

OWEN S. ARTHUR DISTINGUISHED LECTURE SERIES
Owen S. Arthur – the Visionary Regionalist and Realist
Making the CARICOM Single Market and Economy a Lived
Reality Towards Building Sustainable Economic
Development and Resilience

Salutations:

Introduction

It is my honour and pleasure to deliver the Second Owen S Arthur Distinguished Lecture. We are at a moment in time when the Caribbean Community more than ever requires the reasoned and practical vision that Owen Arthur shared with us during his journey as Statesman, Regionalist, Academic and Professional Economist.

The late Rt Honourable Owen Arthur was strong in his belief – fed both from the heart and from the head - that the fight for independence in the Caribbean, compelled on all of us

“an obligation to build societies, which rest on the strong and sound capital of a secure sense of identity, kinship, community and shared values, and is supported by strong and viable economies that are capable of progressively meeting the material needs of the people, all within the context of the attainment of social justice for all”.

This is the essence of sustainable development.

Owen Arthur was of the view that Caribbean integration and, especially the CARICOM Single Market and Economy (CSME), was essential as a driver of regional economic growth, social mobility, prosperity and sustainable development. He believed that integration strengthens the resilience of our region and reinforces our capacity to withstand the shocks and manage the risks emanating from the global economy and provides a basis for engaging on the international stage where our combined impact would be greater than the sum of our individual efforts.

I had the privilege of serving as Deputy Secretary-General at the CARICOM Secretariat, with Sir Edwin Carrington, at the time that the Revised Treaty of Chaguaramas was being finalized and the Heads of Government established the Quasi-Cabinet. Owen Arthur took on the responsibility of leading the work to establish the CSME with a passion that, it could be argued, offered new decisive approaches that perhaps all were not ready to consider. But he persisted, pushed, argued, and, yes, even scolded, as the Community commenced to put in place the critical elements of the CSME, but not as urgently as he would have liked to see it take place.

I remember a conversation with him, in the corridors of a CARICOM meeting, about the need for well thought out professional advice as we move forward – he said to me

something like this: *I know I am a trained economist, but it is that very training that makes me seek advice from other economists whenever I have a policy decision to make. I cannot advise myself. I cannot know everything. But my training allows me to make informed judgments on whether the advice being offered is well grounded or is just ...* (and those of you who knew and engaged with the Right Honourable Owen Arthur can take an educated guess at his choice words).

Owen Arthur's outstanding contribution to regional integration, his leadership and sage advice played no small part in shaping the CARICOM that is now increasingly being seen as having a vital role in our region's efforts to deal with unprecedented shocks that demanded a collective response.

Drawing on his rich legacy, I have sub-titled my lecture - ***Making the CARICOM Single Market and Economy a Lived Reality Towards Building Sustainable Economic Development and Resilience***. I believe, like Owen Arthur did, that our Community, this grouping of small sovereign states, with the will and contribution of all its peoples, has the capacity to create our own transformation into resilient, competitive economies and societies where all can prosper. We have a solid foundation in the Revised Treaty of Chaguaramas which remains our roadmap for regional integration. We have the Charter of Civil Society which represents shared values and operational principles on

which CARICOM stands as individual sovereign member states and as a region.

While our implementation of the CSME has not kept pace with the vision of the architects of the Treaty, I am convinced that a momentum is building towards implementing key outstanding commitments arising from the Revised Treaty and to shape a 21st century agenda that focuses on the critical issues that must be addressed in order to deliver a sustainable future for our region and our people.

In 2004 Owen Arthur made the point that -

“The CSME is a work in progress. Regional decision-making must be complemented with national action – given that CARICOM is a union of sovereign nations. The Revised Treaty is a flexible instrument which allows for the redesign of elements whilst retaining the basic foundation principles.”¹

In that same speech, he also pointed out that -

“it is important to make clear that the CSME will never appear in any one place or time as a finished or finite entity, with a grand finale, complete with fireworks. Rather, it will evolve.”

¹ Owen Arthur, April 23 2002, pg 5.

