The Coronavirus (COVID-19) and the Caribbean: 
Economic, Governance and Political Contexts

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ABSTRACT

Using economic, governance and political lenses, I consider how the novel coronavirus (COVID-19) has affected the Caribbean Community (CARICOM), a regional grouping of mostly small states. I find that COVID-19 brought untold hardship for CARICOM; the silver lining, however, was deft leadership, which boosted regional cooperation. I also explore some implications arising for CARICOM within sight of coronavirus-related developments, showing that in this complex milieu the conduct of the bloc's business needs a relook. While CARICOM has become much more effective in manoeuvring as an agent of development and security for its members, its integration record has been mixed. Overall, I determine that this may be a defining moment for the regional grouping's reorientation and that the prospect of enhancing regional governance is within grasp, considering the coronavirus era will likely shape trends in CARICOM politics and integration for the foreseeable future.

Keywords:

Coronavirus (COVID-19); Caribbean Community (CARICOM); the economic context; the governance context; the political context; enhancing regional governance
Introduction

Shortly following the advent of SARS-CoV-2 or the novel coronavirus (COVID-19) outbreak, Caribbean Community (CARICOM) leaders, CARICOM-wide policymaking circles and key state institutions had come to grips with its epidemiological and (socio-)economic implications.¹ With so many lives and livelihoods on the line, a grim picture had begun to take shape. The coronavirus's multifaceted fallout also came into view. And never far from CARICOM decision-makers' minds, the coronavirus and its effects represent a potential game-changing global order development. Against this backdrop, they sought to canvass and weigh up how regional cooperation ought to play out, their respective stances shaped by, *inter alia*, the connection between existing CARICOM integration and the domestic considerations of what are ostensibly small Caribbean states.² In key respects, the politics of the CARICOM regional project are complex because of the primacy of this interplay, the underlying cause of this complexity being the trade-off between regional and national policy (but also political) objectives. In a context where regional leaders pursue CARICOM integration not out of altruism but rather to serve the national interest, CARICOM Member States and Associate Members gravitate toward intensified regional cooperation to effectively confront a common existential threat. In combination, the above-identified matters are expected to attract detailed study by academics and practitioners alike. As that significant body of literature starts to come together, my goal here is to highlight the economic, governance and political contexts of the aforesaid matters, concluding that they are likely to shape the future agenda of CARICOM and the dynamics of regional politics. At the outset, I situate my context-driven analysis, taking a look at the *COVID-19 moment*.

The COVID-19 Moment

COVID-19 has seemingly emerged as the most pressing challenge confronting the world today, its complex realities having rapidly disrupted (indeed, having pervasively ensconced themselves at the centre of) diplomacy and global affairs. Even so, the situation's dynamics have the potential to shape politics among nations in the coming years, setting many of the conditions for and trends in international politics. At the present time, the coronavirus vaccine race continues, alongside concerns that possible bottlenecks in vaccine availability for the developing world could portend new challenges for national authorities.³ While


² The Commonwealth Secretariat, which is widely acknowledged for its longstanding advocacy on behalf of small states, defines small states as countries with a population size of 1.5 million people or less. For the most part, CARICOM members fall into this category, and virtually all of them are sovereign island states.

investigations, including by the World Health Organization (WHO), are underway into the coronavirus, COVID-19's origins are said to have been traced to Wuhan, China. It has also been determined that the initial outbreak started in late 2019, spreading within and from China's Hubei province. In March 2020, the WHO declared COVID-19 a pandemic, the coronavirus outbreak having taken hold the world over. On a global comparative scale relative to the effects of other, high-profile epidemiological outbreaks over the past few decades, the coronavirus came to be viewed as far more pernicious.

The Economic Context

This section analyses COVID-19's economic ramifications for the region, providing a circumscribed view. It is worth noting that early on in the coronavirus crisis, the risks to entire (small) economies posed by the spectre of COVID-19 were a top-of-mind concern for CARICOM leaders. This remains the case. Suffice it to say that amidst this moment when the world as we know it is being unmade, CARICOM policy elites' grasp of the enormity of the economic impact was immediate. The operative constraint: their jurisdictions are unable to single-handedly finance the requisite responses. As a matter of course, the first letters to the international financial institutions seeking access to the various supportive measures being put in place for developing countries and requesting supportive advocacy by international development partners on eligibility issues pertaining to middle income countries were dispatched in late March and early April 2020, with the then-Chairperson of the Conference of Heads of Government of CARICOM leading this effort.

