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CARICOM IN THE POST-COLD WAR ERA: REGIONAL SOLUTIONS OR CONTINUED REGIONAL CONTRADICTIONS ?

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Introduction

For developing countries in general, regional cooperation has historically been seen as a strategy to address economic dependence and reduce their vulnerabilities vis-a-vis the external environment. Most regional groupings have failed to achieve the ambitious goals set by their founders. Nonetheless, regional cooperation continues to be invoked as an essential tool in the development process, in a range of different international contexts.

This is particularly the case in the contemporary post-Cold War period. Regional cooperation is being resorted to, or revived in very different political and economic circumstances to those prevailing earlier on. In the 1960's and 1970's, in the heyday of dependency theory, regional groupings were often intended to promote collective self-reliance through the growth of regional trade, coupled with import substitution industrialization processes (ISI). It is now argued that "the economic and productive evolution of recent years requires a different understanding of integration and cooperation than in the past". In the context of the present neo-liberal international order, regional cooperation is often presented as a means of supporting domestic economic restructuring and political liberalization, stimulating export promotion and furthering the process of integration into the global market economy. Perhaps somewhat contradictorily, it is also advocated as a response to the economic bloc formation of the developed world, a line of defence against the potential marginalization which threatens many less developed countries.

Such pronouncements may sound like conflicting prescriptions for regional organization. They certainly convey a sense of the rapid changes and contradictory pressures to which developing countries are subjected. Nonetheless, they indicate the extent to which regional cooperation remains an article of faith among developing countries, an instinctive collective response to changing international circumstances. Global economic and political developments in the post-Cold War era have stimulated the renewed interest in regionalism, and are thus forcing the pace of change in regional groupings. Many are undergoing processes of evaluation, redefinition of the region in question and their functions, and are incorporating new actors into their sphere of cooperation. Above all, the regional community is becoming even more a deliberate instrument to coordinate foreign policy, to strengthen bargaining power in the international arena, and to restructure the local environment for its member states.

¹. Gana E., Bermudez A., "Options for Regional Integration", Cepal Review No. 37, April 1989, pp. 79-93.

This paper is a case study of the Caribbean Community (Caricom), an interesting example of the current evolution of Third World regional groupings, as a direct result of global political and economic changes. Caricom has thirteen member states from the English-speaking Caribbean². Regional integration was identified soon after independence as an essential element in the strategies for survival and development adopted by these microstates³. In recognition of their overwhelming dependence on the external environment, cooperation in the area of foreign affairs was given particular prominence. Since its inception in 1973, Caricom has had a mechanism for foreign policy coordination, namely the Standing Committee of Ministers of Foreign Affairs (SCMFA), supplemented at a later date by the appointment of a Foreign Affairs Advisor in the Caricom Secretariat.

During the first two decades of its existence, Caricom foreign policy coordination focused on four areas⁴. These were the negotiation of preferential access to European and North American markets, mainly for traditional exports, but also for some new products; attempts to obtain consistent and remunerative commodity prices; larger flows of concessionary finance to the region; and finally, a heightened profile for the Caribbean in multilateral institutions, in order to voice the concerns of the regional states on⁵ issues of economic, environmental and territorial security⁶.

Caricom diplomacy has registered considerable success. However, we shall argue in the following pages that there were also clear

². The Caricom countries are Antigua and Barbuda, the Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Jamaica, Saint Lucia, St. Kitts and Nevis, St. Vincent and the Grenadines, Trinidad and Tobago and the non-independent territory of Montserrat.

³. We are using the term "microstate" according to the definition of the United Nations, which means that it is a state with a population numbering one million or less. With the exception of Jamaica (2.5 million), and Trinidad and Tobago (1.5 million), all the Caricom countries are microstates, ranging in size from Barbados (255,000) to St. Kitts and Nevis (60,000). Montserrat has 36,000 inhabitants.

⁴. For a useful discussion of Caricom's economic diplomacy, see Gonzales A. "Recent Trends in the International Economic Relations of the Caricom States" Journal of Inter-American Studies and World Affairs Vol.39, No.3, 1989, pp.63-95.

⁵. This was specifically the case with the security concerns of Guyana and Belize. Large expanses of their territory are claimed by Venezuela and Guatemala. They have relied extensively on diplomacy to protect their territorial integrity, and Caricom has been a medium for orchestrating the support of multilateral organizations, such as the Non-Aligned Movement.

areas of neglect and latent contradictions in some of the strategies pursued, particularly with regard to Latin America. During the 1980's, growing political divergences among member states brought the organization into a state of stagnation. The post-Cold War era, however, is proving to be a major catalyst in revealing the shortcomings of Caricom, and forcing the organization to review fundamental aspects of its structure and its external strategy, which are no longer relevant in view of the momentous economic and political changes which have taken place since 1989, at global and hemispheric levels.

My paper first briefly surveys Caricom's foreign policy role in the earlier periods, namely in the 1970's and 1980's. I review the development ideology of those years, which underpinned the orientation of regional foreign policy coordination. Regional cooperation was successful in negotiating new relationships with traditional metropolitan powers, and in carving out a niche for the Caribbean in multilateral institutions. However, this was done in a rather ad hoc and ad lib fashion. It also maintained Caricom's enclave status in the hemisphere, and did not significantly facilitate the development of linkages with Latin America, or the formulation of an effective multilateral approach to the United States.