This was never intended to suggest that the implementation of the CSME **should** be slow. Owen Arthur would be and was impatient of the delays and deferrals that too often characterized the way we did and do business. The good news is that he would not be alone. Our Heads of Government in their recent meetings have emphasized the need for us to speed up our implementation and strengthen collaborative efforts to reinforce our resilience as our region faces unprecedented shocks and threats. The CSME will be no *fifth wheel to the coach*, as Owen is known to have said many times. Instead, it must be part of our lived reality, integral to production processes, employment generation, social stability and wealth generation in the Community.

Over the last two and half years since the declaration of the COVID-19 pandemic, CARICOM has functioned as a highly collaborative mechanism with our regional institutions working, together and with national agencies, to monitor the evolution of the pandemic, coordinate information sharing among ourselves and the international/bilateral organisations. We coordinated access to vaccines through bilateral and international programs - and shared vaccines among ourselves - in a context in which we had neither the resources nor market size to demand attention. At the national levels we did what we could with the resources available to boost social safety nets to ensure that in the context of the virtual shutdown of tourism, the main source of

economic activity for many, some help could be offered to the unemployed.

But the costs imposed by the COVID pandemic and related shocks have been significant and threaten to erode the development gains that we have achieved within our Community. More than that, the very visible threats to our food security, real difficulties in accessing medical supplies and stumbling blocks to accessing development financing at the scale and scope needed to address our vulnerability to external shocks – which are by definition not of our own making - has emphasized the need to work more effectively together within the Community and demonstrated the positive results of doing so. Hence our accelerated work on regional agricultural production, industrial policy, and strengthened south-south collaboration.

Our recent experience has reminded us that economic integration, as embodied in the vision for the CSME, is the core of the CARICOM Integration process against which the other pillars – foreign policy coordination, human and social development, and security cooperation - are all aligned. Indeed, it would appear that the vital importance of regional integration is also being increasingly recognized by the international financial institutions and our bilateral partners who acknowledge that given our small size and the prevailing global landscape, deepening economic integration and collaboration is important to

future development. A recent World Bank Report entitled **360° Resilience** has acknowledged *the good functioning of regional coordination and the social protection programmes to respond to crises.*²

CARICOM Challenges

So let us look at some of the challenges, and conversely, the opportunities for progress confronting CARICOM States.

First, the Growth Challenge. Starting from first principles: that development requires growth, the difficulties of achieving and maintaining stable growth over the last forty years or so are clearly visible. The empirical evidence shows that between 1970 to 1990, CARICOM States, as a group, achieved average growth rates that were comparable with other developing regions. However, since 1990, the region has grown more slowly and has lagged behind the average annual growth rate in Latin America by about 0.5 percent. This low growth performance has been associated with a high public debt burden accompanied by and related to limited fiscal space and the skewing of public expenditures away from infrastructural and social development and towards a growing wage bill. In all this, the dynamism of the private sector has lagged, and too often with a greater focus on

² World Bank, 360-Resilience

commerce based on imports, rather than production based on local inputs, even in tourism which has historically had a high import content.

The COVID-19 pandemic has exacerbated our growth challenges and the impact has been much worse because of the inherent structural vulnerabilities that we know so well: limited economic diversification reflected in the narrow economic base, high structural unemployment and dependence on foreign capital and international trade for both consumption and production. With the exception of Guyana, CARICOM Member States all experienced GDP losses in 2020 which ranged from -3% to a high of -20% and averaged around -13% across the Community. This exceeded global GDP losses of -3.1%, as well as the -7% realized by Latin America and the Caribbean.

While global growth averaged 6% in 2021, CARICOM Member States (excluding Guyana) recorded an average growth rate of around 3% with a few Member States experiencing further GDP losses of -1.8% to -3.6% as growth in global tourism continued to lag.

However, Member States are expected to record stronger growth in 2022 ranging from the doubling of Guyana's growth rate to over 40%, to 6% on average for the tourism-dependent economies and around 4% in the other commodity-dependent economies. Continued growth will be needed in the short to

medium-term to compensate for the GDP losses that were recorded since 2019/2020 and to establish a platform for sustainable development and strengthened resilience beyond the medium term.