While it is widely recognized that the global financial and economic crisis of the late 2000s and preceding food and energy crisis impacted the wider region's developmental prospects, the coronavirus's consequences are of a different order of magnitude. Its knock-on effects have wrought several fold crises, transcending the extant health crisis. A recently published Organisation of Eastern Caribbean States (OECS) Commission report on COVID-19 and its wide-ranging impact reveals that the sub-region is

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strained to its limits by the pandemic’s calamitous effects.\textsuperscript{11} With regard to recovery, the outlook is dismal.\textsuperscript{12} It will not help that those jurisdictions have long grappled with wider structural imbalances, lack of competitiveness and lack of export diversification, to name but a few challenges; all of which, according to scholars,\textsuperscript{13} constitute the Achilles heel of economic development. (With some exceptions, regional states are hamstrung by lacklustre economic growth, and 2019 was no different.\textsuperscript{14})

In respect of CARICOM’s tourism-dependent economies, reports are that the sector ground to a halt in the second quarter of 2020.\textsuperscript{15} Insofar as the tourism sector is said to account for as much as 90 percent of GDP and employment in some jurisdictions,\textsuperscript{16} the sector's nosedive is devastating. For its part, the global tourism industry is likely to suffer lasting coronavirus-related effects.\textsuperscript{17} Reportedly, small island developing states that rely on tourism will not be spared.\textsuperscript{18} Thus, the region's vulnerabilities have once again been exposed.\textsuperscript{19} Barbados, which has a tourism-dependent economy, is a case in point. During the April to June quarter 2020, the Barbadian economic landscape was hit hard by COVID-19.\textsuperscript{20} Barbadian authorities note that based on COVID-19’s wider impact on the global economy, “the Barbados economy faced the prospect of a double digit decline in economic activity in 2020.”\textsuperscript{21} With regard to the nexus between the COVID-19 crisis and tourism-dependent economies, it is instructive to note that, for Barbados,

\begin{quote}
the virtual cessation of activity in the tourism sector combined with curfews and temporary business closures deepened the initial contraction that was realized during the first three months of the year. Preliminary data now suggests that economic output fell by 27 percent in the second quarter, resulting in an overall decline of almost 15 percent over the first six months of 2020. As tourism arrivals plummeted, the depth of the recessionary conditions underscored the importance of the tourism sector, highlighting its linkages to other sectors such as agriculture, distribution and transportation.
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    \item [21] Ibid.
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The layoffs in the tourism industry … were therefore accompanied by additional job losses in other sectors, which experienced diminished cash flows.\textsuperscript{22}

Measures taken by Barbadian authorities to lessen the impact of the COVID-19 crisis on businesses and vulnerable segments of the population have exceeded 1 percent of annual GDP.\textsuperscript{23} Other CARICOM jurisdictions are variously affected by COVID-19, with policymaking in effect to mitigate the crisis.\textsuperscript{24} The coronavirus's full economic impact on the Caribbean has as yet to be determined;\textsuperscript{25} but, when a comprehensive stocktaking is undertaken, it will most certainly be found to have set the region's developmental conditions and trajectory back considerably.\textsuperscript{26}

The Governance Context

That said, CARICOM's leadership rose to the occasion.\textsuperscript{27} In order to help mitigate the pandemic's effects on the region, with the support of a network of regional institutions, CARICOM leaders are working responsively to forge salient short-, medium- and long-term cooperative arrangements.\textsuperscript{28} Seen against a backdrop where the coronavirus challenge has also laid bare how the link between processes of international cooperation and global crises has grown tenuous, compounded by some world leaders who are apt to shun multilateralism, it is all the more remarkable that political directorate-driven Caribbean unity on coronavirus mitigation is on full display. In the circumstances, this particular episode of regional cooperation marks a bright spot in what to-date is a near five-decades-long, oft-scrutinized CARICOM integrationist journey. Future Caribbean historians may record this moment as a high point for CARICOM's historic mission; i.e. a Community that works together to deepen integration and build resilience. This moment’s regional cooperation-related success bears testament to the strength and maturity of CARICOM

\textsuperscript{22} Ibid.
\textsuperscript{23} Ibid.
\textsuperscript{26} Of note, economic development experts have called attention to the role of the pandemic in undermining the Latin American macro-region's development prospects; see Reuters, "Latin America will be poorer after the pandemic, IADB president says," 27 July 2020, https://www.usnews.com/news/world/articles/2020-07-27/latin-america-will-be-poorer-after-the-pandemic-iadb-president-says (accessed 28 July 2020).
integration, which is the cornerstone of Caribbean regionalism, as well as CARICOM institutionalized summitry.