We then analyze the environmental factors which affect Caricom in the 1990's. They emanate from international political systemic changes, global economic restructuring and the efforts by hemispheric states to respond to those shifts. We review the debate on the reform and the restructuring of regional institutions which has been conducted in the Caribbean since the end of the 1980's. Finally, we examine the initiatives which have slowly materialized to address the new challenges in regional relations, and the gradual erosion of Caricom's preferential trading arrangements with Europe and North America.

Dependence, Survival Strategies and Regionalism: The Genesis of Caricom

The Caricom states exemplify a regional approach to international relations, because they have little alternative. All but two are microstates, and they experience all the problems of political and economic viability that are engendered by extremely small size⁶. The latter can be summarized as acute external dependence caused by open, monocultural, export-oriented economies; societies that are highly penetrated politically, culturally and economically by the United States; limited administrative and managerial resources; costly provision of socio-economic infrastructure and services, due to unfavourable economies of scale; constraints imposed on economic decision-

⁶. For an early and comprehensive examination of the problems of small size and viability, see Lewis V.A. ed., Size, Self-Determination and International relations: The Caribbean ISER, Kingston Jamaica, 1976; also Harden S., Small is Dangerous: Microstates in a Macro World F. Pinter, London, 1985.

making by small domestic markets and limited productive resources; extreme vulnerability to military or other security threats.

In addition to these inherent constraints, the world view of the Caricom countries has been shaped by their geopolitical location. They are very small states situated next to the global superpower, the U.S.A. They are also in close proximity to many large hemispheric countries, which rank globally as middle or regional powers. They are a tiny, English-speaking enclave in a largely Spanish-speaking area. Finally, they are the hemispheric newcomers to the international community, having gained their independence during the last thirty years, while most other countries in the Western hemisphere have been independent states for almost two centuries.

As a result of all these factors, some form of regional integration was viewed as an imperative for the viability of the Commonwealth Caribbean states after independence. After the demise of a short-lived political federation (1956-1962), the Caribbean Free Trade Area (CARIFTA) was established in 1966. This was merged into the Caribbean Community, set up in 1973. Caricom aimed to foster viability and greater regional self-reliance by addressing three dimensions of the development challenge facing its member states. First, it encompassed a number of agencies of functional cooperation, which provided essential socio-economic services on a pooled, regional basis. Secondly, it aimed to stimulate, as well as rationalize industrialization processes and create a protected regional market for the products of the member states. Finally, Caricom was intended to equip the region with a more powerful voice and presence to defend its interests in international affairs.

In somewhat analogous circumstances to the present day, when regional restructuring is again being contemplated, the establishment of Caricom in 1973 was a defensive response to international events. It came at a critical juncture in post-colonial relations, as Britain prepared to join the European Community. Former colonies in Africa and the Caribbean faced the loss of Commonwealth trade preferences which gave their traditional exports special access to the British market.

There was a clear dichotomy of interests between the larger and smaller Caribbean territories. The latter were dissatisfied with the unequal distribution of benefits from Carifta, and may have been prepared to enter the European Community as British dependencies, under a Part IV arrangement, as outlined in the

⁷. It is estimated that the Anglophone Caribbean accounts for approximately five million people in a region of some fifty million, excluding the populations of the large littoral states, such as Venezuela and Mexico. Their inclusion brings the figure up to 112 million.

treaty of Rome ⁸. This would have permanently weakened the prospects for regional integration.

The establishment of Caricom was therefore a compromise solution, arrived at after considerable negotiation which preserved a tenuous regional unity. The smaller territories obtained some concessions that were aimed at speeding up the pace of their development, and eventually placing them on a more equal footing with the four larger Caricom states, Jamaica, Barbados, Trinidad and Tobago and Guyana. Most significantly, the seven small Eastern Caribbean territories continued their own institutional arrangements for an economic and political subgrouping within Caricom ⁹. Over the next decade, this would evolve into the more tightly integrated Organization of Eastern Caribbean States (OECS). The creation of the OECS considerably enhanced their individual administrative capabilities, and their collective bargaining weight, both within Caricom and internationally. Thus, from the very beginning, Caricom had to accommodate heterogeneity among its components. In effect, this may have laid the basis for an eventual multi-layered system of regional cooperation, which can accommodate varying degrees of integration within its ranks. It may prove ultimately to have been the first step in the process of building a workable Caribbean diplomatic system.

In the twenty years of its existence, Caricom has passed through two distinct phases, and now appears to have embarked on a third. In all three, the prevailing international environment, in conjunction with the perceptions and policies of the regimes in one or more of the leading member states, has had a major impact on regional relations and on the focus of foreign policy initiatives.

Foreign Policy Initiatives in the Early Years

The initial seven years, from 1973-1979, were heavily influenced by the economic and political developments of that time. They included oil price rises with their global economic repercussions, the growing North/South confrontation on the issue of restructuring the international economic system, superpower detente and its impact on hemispheric relations. These developments had both positive and negative implications for Caricom.