To overcome the growth challenge, it is arguable that small states like those in CARICOM require a different policy agenda, than that available to larger countries. Indeed, one recommendation has been that small CARICOM States should embrace their openness and seek opportunities for export diversification and the attraction of foreign direct investment inflows. I recall Owen Arthur emphasizing the importance of building new productive capacity when he insisted –

“For the Caribbean to attain and stay on a viable path to growth and development, a concerted effort has to be made to transform its economies from being trade-preference dependent economies which they have been traditionally, and debt propelled economies which they have recently become, to being investment-driven economies, marked by a very high component of private foreign capital, and eventually, genuine export-propelled economies.”³

³ Owen Arthur, 1/19/2016

Complementary to embracing our openness is **the deepening of regional integration** as a solution to the supply constraints and structural rigidities associated with small size thereby providing a larger platform for enhancing economic competitiveness and prosperity. These policy implications are all embodied in the framework for the CARICOM Single Market and Economy.

Second, there is the challenge of our overwhelming and growing susceptibility to the impact of climate change. We see it in the effects of tropical storms, rising sea levels, drought and salination of fresh water sources such as our aquifers. We see its impacts on agriculture production, public infrastructure, housing, and in the resultant significant increase in the cost of replacing roads and bridges and homes to meet the new standards and codes that are required.

We have had hurricanes result in economic damage estimated in multiples of annual Gross Domestic Product (GDP). For example, Dominica endured a 220% GDP loss from Hurricane Maria just two years after a 90% GDP loss from Tropical Storm Erika. Dominica's experience along with the devastation wreaked by Hurricanes Irma, Maria, Dorian and Ivan, is a graphic reminder that the effects of climate change will worsen as the average rise in global temperature continues to accelerate towards the threshold of 1.5 degrees above pre-industrial levels

thereby threatening our very existence. Bearing in mind that, even at that level it is thought that climate impacts will go beyond the tolerable limit for humans and nature, a 1.5 degrees world is not the optimistic view, it is the bare minimum that we require.

I am also reminded that the debt burden carried by our Member States stems heavily from disaster recovery. The vicious cycle is one in which climate action causes regular devastation, necessitating regular rebuilding, which requires funding that could only be acquired through borrowing at high rates because many CARICOM Member States do not qualify for concessional funding. This is due to a simple arithmetical calculation used by the multilateral institutions – GNI per capita – which does not take vulnerability into account. This Community is therefore at the forefront of the call for a just metric which takes account of our vulnerabilities and susceptibilities in order to broaden access to concessional financing.

The United Nations Intergovernmental Panel on Climate Change (IPCC) in encouraging countries to ramp up the implementation of their climate mitigation strategies acknowledged that economic benefits increase and conversely adaptation costs decrease with the stringency of mitigation. They however advised that the mitigation potential of SIDS (in our case: small island and low-lying coastal developing states), relative to their contributions to global greenhouse gas emissions, remains

limited while they are particularly vulnerable to the impacts of human-induced climate change. Financing for adaptation and loss and damage associated with human-induced climate change are therefore imperatives for SIDS. But the United Nations recently stated in a report on **Accessing Climate Finance** that SIDS: –

“are being disproportionately and increasingly impacted by the impacts of climate change while their special circumstances make them extremely vulnerable to other external shocks, including the COVID-19 pandemic. SIDS urgently need access to external financial support and capacity to aid their pandemic recovery efforts and to build resilience between the social, economic, and natural systems on which they depend. However, the current climate and development finance architecture is exceedingly complex and unequipped to operate efficiently, fairly, and at the speed and scale needed to meet SIDS needs.”

This conclusion was drawn against the background of the increasing recognition of the multi-faceted nature of the vulnerability of SIDs as encompassing economic, environmental, physical and social factors. Climate change is therefore increasing the strength of natural disasters, thereby amplifying

the debilitating consequences of our structural rigidities, resulting in greater economic contraction, increasing inflation levels, fiscal and current account imbalances and growing public debt. Our very survival is dependent on our capacity to undertake adaptation initiatives to build economic and climate resilience. In the current context of inadequate access to affordable climate finance, the situation is quite frightening. It is even more frightening when we consider that beyond our limits of adaptation lie the permanent loss and damage of our countries.