During the coronavirus's initial phases when respective Caribbean nations were reeling from its effects, summitry\(^{29}\) played a decisive part as regards the bloc's pandemic-induced restrictions\(^{30}\) and policy responses. Further to that high-level tack, the backstopping role of and the expert guidance extended to the region by the following specialized regional institutions were pivotal to CARICOM's well-coordinated coronavirus mitigation approach: the Caribbean Public Health Agency (CARPHA), the CARICOM Implementing Agency for Crime and Security (IMPACS), the Regional Security System (RSS) and the Caribbean Disaster Emergency Management Agency (CDEMA). (The Pan American Health Organisation (PAHO) is an integral part of regional coronavirus mitigation, as is the Caribbean Development Bank (CDB) and the CARICOM Secretariat, the administrative arm of the Community.) In this understanding, the regional coronavirus response also draws on the critical role played by the Ministers of Health and the Chief Medical Officers (CMOs). If the Community has done relatively well in warding off the pandemic, it is because 'they have followed the science'. Health Ministers and CMOs have held countless virtual meetings to coordinate their efforts, exchange information and insights, and work closely with CARPHA and PAHO, among others. Within this development, notwithstanding fragile healthcare systems, CARICOM has experienced relative success in keeping COVID-19 infection rates low; and managing and responding relatively well to the pandemic.\(^{31}\) As at 13 July 2020, the CARICOM Secretariat reports that out of the twenty CARICOM members' population of some 19 million the jurisdictions recorded 9,000-plus positive cases, from which close to 5,000 persons are known to have recovered, while there have been 200-plus deaths. Functional cooperation—a significant feature of CARICOM—paid off during a very trying time, as has small size and jurisdictional capacity. Those involved could potentially take this partnership further by enhanced cooperation in time to come, and the interlinked political context will give impetus.

The Political Context
Given the coronavirus era's far-reaching impact, the dynamics of CARICOM institutionalized summitry and, by extension, the CARICOM agenda will likely be affected. Already, summitry has been directly aligned to policymaking around the coronavirus. This is likely to continue. Agenda-setting and the attention of bureaucratic and financial resources may well lopsidedly shift to the raft of coronavirus matters arising

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30 These include the early efforts of national authorities of CARICOM Members to contain the coronavirus by way of lockdowns, and more.

at the national- and regional-level. There are indications that aid-seeking Caribbean coronavirus diplomacies—led at the highest levels of CARICOM governance—targeting bilateral and multilateral development partners are taking precedence over any other consideration. Immediate financial needs are significant. Taken together, these developments do not augur well for the bloc’s pre-coronavirus business, which remains discreetly informed by a four-fold regional integration process: (i) economic integration; (ii) foreign policy coordination; (iii) human and social development; and (iv) security cooperation.

If regional cooperation to mitigate coronavirus-related effects has revitalized CARICOM, it has also exposed the degree to which the CARICOM plank of Caribbean regionalism has been stress-tested. In light of the fluid shape of things to come in the coronavirus era, such pressures may not ease up any time soon. Accordingly, CARICOM decision-makers ought to take yet another look at the future of the bloc, particularly as it relates to making hard choices about the degree and pace of economic integration under the shadow of the coronavirus fallout. Over the past five years, a first-of-its-kind governing agenda anchored the regional governance playbook: a five-pronged strategy, outlined in the first Strategic Plan for CARICOM approved by the Conference of Heads of Government of CARICOM at its Thirty-Fifth Regular Meeting held in July 2014. It remains to be seen if, as part of the technocratic and political effort to advance on identified strategies directed towards enhancing regional governance, there will be a meeting of the minds on the much-needed reconfiguration of the governance-shaping vehicle. In this regard, there are two schools of thought. One opposing view touches upon multifarious supranationalism, according to an ex ante bureaucratic plan grounded in the much-vaunted Time for Action report; published almost thirty years ago. The second view places much more emphasis on a low-level, multi-step approach to reform. It is ensconced within the parameters of the conventional integrationist modus operandi, patterns of governance-related change thereto envisaged to arise more or less in lockstep with the pre-eminence of

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national sovereignty *per Member States à la* intergovernmentalism. Intergovernmentalism is a dispensation that makes provision for each CARICOM Member State to retain "all its sovereign authority".\(^{38}\)

In seeking to advance regional governance-related outcomes, the nature of the bloc's positioning in the international context can make all the difference in the world. In short, it is a potentially crucial step toward winning the requisite backing of international actors. Indeed coordinated foreign and external economic relations, in keeping with the *Revised Treaty of Chaguaramas establishing the Caribbean Community including the CARICOM Single Market and Economy*,\(^{39}\) has been integral to achieving CARICOM's strategic objectives and priorities, an account of which can be found in the aforementioned *Strategic Plan*. Western international actors tend to be placed on the diplomatic front-burner. That CARICOM members have historically relied heavily on Western institutions (at the level of Western countries and international organization), along with Western-backed agreements and Western-led global public goods, to address some of their most pressing public policy problems drives that orientation, paving the way for varied post-independence, tell-tale partnerships around foreign aid. The West continues to be considered a high priority for CARICOM in the wider frame of its international affairs and diplomacy; however, the bloc's Western engagement stands apart from its traditional emphasis also on the non-Western world. And as the fabric of long-running hegemonic orders frays, laying bare implications for international hierarchies, the Caribbean has to strengthen its resolve to take up anew its contemporary relationships with parts of the non-Western world; all of which have a stake in West vs. rising powers strategic—including, technological—competition. The BRICS countries come to mind, as does a rising Africa, among others.