⁸. Wiltshire R., "Ministates, Dependency and Regional Integration in the Caribbean", in Lewis V. ed. Op.Cit., pp.98-121.

⁹. They are Antigua and Barbuda, Dominica, Grenada, Montserrat, St. Kitts and Nevis, Saint Lucia, St. Vincent and the Grenadines. The OECS has since expanded to include the British Virgin Islands, and has become the major regional institution engaging in regular consultations with non-independent Caribbean territories.

On the one hand, oil price rises were one factor in the rapid deterioration of some regional economies. By 1977, there was a breakdown in regional trading arrangements, from which the common market never really recovered¹⁰. Therefore, at an early stage, Caricom failed in its objective of creating a dynamic regional market.

On the other hand, the 1970's were successful years for Caricom foreign policy in the area of North/South multilateral relations. Representatives of Caricom countries took the lead in formulating and articulating the positions of the African-Caribbean-Pacific (ACP) Group in the negotiation of Lome Conventions I and II in 1974 and 1979. In the process, they ensured that the region's interests in the areas of commodity trade and development cooperation were secured¹¹.

Likewise, Caricom delegations, in particular those of Jamaica Guyana and Trinidad and Tobago, were active in various United Nations fora for NIEO issues. They performed as spokesmen for the G-77, participated actively in the United Nations Conference on the Law of the Sea (UNCLOS), and were prominent in UNCTAD and ECOSOC deliberations. They concentrated their efforts particularly on getting the U.N. organs in their policies and programmes to address the development needs of small island developing states. In the prevailing development ideology of that era, policymakers in the leading Caricom states perceived this activity as contributing towards an overall transformation of the external environment, which would lead to more favourable conditions for the development of small, weak and dependent states.

The other dimension of the strategy was to diversify their external relations beyond their traditional partners. Membership of the Non-Aligned Movement (NAM), and participation in its various initiatives for expanding South/South cooperation was a major component. Many Caricom countries also established diplomatic relations with Cuba in the 1970's, in the spirit of ideological pluralism that reigned in the region, and both Jamaica and Guyana explored furthering economic exchanges with the Socialist Bloc of states. The Commonwealth and the ACP remained important focal points for political and economic

¹⁰. I refer specifically to the balance of payments crises suffered by Jamaica and Guyana, and the subsequent restriction of their markets to Caricom goods. Subsequently, the Regional Multilateral Clearing Facility, set up in 1977 to provide credit for regional trade, collapsed in 1983, due to unpaid debts, giving a further blow to regional commerce.

¹¹. Erisman M., Pursuing Post-Dependency Politics: South-South Relations in the Caribbean, Lynne Rienner Publishers, Boulder, Colorado, 1992, pp.91-100; Ramsaran R., Negotiating the Lome IV Convention Working Paper, Institute of International Relations, University of the West Indies, Trinidad, July 1990.

contact with a wide range of developing countries in Africa, Asia and the Pacific.

This era also witnessed the start of sustained diplomatic interaction with Latin America, primarily through the medium of multilateral institutions like the Organization of American States (OAS), and the Sistema Economico Latinoamericano (SELA). Caricom actors sponsored the establishment in 1976 of a subregional office of the Economic Commission for Latin America and the Caribbean, namely the CDCC, which encompassed all the archipelagic states in the Caribbean, as well as Guyana and Suriname. Increased bilateral links, or a Caricom move to establish institutional links with Latin American states, were less evident¹². A Mexico-Caricom Joint Commission was established in 1975, but with few concrete results. However, Venezuela, Mexico and eventually Colombia did become donor members of the Caribbean Development Bank, by the end of the decade.

Some observers evaluate Caricom's foreign policy role in the 1970's very positively. Michael Erisman, for example, states that the region acquired "post-dependency bargaining power at the very highest level of North-South politics"¹³. Certainly, it was an era in which Caricom actors attained positions of diplomatic prominence out of all proportion to their size and resources in the international system. They consolidated multilateral links with other parts of the developing world, and established themselves as full participants in the activities of the United Nations, despite that organization's earlier ambivalence on the issue of microstate membership¹⁴. Finally, during that decade, and continuing into the next one, Caricom states succeeded in collectively negotiating an impressive range of preferential market access¹⁵.

However, it must be pointed out that most of the concrete economic achievements of this period of diplomacy lay in the maintenance of trade and development cooperation with Caricom's

¹². Jamaica was the sole actor to embark on extensive economic cooperation with Latin American countries, through NAMUCAR, and various bauxite and aluminium ventures. Significantly, these introduced tensions into its relations with Caricom partners, some of whom viewed such actions as competing with Caricom regional integration.

¹³. Erisman, Op.Cit., p.87.

¹⁴. Such views are recorded in the Annual Reports of the United Nations Secretary-General on the Work of the Organization, A/7601/Add.1, September 1969; A/8001, June 1970; A/8401/Add.1, September 1971.