The discussion about who pays for loss and damage, or even that a loss and damage financing facility is necessary, has had little uptake in a situation where we are not the source of but bear the greater burden of the impact of climate change. We are therefore seeking to mitigate, adapt to and respond to loss and damage in a less than propitious environment. At the bilateral level, advanced countries are pre-occupied with their own recovery programmes and very few are meeting their pledge of 0.7% of GNI in official development assistance (ODA) to developing countries. Neither have they provided much towards their commitment to provide US\$100 billion in new contributions to climate finance. It also appears that the contributions that are being identified as climate finance have been re-allocated from within existing ODA budgets and therefore, there has been little additionality. At the multilateral level, under the current rules for access, there is simply not sufficient affordable development and

climate finance available to countries classified as middle or high income. Accordingly, many CARICOM States will not be able to access the recently established IMF Resilience and Sustainability Trust Fund.

Third, there is the challenge of **navigating and managing the multiple and amplifying risks** emanating from the global environment. The Russia-Ukraine war, along with the stress of COVID-19 economic recovery, have compounded the prevailing economic risks and uncertainty confronting small states. These risks include the burden of sharply rising inflation; supply-chain disruptions; food insecurity; fragmentation of trade, investment and financial networks; as well as cyber-security risks. Moreover, heightened regulatory action on the money laundering, terrorism financing and global taxation landscapes continue to present significant challenges to CARICOM States. These challenges cannot be met by countries acting alone – they demand, and they are receiving, collective attention and action from our Community.

Addressing the Challenges Confronting Member States through the CSME Construct

Adapting the CARICOM integration framework to take account of rapidly changing national, regional and global imperatives requires visionary leadership, something our Region has never had in short supply.

Indeed, it was the visionary leadership of well-known integration stalwarts, in whose footsteps Owen Arthur trod comfortably, that led to CARIFTA, CARICOM and the CSME. Our regional integration effort, despite setbacks, has been a model that other regions have sought to emulate. We should not lose sight of the strides that the region has made towards forging a common market, a common identity, a single economic space and shared values.

However, these achievements give no cause for complacency because there is a lot of work to do. The adoption in 2001 of the Revised Treaty of Chaguaramas incorporating the CSME was undoubtedly a bold and unprecedented step forward in deepening our regional integration process.

Much has been said about the implementation deficit in CARICOM and that the success of the CSME has been less than overwhelming. This discussion often ignores what has been achieved and does not consider the challenges inherent in attempts to implement aspects of the CSME. I repeat the words of Owen Arthur:

The CSME is a work in progress. Regional decision-making must be complemented with national action – given that CARICOM is a union of sovereign nations.

This, I believe is where we need to focus our attention in order to accelerate implementation. In the CARICOM construct, decisions taken at the regional level are implemented at the national level through laws and regulations that incorporate regional decisions to enable national institutions to implement regional agreements. There is no regional superstructure to do this and there is not likely to be, given that at this time “*CARICOM is a union of sovereign nations*”.

CARICOM Heads of Government have reiterated from time to time their commitment to the implementation of the CSME as the platform for growth, development and resilience building in the Caribbean Community. There is recognition that the efficacy of the regional decision-making process resides in agreed measures being directly supportive of national policy making and vice versa. There is recognition that there may be need to design and/or redesign regional initiatives as prevailing circumstances change. There is also recognition that regional integration cannot continue to move **only** when all are ready to move – a long standing practice which ensured that the implementation process moves at the pace of the slowest.

At their meeting in March of this year, CARICOM Heads of Government agreed on the adoption of a Protocol on Enhanced Cooperation which makes provisions for a sub-group of countries, that are ready to move ahead to implement regional

decisions at a faster pace, to do so with other countries following when they are able. This points to the determination to confront the challenge of implementation by carrying out reforms in the way the Community conducts its affairs.

CARICOM Heads of Government also recognize the importance of reviewing and improving the systems of governance of the Community, which are grounded in the Revised Treaty of Chaguaramas, with a view to strengthening the implementation of Community decisions. Following the significant decision on Enhanced Cooperation taken in March, Heads of Government, at their regular Meeting in July 2022, made several other decisions regarding the governance arrangements for the Community.

Heads of Government agreed to establish a Calendar of six (6) Meetings of the Conference of Heads of Government annually with Regular Meetings being held in-person in February and July and four (4) virtual Inter-Sessional Meetings being held during the year. This will include a retreat at the February meetings where Heads of Government can address Community matters in a more informal setting with a view to advancing agreement on critical issues which may be at hand.

