Bernal *ibid*, pg 316

¹³⁴ Ross-Brewster R.H., (2000), "Identity, Space and the West Indian Union", Hall K, Benn D, (ed) Contending with Destiny: The Caribbean in the 21st Century, Ian Randle Publishers, Kingston, pg. 38.

¹³⁵ *Ibid*

society, would not only correspond better to reality but would have positive psychological benefits in enhancing West Indian self esteem, pride and confidence¹³⁶.

Thus if the West Indian and a West Indian agenda are to exist and plague the international conscience in the coming era, there must first of all be a West Indian identity formalised into regional political expression through effective regional integration. There simply is no other viable alternative given current global power configurations

In the end, the small states of the Caribbean have a choice. They could continue to vacillate between unilateral and regional action and diffuse the effect of regional action or they could effectively integrate under a West Indian identity that has better chances of ensuring a niche in the marketplace of the world and a place at the negotiating table.

Reluctant to give up traditional sovereign prerogatives, the states of the Commonwealth Caribbean continue to reject political integration for more palatable alternatives. By not even attempting to construct a more effective regional model, the countries of the Caribbean are effectively imposing a state of non-viability. Independence in the era of globalisation takes on different properties, which belie the rights of legal prescriptions and demand a practical approach. In a world dominated by regional power structures, the survival of individual Caribbean sovereignty rests ironically, not on the pursuit of insular options but on regional cooperation on a scale never before attempted.

Final Considerations

Clearly the starting point for the Caribbean must be a change in philosophy and attitudes, if the region is to progress. Mental constructs pertaining to uses of sovereignty

¹³⁶ ibid

learned from the colonial experience continue to pervade and underpin the region's political structures. Globalisation has inspired an urgent need to revisit prevailing wisdoms in all spheres and to discard if necessary those incongruent with its underpinning paradigms. For the Caribbean, this means embracing complex and unnerving but pragmatic strategies that will allow it to survive and develop in the new context.

The challenges for the small state are profound. The obvious imbalances in the economic sphere present a pressing need for the expression of pragmatic dissent if that system is to realize more positives than negatives for small states. Concurrently the unbridled expansion of the logic of the market in the political sphere must be tempered with the agendas of the disadvantaged so that the global economic and political context do not together undermine the existence of those unable or unwilling to adjust.

Finding a way to cultivate a presence that demands attention, offers pragmatic alternatives and refuses to be suppressed or supplanted is essential. Anything less suggests either ignorance of the dominance of emerging power structures or the deliberate imposition of non-viability by a dogged refusal to adjust philosophies and attitudes.

In the case of the Caribbean the questions that need asking are: "what do we need to do in this new international environment to become an equal partner and to level the playing field; what do we need to do to survive? In answering these questions, it is imperative to understand the dynamics of sovereignty and international law and shed the artificial protection of increasingly outdated notions of statehood and sovereignty. Vaughn Lewis put it best . . .

"These nations will have to adopt the approach that adaptation into the larger systems in which they exist is a continuing necessity; that the creation of

*larger economic spaces, uninhibited by legislative impediments deriving from traditional sovereignty model, will be a characteristic of emerging economic organization; and that if they are unable to harmonise policy approaches with neighbours in their smaller subsystems, pivotal states or larger systems in their wider environment will submerge their pretended autonomy in the interests of environmental efficiency – whether in the field of production, trade, monetary policy or security stability.*¹³⁷

Unfortunately the type of measures required have to be spawned by an ideology of integration that did not influence CARICOM's formulation and by all accounts does not do so now. Despite being forced to accept a new sovereignty sensibility in international affairs, the member states of CARICOM refuse to accept the same in regional affairs. Girvan asks "if we can recognise this reality at the level of the WTO, can we not do so at the level of our own region, in order to negotiate from a position of greater strength with the WTO and in other similar negotiations?"¹³⁸

As the world continues to realise dramatic changes in the global landscape, the small states of the Caribbean have a narrow window in which to make their choice. In the case of the Caribbean, my sympathies are engaged. Should it happen that my country is a casualty of globalisation, let it not be because we were too fearful of making the difficult choice, when we had the chance.

¹³⁷ Lewis, *ibid*, pg. 344

¹³⁸ Girvan, Norman (2001), Rally Round the West Indies: Remarks at the Launch of the Caribbean Community: Beyond Survival, Mona, Jamaica. http://www.acs-aec.org/reinventcom_eng.htm, accessed 11.01.02



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