¹⁵. See Gonzales A., Op.Cit., p.79, in which he refers to the "Super GSP" status enjoyed by the region in the world's two most important markets.

traditional links in Europe. Rather than the construction of a viable post-dependency strategy, it may also be perceived as "collective clientelism", as John Ravenhill has described the ACP/EC relationship¹⁶. Their almost exclusive reliance on such markets made Caricom economies slow to respond to the need to develop new exports, to explore new markets, or to engage in vital economic restructuring.

Moreover, Caricom foreign policy activities in the 1970's were not necessarily representative of the whole gamut of Caricom actors. They were dominated by the three largest states, namely Jamaica, Guyana and Trinidad and Tobago. Insofar as other actors would become increasingly active within the subregional system in the future, greater divergences would emerge in their perceptions of, and strategies towards the external environment.

It is also notable that foreign policy coordination did not take place on a systematic basis, and there is only one instance - Lome I negotiations - of a collective decision to pool resources for the negotiations. There was growing resort to unilateralism in foreign policy. Another salient critique of the period comes from Lloyd Searwar, former Caricom foreign policy advisor, who asserts that:-

" In addition to the influence of ideology, certain general ideas which have shaped policies and decision-making - namely, dependency theory, ideological pluralism and non-alignment - appear likewise to have blinkered perceptions of Caribbean small state realities... (they) seem to have often functioned at the level of incantation, rather than as guidelines for prudent policies."¹⁷

Certainly, by the end of the 1970's, it seemed that such a foreign policy orientation was no longer sustainable for Caricom states. There was the advent of a conservative Republican administration in the United States, intent on re-establishing U.S. global primacy and strengthening its regional hegemony. As detente receded internationally, the hemispheric environment grew more tense and ideologically polarized over issues of social change and development choices. This left little space in which to pursue non-aligned foreign policies. There were heavy domestic economic and political costs attached to more radical external orientations, as exemplified by the case of Jamaica and the Manley administration.

¹⁶. Ravenhill J., Collective Clientelism: The Lome Conventions and North/South Relations, Columbia University Press, New York, 1985.

¹⁷. Searwar L., "Dominant Issues in the Role and responses of Caribbean Small States", pp. 30-31, in Bryan A., Greene J., and Shaw T., eds., Peace, Development and Security in the Caribbean: Perspectives to the Year 2000, Macmillan Publishers, London, 1990.

Finally, Caricom foreign policy coordination at this point was mainly successful at the global level, and in multilateral settings. However, as Searwar asserts, " they pursued no coherent or consistent response to the challenge of their location in the Caribbean Basin"¹⁸. The latter area of policy was to become the main focus of the difficulties experienced by Caricom in the 1980's.

Caricom Foreign Policy Coordination in the 1980's - Decade of Disunity

The 1980's began with a report from a Caricom Secretariat Group of Experts on the problems of the regional integration movement. Among their many recommendations featured a call for increased foreign policy coordination, and for the resumption of regular summit meetings of Caricom Heads of Government. Regular consultations among the latter were seen as a prerequisite for regional cohesion and effective policy coordination¹⁹.

However, in reality, this decade was to be marked by a greater degree of division among the member states than had previously existed, over questions of ideology and national development choices, contending perceptions of national security, relations with Cuba and with the United States. Above all, this was the period when Caricom actors gained a dramatic new understanding of their "operational environment"²⁰, and the extent to which it was determined by the strategic priorities of the United States.

The policies of the Reagan and Bush administrations in the Caribbean Basin were shaped primarily by their perceptions of a Soviet-Cuban sponsored series of revolutions and regime changes in Central America and Grenada. The U.S. response was to contain and roll back this train of events by isolating and destabilizing Cuba, Nicaragua and Grenada, and by providing increased amounts of military and financial support to defenders of the status quo. The U.S. objective was to establish formal democratic structures accompanied by a private sector led, free market economy as the development model throughout the region. The main instruments to achieve these goals were military assistance programmes, some USAID funding, and the Caribbean Basin Initiative (CBI), which emphasized investment flows to the regional private sector and duty-free access for non-traditional products to the U.S. market. U.S. priorities did not include the strengthening of Caribbean integration institutions, or the furthering of their regional agenda.

In effect, as Andrew Axline points out, the U.S. approach had a significant impact on regional relations and the evolution of

¹⁸. Searwar L. Op.Cit., p.18.

¹⁹. Caricom Secretariat Group of Experts, The Caribbean Community in the 1980's, Caricom Secretariat, Georgetown, 1981.

²⁰. Searwar L., Op.Cit..

Caricom during the 1980's²¹. The ideological polarization at the beginning of the decade, followed by the demise of the Grenadian Revolution, left the member states very divided in their security perceptions and in the nature of their relations with the United States. Jamaica's search for ever closer links with the U.S., under the Seaga government, made it the superpower's principal regional ally. The OECS states were conservative both in their external and domestic political orientation. Trinidad and Tobago, and Guyana remained in the minority by maintaining more autonomous stances on national development and foreign policy questions. The Bahamas and Belize were peripheral, both geographically and in terms of the regional consultations process.