This upcoming move to a schedule of 6 meetings recognizes that Heads have already been holding a number of Special Meetings during the year on issues that arise in between regular meetings.

We expect that formalizing these additional meetings will allow agendas for Meetings to be rationalized and at the same time facilitate greater discussion of critical issues. Those who are familiar with CARICOM Heads Meetings are aware that agendas have grown to near unmanageable lengths over the years. We are sorting that out.

Heads have also agreed that the Community Council – the second highest organ of the Community – should also strengthen its functioning in accordance with its responsibilities as set out in the Revised Treaty. In addition, the Community Council has been given the mandate to oversee the development of further proposals for strengthening Community Governance. The Inter-Governmental Task Force (IGTF) on Treaty Revision will be re-established at the appropriate time given the need to review and update the Revised Treaty to incorporate decisions already taken by the Conference as well as any decisions that flow from the ongoing work to strengthen Community governance.

There is a lot of work to be done and, rather than depend almost solely on external consultants funded by international development partners, the Secretariat proposed, and it has been agreed, that we establish regional expert groups from time to time to provide structured technical advice to the Community in the development of policy and in implementation efforts. Access to a broader range of expertise – including through collaboration

with the regional universities, research bodies, regional experts resident in the region or in the diaspora etc – can provide additional expertise to enrich the deliberations of and recommendations coming from the Secretariat and other Community bodies.

The decisions taken so far on the Community's Governance arrangements – and this is a work in progress - indicate that Heads of Government are indeed **seized of the moment**, convinced of the necessity to work together to address and overcome the challenges we confront.

I am convinced that the demonstration effect from actions taken by some Member States under the Enhanced Cooperation Protocol, together with the move to strengthen governance processes, will catalyse a more focused and comprehensive roll-out of Community decisions and measures, including the CSME programme, will support the movement of CARICOM Member States onto a path of more inclusive growth, sustained economic development and resilience.

The CSME blueprint as outlined in the Revised Treaty envisages a broad-based free movement of persons, goods and capital as the foundation for the single market infrastructure and an ambitious macroeconomic and sectoral policy coordination programme as the foundation for the single economy.

The free movement process has resulted in the removal of 450 existing restrictions and with few exceptions, goods can move across the region free of duty. The operation of our Common External Tariff is governed by a clear set of rules and these together with the Rules of Origin regime are at an advanced stage of review to update them for the 21st century trading environment.

However, the CARICOM Single Market alone cannot foster the economic transformation required to secure sustainable development and build resilience in CARICOM Member States. Regional economic transformation would also require the realization of the objectives of macroeconomic and sectoral policy coordination as envisaged in Chapter 4 of the Revised Treaty. In that regard, Owen Arthur had argued that – **“this (the Single Economy) will be an ongoing effort for which there cannot be a fixed deadline.”** His advice in 2004 and reiterated on several occasions since, is still relevant today -

“It is therefore important that while we seek to make haste as quickly as possible, we do not set for ourselves impossible deadlines by which to accomplish what can only be described as a major exercise in economic re-engineering, re-positioning

and ultimately economic fusion in the region.”⁴
(Owen Arthur, April 23, 2004, pg 33).

And that is the task ahead – the re-engineering and repositioning of CARICOM economies and their ultimate fusion into a dynamic, competitive, economic space. Owen Arthur believed we have the capacity to do this. I believe so too, notwithstanding the fact that, as a Community of Sovereign States, we have chosen the most difficult route to integration whereby each Member State retains exclusive powers for national implementation of decisions made at the regional level. As Owen once cautioned –

“It will be difficult to achieve, but will be worth pursuing. To achieve it, we have to think and act more strategically than has been the case in the history of the Caribbean. For at the end of the day, whether it is developing a national or a regional economy, success depends upon mastering those key, few strategic things that simply make the difference.”⁵

It is with this caution in mind that the Community’s macroeconomic policy coordination agenda and the further

⁴ Owen S. Arthur, 23 April 2004, pg 33.