**Conclusion**

This contribution has sought to shed some light on what to-date is a largely successful CARICOM regional cooperation experience in the face of an unfolding pandemic-based catastrophe.\(^{40}\) That success matters more than it may at first appear. Regional cooperation on this pandemic underscores that functional cooperation has been a constant success of the CARICOM integration process, long ranked as providing substantial regional public goods. And while institutional work programmes have been upended on account

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\(^{39}\) Available for download at [https://caricom.org/documents/4906-revised_treaty-text.pdf](https://caricom.org/documents/4906-revised_treaty-text.pdf)

\(^{40}\) That said, there are research limitations/implications as follows: This practice-driven work reflects single case research, conducted with a view to providing a window onto how one small (island) developing state-centric region is being affected by COVID-19. The pandemic's effects on other small (island) developing state regions, which also leverage regional projects of their own, are not explored. For all the differences in the respective regional projects' dynamics, a comparative analysis of such regions—for example, the Caribbean and Pacific—could provide a broader perspective on potential similarities in respect of regional strategies that are being effected to tackle this unprecedented crisis. Concomitantly, regional governance-related differences could also explain the orientation of aid-seeking small (island) developing state-centric regions' coronavirus diplomacies.
of the pandemic and its effects, the ongoing coronavirus battle has brought certain regional and national institutions in contact with one another perhaps as never before; thus opening avenues for and pointing to best practices pertaining to enhanced future institutional cooperation in public health and more. Yet, the coronavirus era also prompts searching questions about CARICOM. By and large, coronavirus-related outcomes make it less likely that previously set CARICOM regionalist agenda-related alignments will hold firm. Broadening the lens to include financial resources, the scramble for such resources will certainly become more acute than ever; but it continues a CARICOM priority thrust. Foreign policy coordination and external outreach will continue to play important roles in this thrust. Human and social development ought not to be downgraded. The coronavirus and its effects add a new layer to the regional security problématique, imposing a change in security cooperation realities. And economic integration, which has been limping along, needs a new lease of life. Just as the region's coronavirus response has shone a light on functional cooperation as a strong point of the CARICOM regional project, it has revealed weak spots in which economic integration woes loom large.

Looking to the future—in keeping with the changing times—outside-the-box, innovative thinking is required to effect requisite adjustments to the CARICOM regional project. In the new normal, systematic synching of work programmes spanning the four pillars of CARICOM integration would be a good start. With technocratic and political effort afoot to advance on a new strategic plan for CARICOM, an opening for such an agenda may appear. Inasmuch as the coronavirus-related recovery policy debate has taken on great importance for national and regional politics, and having regard to CARICOM's established coronavirus mitigation role, CARICOM decision-makers may well set their sights on enhancing regional governance to suit. At the next regular CARICOM summit meeting, we could possibly see the makings of just that.

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42 These woes must be addressed efficaciously, bearing in mind the coronavirus era's economic threats but also longstanding threats to a resilient CARICOM future. Cognizance of the vagaries of the external environment and the imperative of building resilience from within the membership's ranks and projecting integrationist strengths without has long been the driver of the CARICOM integration narrative. However, in practice, CARICOM Member States have been variously committed to the CSME enterprise. At this moment, Member States can ill-afford to pay lip service to the oft-cited dictum (and I paraphrase): either the region integrates, or it 'perishes'. The regional political directorate has generally accepted that the pace of implementation of the CSME initiative has to be accelerated; it has lamented "that there appeared to be a loss in the momentum with regard to the regional integration agenda"; see CARICOM Secretariat, Communiqué issued at the conclusion of the twenty-second inter-sessional meeting of the conference of heads of government of the Caribbean Community held 25 - 26 February 2011 (Grand Anse, Grenada: CARICOM Secretariat, 27 February 2011), http://jis.gov.jm/communique-issued-at-the-conclusion-of-the-twenty-second-inter-sessional-meetingof-the-conference-of-heads-of-government-of-the-caribbean-community-caricom-25-26-february-2011-grand-anse-grenada-2/ (accessed 23 January 2015).


44 Much has transpired since the Thirty-First Inter-Sessional Meeting of the Conference of Heads of Government of CARICOM, held in February 2020. It looks like coronavirus recovery-informed forward planning is on the cards for the regional political directorate, and policy decisions are also likely at play in determining the contours of an attendant road map.
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