Much of the literature on Caricom in the 1980's underlines the fact that regional dialogue was dominated by the issue of security, by the member states' divergent threat perceptions, and by the impact of U.S. strategic priorities²². Despite this overriding concern, as a result of differing perceptions and priorities, it proved impossible to develop a regional security mechanism coordinated by Caricom. Efforts in that direction, initiated in 1981, failed to produce results. Instead, a partial regional response emerged in 1982, which incorporated Barbados and the OECS, in the form of the Regional Security System (RSS). The RSS has a mandate for mutual assistance in a number of areas²³. It receives assistance in training and equipment from the U.S., Britain and Canada.

Despite its limited membership, the RSS in conjunction with the political, economic and environmental experiences of Caribbean states during the 1980's, undoubtedly contributed to a broader definition of regional security threats and responses, that emanated from the authentic concerns of very small states. Nonetheless, it is significant that even in the 1990's, Caricom states have been reluctant to commit themselves to expand the mandate and membership of the RSS. While acknowledging that national security in the Caribbean could not be addressed entirely through domestic capabilities, the former Prime Minister of Trinidad stated in 1991 that "a regional security system

²¹. Axline A, "Regional Cooperation and National Security: External Forces in Caribbean Integration", Journal of Common Market Studies, Vol.28, No.1, Sept. 1988, pp.1-23.

²². See, for example, Axline A., Ibid.; Bryan, Greene and Shaw, Op.Cit.; Rodriguez J., Figueira J., and Greene J.E., eds., Conflict, Peace and Security in the Caribbean, Macmillan Publishers, London, 1991; the Commonwealth Consultative Group, Vulnerability: Small States in the Global Society, Commonwealth Secretariat, London, 1985.

²³. For more details of the RSS and its functions, see Griffith I., "The RSS: A Decade of Caribbean Collective Security", Caribbean Affairs, 1992; Lewis V., "International, National and Regional Security Arrangements in the Caribbean", in Bryan, Greene and Shaw, Op.Cit., pp. 281-298.

implicitly, presumes the existence of a common political perception".²⁴ The implication was that this did not yet exist to a sufficient degree.

Security was therefore ruled out as an issue area for Caricom coordination in the 1980's. However, as in previous years, Caricom-level coordination functioned with respect to external economic negotiations. Finally, with effect from 1984, Caricom embarked on the long-awaited process of widening the scope of regional integration, by extending observer status to Haiti, Suriname and the Dominican Republic. This development, particularly for the last state, can be partly attributed to economic interaction within the CBI context.

The establishment of the Caribbean Basin Initiative (CBI) in 1982, followed by the conclusion of the Canada/Caricom Trade Agreement (CARIBCAN) in 1986, in fact represented the most significant new developments in external trade relations. Both offered preferential access for selected Caribbean products to their respective markets. Although the gains of the Caricom countries fell short of initial expectations, they were important steps in the transformation of Caricom's interaction with the wider geographical context. They firmly inserted the region into the developing web of regional trade networks in North America, and ensured that it would no longer depend exclusively on Europe for the bulk of its export markets.

Moreover, CBI marked a milestone, in that it extended the arena of commercial diplomacy beyond governments, to include the private sector, who became actively engaged with their counterparts in North America in export promotion, lobbying and trade negotiations. The main focus of such activities has been the annual Miami Conference on the Caribbean, which brings together government officials, business representatives, investors and non-governmental groups in policy dialogue on the economic issues which inform U.S./Caribbean Basin relations. Somewhat slower to develop were sustained contacts between Caricom and the Central American CBI beneficiaries.²⁵ Only one consultative mechanism materialized, namely the CBI Sugar Group in 1985.

Beyond economic matters, there was the perception in the late 1980's that Caricom diplomacy in multilateral settings lost ground, particularly in terms of having their candidates elected to key organizational positions. In 1990, Caribbean nationals ended their terms of office as Commonwealth Secretary-General and ACP Secretary-General. The Caricom candidate lost out to Argentina for the post of President of the United Nations General

²⁴. Quoted in Griffith I., Op.Cit., p.179; a similar view is also expressed in P. Sutton, "The Politics of Small State Security in the Caribbean", Journal of Commonwealth and Comparative Politics, Vol.31, No.2, 1993, pp.1-32.

²⁵. Searwar L., Op. Cit., p.15.

Assembly in 1988, and they failed to secure any seats on the governing Board of UNESCO in 1989. On the one hand, it was evident that Caricom had not developed sufficiently strong links or effective bargaining strategies vis-a-vis the Latin American Group, in order to secure GRULAC's backing for their candidates - an asset in U.N. voting rounds. Secondly, it had become harder to reach a consensus within Caricom itself on candidacies, posts and strategies, with more members playing an active role in international relations.

By the end of the decade, there were notable changes recorded in regional security perceptions, and in prevailing views²⁶ on the requirements and strategies for economic development²⁶. There was a shift away from the earlier ideological polarization, which partly reflected changes at the international level. However, it was also due to a renewed recognition of their common needs and vulnerabilities as very small states. Security concerns focused increasingly on environmental issues and narcotics trafficking as well as the historical threats to stability and territorial integrity. Above all, Caricom states identified economic development and its link with social stability as the primary guarantee of national and regional security.