⁵ Owen S. Arthur, 23 April 2004, page 34-35

development of the agricultural, industrial and services sectors have remained as key priorities for the Community. As we grapple with the imperatives of mobilizing development and climate finance along with private financing to drive the growth process, financial sector development and investment attraction have become even greater priorities for CARICOM Member States.

Additionally, increased levels of protectionism, which characterized upheavals in the multilateral trading framework over the last decade, became even more evident following the emergence of Covid-19. Access to supplies of basic needs such as food, medicine and other medical supplies was severely compromised as our traditional trading partners adopted restrictive measures, including complete bans on exports of some of these essential products. Disruptions in transportation networks and associated increases in costs have contributed to inflationary pressures that threaten to further destabilise already vulnerable economies.

Those experiences have given impetus to sectoral policy in the Community, beginning with the agricultural sector. CARICOM Member States are actively implementing the Agri-food systems strategy in order to reduce reliance on extra-regional imports of food, enhance production and trade of regional agricultural

products and provide greater access to a supply of nutritious foods.

The effort to reduce the Community's dependence on food imports and thereby reduce the six billion US dollar annual food import bill, has been actively led by the President of Guyana, who has responsibility for agriculture in the CARICOM quasi-Cabinet. In March 2022, the President of Suriname assumed responsibility for Industrial Policy and is actively organizing delivery on a regional industrial policy and strategy. Both the Agriculture and the Industrial Policies have been and are being developed with the input of regional stakeholders in the private sector and with the support of other regional and international organisations working in those sectors.

If the two recent fora on agriculture held in Guyana and Trinidad and Tobago are indicative of the passion and commitment to achieve the objectives of food and nutrition security as well as stimulating economic growth and development, I have no doubts that the Community is on the right trajectory.

With regard to free movement of persons good progress has been made in the movement of service providers and, with decisions taken in July 2022 we now have the basis for full implementation of the 12 categories, including agricultural workers, for which agreement has been reached. . I am one of those who feels that this is not enough and I am looking forward

to the Region making good progress towards full free movement soon. I believe the sentiment is moving in this direction.

Reliable, cost effective, safe and secure air and maritime transportation are critical not only to the development of the regional economy, but to the strengthening of the sense of Community. There are promising discussions taking place with regard to both air and maritime transportation, but for the immediate future, it is one challenge that remains to be resolved.

The Community's macroeconomic policy coordination work programme also comprises initiatives related to the modernization of the regional financial sector including capital market development and integration; fiscal policy (including tax administration) cooperation; and investment policy coordination and harmonization. Given the priority of mobilizing regional resources along with external resources for economic recovery and transformation of Member States, the development of the regional securities market and credit reporting framework as well as the designation of the Community as a 'single investment space' have now been prioritized for regional action. Additionally, the heightened interest in contactless payments and the electronic delivery of financial services has precipitated the prioritization of the design of a regional legal and regulatory framework to protect the rights of financial services consumers.

Just last year CARICOM Ministers of Finance approved Community Policies on credit reporting and deposit insurance. The Community Policy on credit reporting establishes a roadmap for the transition to a modern regulatory framework for domestic credit reporting systems and the cross-border sharing of credit information. This is particularly important for those Community Nationals who need to establish their creditworthiness as they move to live and work in different Member States.

CARICOM Ministers of Finance are also considering a policy for the development and regulation of the regional securities market as a step towards creating an integrated capital market, a long-standing goal of the Community even before the adoption of the Revised Treaty.

The ongoing work on the Community Investment Policy, CARICOM Investment Code and investment incentives regime would delineate the Community as a common investment space governed by similar rules and with opportunities for enhanced production and productivity.

Alongside the initiatives to modernize and further develop the CARICOM financial sector and the common investment space is the reality of the evolving global tax governance agenda and financial regulatory architecture. The **Intra-CARICOM Double Taxation Agreement**, which pre-dated the Revised Treaty, has been deemed to be non-compliant with Member States'

commitments in respect to the global tax governance agenda which now emphasizes exchange of tax information and tax reform to prevent tax evasion and avoidance, especially given the challenges emanating from the digitalization of the global economy.

We therefore have to review our Double Taxation Treaty as well as prepare for the adoption of new global rules on corporation tax to protect our tax bases. Addressing this particular challenge requires not only specialized technical services but also vigilance and a concerted programme of advocacy to take into account the special needs of small states in the design of the rules for corporation tax systems being spearheaded by the Organization for Cooperation in Economic Development (OECD).