Despite their reluctance to endorse plans for military security cooperation, Caricom states increasingly perceived diplomacy as an important security resource²⁷. Thus, it was seen that foreign policy coordination had to be approached in a more integrated and systematic manner than previously. Additionally, Caricom states were developing a different conception of the Caribbean/Latin American sphere in which they operated, and redefining their relations with its various actors. Inevitably, Caricom's role as a mechanism of consultation and coordination would have to be re-examined. As the West Indies Commission report puts it, "Caricom is finding itself gradually

²⁶. See Time for Action: Report of the West Indian Commission, Black Rock, Christ Church, Barbados, 1992, 592p. As the Report states on p.418, "Today there is wider acceptance at both academic and policy-making levels...that dependency as an economic constraint is a continuing attribute...and that foreign policy should substantially be devoted to both seeking to enlarge the small space available for independent action and making continuous adjustments to external circumstances over whose dynamism we have little control".

²⁷. This is pointed out in Searwar L., Op.Cit.; Sutton P, and Payne A., "Towards a Security Policy for Small Island and Enclave Developing States", Journal of Commonwealth and Comparative Politics, Vol.31, No.2, 1993, pp. 193-200; N. Linton, "International, National and Regional Initiatives to Enhance Security Exchange of Information and Diplomacy - The Commonwealth Report Revisited", Bryan, Greene and Shaw eds., Op.Cit., pp.257-280.

geopolitically and, more importantly, economically redefined by external initiatives".²⁸

International Developments at the End of the Decade

Such repositioning was taking place in an international environment where bipolar structures were crumbling at a dizzy pace. The only clear alternative pattern of global organization appeared to be the formation of large regional political and economic blocs. This was reflected in hemispheric relations in June 1990, as President Bush announced the Enterprise for the Americas Initiative (EAI), aimed at eventually creating a free trade area throughout North and South America. Soon after, Canada, the U.S. and Mexico began negotiating the establishment of the North American Free Trade Area (NAFTA).²⁹

Likewise, throughout Latin America, there was a renewed interest in regional cooperation, exemplified in the formation of Mercosur, and in the resuscitation of the CACM and the Andean Group. Most of these organizations had the dual goals of reviving regional trade and cooperation, and eventually constructing free trade arrangements with the United States. In general, their trade policies and regional objectives reflected the decade of structural adjustment in Latin America, particularly in the low tariff structures and the emphasis on exports. They also highlighted their members' perceptions of the need to equip themselves in order to engage in "bloc diplomacy", to closely coordinate their economic diplomacy in order to strengthen their bargaining positions in the new world of trade blocs. Significantly, their trade policies would set the economic policy yardstick, and provide the new model for common markets in the Americas. This would be another environmental pressure on Caricom member states to address the restructuring of their own organization.

In 1988-89, the implications of all these developments first began to manifest themselves for the Caricom actors, as they embarked on the negotiation of Lome Convention IV. They became aware that their preferential market access to the European Community for agricultural commodities was threatened by the arrangements for the Single European Market, which would be completed by 1993. Added uncertainty was generated by the GATT Uruguay Round negotiations on the liberalization of agricultural trade. Increasingly, the long term future of the ACP/EC relationship itself appeared to be in doubt, as the EC countries became absorbed in the process of closer European union, and in managing their complex relations with the former Eastern Bloc. Gradually, they had begun to redefine their relations with the Third World.

²⁸. Ibid. p.422.

²⁹. See Gill H, "The Caribbean in a World of Economic Blocs" Social and Economic Studies, Vol.41, No.3, 1992, pp.25-36.

Hemispheric trends were equally disturbing. The new U.S. relationship with Mexico, under NAFTA, would have the potential to eliminate the investment and market access advantages enjoyed by Caricom states under CBI II, which came into force in 1992. Moreover, Caribbean ACP countries found themselves facing their stiffest challenges in their traditional European markets from Central and South American banana producers, in a bitter struggle to shape the post-1992 European banana market, and retain their market shares in a more liberal European banana import regime³⁰.

Finally, in the wake of the disintegration of Comecon and the USSR, Caricom policy-makers became aware of the rapidly evolving political and economic situation in Cuba. This posed a diplomatic challenge for the region, in terms of improving relations with Cuba and extending support in the reorientation of its relations with other countries in the hemisphere. The political and economic transition in Cuba has major implications for regional stability. Moreover, in the longer term, Cuba may well offer formidable economic competition, once it fully develops its potential as a tourism destination, an agricultural exporter and a magnet for foreign investment.

The Regional Debate on the Future of Caricom

Faced with the multiple threats looming on the international economic horizon, and their own record of relative stagnation during the 1980's, the region underwent a flurry of debate on the future of regional integration, starting in 1989. This debate incorporated official views, private sector positions, impressions garnered from public opinion in each territory, and academic analyses.

At the end of the Caricom Summit in Grenada in July 1990, the Grand Anse Declaration and Work Programme for the Advancement of the Integration Movement was issued. This was more than a ritual reaffirmation of the goals of regional integration, as it set a deadline³¹ of July 1991 for the achievement of the Caricom Common Market. Although the deadline was not adhered to, the next three years witnessed genuine moves towards establishing a Common External Tariff, given additional impetus by pressure from the

³⁰. Laurent E., "The Banana Debate", 22p., paper presented at 402nd Wilton Park Conference, 18-22 October 1993, on "Agriculture, Trade and Development: Overcoming Political Obstacles to a New Global Balance in Food Production".

³¹. Grand Anse Declaration and Work Programme for the Advancement of the Integration Movement, Tenth Meeting of the Conference of Heads of Government of the Caribbean Community, Grand Anse, Grenada, July 1989.

U.S.A., international financial agencies and developments in the GATT.³²

The Caricom Heads of Government also commissioned a study on regional programmes and organizations. The outcome was the Mills Report on the Status of Caricom Programmes and Regional Organizations, issued in 1991.³³

The other major initiative of the Heads of Government was to set up the West India Commission (WIC), in 1991, headed by Sir Shridath Ramphal, former Commonwealth Secretary-General. The WIC was asked to report and make recommendations on the future shape and direction of regional cooperation. The Commission had a mandate to consult extensively throughout the region with all sections of the population, and report to the governments in July 1992.

Private sector positions were stated not only in their consultations with the WIC, but also during the First Regional Economic Conference, held in Trinidad in 1991, and through the medium of the Miami CBI Conference in December 1991.

The views expressed by all these sectors concerned the shortcomings and need for restructuring of regional institutions in general. However, they all departed from a clear understanding of the importance of the external environment for the survival of Caribbean societies. There was a consensus that the regional integration movement continued to be a vital mechanism for small states to handle the complexities and threats inherent in this environment. To a greater or lesser extent, all the reports made recommendations that were relevant for Caricom's future role as an instrument of regional foreign policy.

The Mills report raised two issues that had foreign policy implications. It mentioned the isolation of the Bahamas and Belize, and emphasized the need to involve them more closely in regional decision-making and action. Secondly, it³⁴ identified the deepening and widening of Caricom as a priority.

The WIC Report did a more comprehensive survey of the range of international and internal challenges facing Caricom, and made detailed recommendations on the restructuring of regional organs into coherent and effective machinery. It advocated the transformation of Caricom into a credible and viable common

³². We refer in particular to the agreement to establish the World Trade Organization, and the low tariff requirements for membership.

³³. Report of the Review Team on Caricom Programmes Administered by the Secretariat and on Regional Organizations of the Community, INF/HGC 91/2/4, Caricom Secretariat, Georgetown, Guyana, 1991.

³⁴. The Mills Report, Op.Cit..

market, as a prerequisite to negotiating with other economic entities in the hemisphere. However, it favoured Caricom's present status as a grouping of sovereign states, rather than any form of federalism. It listed the various links Caricom states maintained with the wider Caribbean and Latin America, discussed issues relevant to the region, and stressed the specific interests of different member states based on geography and history. It referred to the multiple relationships that exist between open economies and external markets, positing the need for greater negotiation and collaboration between multinational actors and local economic systems.

The Commission also pointed to the utility of groupings such as the ACP Caribbean Forum, arguing that they should be exploited more fully. Finally, it recommended the formation of an Association of Caribbean States, which would encompass in some form, all the independent and non-independent entities of the Caribbean Basin. This group should be a forum for political consultations, the formulation of common negotiating positions, and the setting for functional cooperation³⁵.

The first private sector comment relevant for our purposes, was issued at the Regional Economic Conference in March 1991. It highlighted the lack of implementation of Caricom decisions, and called for more consultative machinery to involve the private sector and other social partners in the official development process, and thus strengthen the national implementation of regional decisions³⁶. This message was repeated in 1993, when both the Caribbean Association of Industry and Commerce, and the Caribbean Congress of Labour called for the governments to have systematic and serious dialogue with the business sector and organized labour, in order to meet external economic challenges³⁷.

The most extensive statement came in a joint communique from Caribbean and Central American private sector organizations, in December 1991³⁸. Here they called for liberal trade regimes and harmonized economic policies among Caricom, CACM, and other states, that would create an extended Caribbean Basin Market. They spoke of adopting integrated regional positions and

³⁵. Report of the West Indian Commission Op.Cit., Chapter XI, pp.416-458.

³⁶. Caribbean Report, Latin American Regional Reports, 4/4/91.

³⁷. Caribbean and Central American Report 25/2/93.

³⁸. "Forward Together in the Caribbean Basin: A 1992 Strategic Action Agenda", Joint Communique Issued by Caribbean/Latin American Action, the CAIC, Federacion de Entidades Privadas de Centroamerica y Panama, and the West India Committee, Miami Conference on the Caribbean, December 1991 10p.

strategies in international trade negotiations, and the need to improve their global competitiveness.

Other demands were more specific in content, and have certainly informed the direction of official policies since then. They referred to the EAI, calling for a science and technology component, and the principle of non-reciprocity in trade with the U.S.A. for the region's smallest economies. They advocated joint negotiation of a new free trade status with the U.S.A., specifically in relation to NAFTA, and they called for parity of benefits extended to NAFTA and CBI countries. Finally, they listed the categories of information that would be required in order to have a firm data base from which to formulate strategies vis-a-vis NAFTA.