As we put our house in order and take bold - even disruptive - steps to pursue the integration goals that will foster growth and development, we must seize the moment to engage externally with the dynamism that is now driving the internal agenda. We must adapt our external trade and economic strategy to embrace new opportunities for South-South cooperation. We must look for partnerships that embrace the future building on those that have been long established.

It is in this context that I see the recent AfriCaribbean Trade and Investment Forum as a timely and promising start to a new stage in our relationship with Africa, a region with which our history is

intertwined. There is strong potential for growth and investment through mutually beneficial trade and economic cooperation with Africa, where the market in the African Continental Free Trade Area is projected to reach 6.7 trillion dollars in value by 2035. The first African-Caribbean Expo which was held last week, which I believe is something that the Rt Hon Owen Arthur would have been proud to support, provided an excellent opportunity for business to business engagement which can result in enhanced trade in goods and services between the developing countries of the Caribbean and the developing countries of Africa.

In all this, there is the challenge to embrace a digital strategy that opens the region more fully to the opportunities presented by the rapid technological advances that are transforming our societies and economies. While we deal with longstanding plans and the old challenges that remain relevant and important, we must make haste to identify and address the newer issues that are already shaping the future of our economies and our societies.

Finally, and perhaps most critically, we must recognize that true social and economic development in the rules-based framework of our Community can be best achieved by anchoring our efforts in the **rights-based** foundation elaborated in the CARICOM Charter of Civil Society. As we accelerate the push for growth we must do so with inclusiveness, fairness and respect for the right

and dignity of all CARICOM citizens at all times and without exception.

As an economist who saw that economics, as a social science, is but one way of looking at a society, Owen Arthur understood that sustainable nation building in small vulnerable states required leadership that in his words, *“placed a premium on the development and enhancement of the social capital”*.

And so, Owen Arthur was one of the foremost proponents of the ***Charter of Civil Society for the Caribbean Community*** that was adopted in 1997 and expressed the commitments of our Member States to press freedom; a fair and open democratic process; the effective functioning of the parliamentary system; morality in public affairs; respect for fundamental civil, political, economic, social and cultural rights; the rights of women and children; respect for religious diversity; and greater accountability and transparency in government.

The Charter of Civil Society was, clearly, an aspirational precedent for the Sustainable Development Goals. Owen Arthur, up to the time of his passing, consistently advocated for a more visible CARICOM embrace of the Charter of Civil Society to accelerate sustainable development in our Region.

CONCLUSION

I have tried to give a broad overview of how the challenges, opportunities and risks confronting CARICOM Member States at

this critical juncture are related to the roadmap for the effective functioning of the CSME. As I end, I would like to address an issue that Owen Arthur had flagged repeatedly both as a Head of Government with responsibility for the CSME and as an academic – that is, our inability to effectively communicate and secure broad-based buy-in for the initiatives comprising the programme of work for implementing the CSME. More particularly, we have not adequately articulated our successes as a regional integration movement in a manner which motivates the demand by ordinary citizens of the Community for continued national implementation of regional decisions.

When I assumed the office of CARICOM Secretary – General just over a year ago – I acknowledged the sense of community in the people of the Region, which manifests itself in both our brightest and our darkest days. We celebrate together our successes in sport and our cultural icons and we do all we can to help each other when disasters strike. For me, this is a source of strength to build on through the practice of that inclusiveness, expressed in the Charter of Civil Society, that calls for the involvement of Community stakeholders in all sectors, in learning about and contributing to the work of the Community. This is what we are setting out to do at the Secretariat of the community

as we seek to build a truly “integrated, inclusive and resilient Community that is driven by knowledge,

excellence, innovation and productivity; where every citizen is secure with guaranteed human rights and social justice; and contributes to, and shares in, its economic, social and cultural prosperity. A Community which is a unified and competitive in the global arena.”

There is a lot of work to do together to make the CARICOM, including the CSME, a lived reality for all in the Caribbean Community.

And as Owen Arthur would often say around the CARICOM table when the discussion was done and the decision taken: “let it be done”.

Thank you.