Caricom Governmental Responses and the Definition of New Foreign Policy Directions in the 1990's

Caricom responses to the changing international scenario can be grouped into four main areas, each of which we shall outline and briefly discuss. First, there were internal actions to restructure and revive the Caricom process itself. Then, there has been concerted diplomatic activity towards the European Union. The third area concerns relations with the United States. The last is that of relations with the wider Caribbean region and Latin America.

Internal Responses

Caricom did not accept the WIC proposals in their entirety. In fact, they rejected one of the key ones, namely the creation of a Caricom Commission to facilitate the implementation of decisions, and to coordinate foreign policy. However, by 1993, they had set up an alternative body, a Caricom Bureau to address the problems of implementation. They also commissioned an Intergovernmental Task Force to work on the proposed Regional Charter of Civil Society, and on proposals to restructure the Common Market Council and revise the Treaty of Chaguaramas. Finally, in July 1993, they agreed to set up the Association of Caribbean States by June 1994³⁹. Many of these decisions were translated into concrete actions vis-a-vis other hemispheric actors, as we shall see below.

Discussions on an updated Common External Tariff (CET) initially set an upper tariff limit of 45%. Member states' responses varied widely. Jamaica favoured much lower tariff levels, ranging from 0-20%, while Belize, some OECS states, Barbados and Trinidad, for varying reasons, favoured higher rates. Considerable external pressure was exerted on Caricom by the U.S.A., in the framework of the Caricom/U.S. Trade and Investment Council, and by the World Bank and the IMF to adopt a CET of 20%. Finally, in

³⁹. Caribbean and Central American Report, 4/11/93.

November 1992, Caricom approved an initial CET of 30-35 %, which will be lowered to 20% by 1998⁴⁰.

The European Union

Caricom relations with the EC entered a new phase with the negotiations over the Lome IV Convention in 1988-89⁴¹. Among the most contentious issues were the accession of the Dominican Republic to the ACP Group, and the renegotiation of the Banana Protocol in the Convention.

The banana negotiations have been a watershed in Caricom's learning process in international trade negotiations. Notable new aspects included the leading role played by OECS states, for whose economies the EC banana market is essential; the unprecedented collaboration between governments and private sector banana interests in developing and executing their diplomatic and marketing strategies in Europe; the coalition formed with various states and banana producing regions within the EC, particularly the French DOM's and the Canary Islands; their entry into negotiations with Latin American dollar zone producers over their diametrically opposed positions on access to the EC market; and finally, Caricom states' awareness of the dominance of multinational interests in the management of the banana market, and their gradual move towards defining new positions for themselves vis-a-vis some of these companies.

Considering their minimal resources or bargaining weight in relation to other players in this elaborate process, Caricom scored a considerable degree of success. The Banana Protocol, albeit with a qualifying Declaration annexed, was preserved in Lome IV. Since then, after three years of intensive work, a ten year banana regime was accepted by the European Council of ministers in April 1993, which included quota, tariff and licencing mechanisms to guarantee ACP producers' share of the market. However, the banana struggle continues. The EC decision faces strong legal challenges from Germany in the European Court of Justice, and Latin American states within the GATT⁴². Moreover, the transition to the new regime in itself poses a major challenge to the banana industry, economic policy-makers and social interests in the region. Ultimately, it must be borne in mind that the regime is only of a ten year duration, and places considerable emphasis on market forces - i.e. the actions

⁴⁰. Caribbean Report Latin American Regional Reports, 10/11/92.

⁴¹. See Sutton P., "The Future of Relations between the European Community and the Caribbean", The Courier No.132, March-April 1992, pp.56-58.

⁴². GATT panel recommendations in 1993 and 1994 have, in fact, been favourable to the Latin Americans, and have questioned both the preferential arrangements of Lome, and the 1993 EC banana regime. See Laurent Op.Cit., pp.7-11.

of European importers and multinationals - to shape the longer term future of the banana market.

Caricom is also engaged in pursuing other aspects of its trade with the European Union, under SEM conditions, and with the Lome IV Mid-Term Review negotiations⁴³. The latter seem destined to introduce substantial changes to the conditionalities and implementation procedures attached to the Lome Convention. This necessitates much more assiduous diplomatic and technical work in Brussels, systematic consultation and coordination of Caricom positions there.

The evolving relationship with Europe underlines a number of realities for Caricom. Firstly, events have signalled the urgent need for national sectoral restructuring, given the likelihood of gradual reduction and eventual elimination of preferential market access for traditional Caribbean agricultural commodities like bananas and sugar. This is not merely because of diminishing European interest, but also due to global economic trends, which increasingly emphasize universal free trade and reciprocity. Secondly, it is clear that there is a commercial utility to a continued European colonial presence in the region, since it provides a stronger link with the economic activities of the Single European Market. Hence, the need to consolidate political and economic cooperation with the DOM's, and the Netherlands Antilles. Third, the GATT confrontation with Latin America, backed by the U.S.A., has brought home the growing contradictions of being linked simultaneously to two economic systems - the flipside of the advantage of preferential access to several metropolitan markets⁴⁴.

U.S. Relations

Since 1990, Caricom negotiations with the U.S. have revolved around two main issues. These are the EAI/NAFTA proposals, and the region's relations with Cuba. Caricom did not respond until 1991 to the EAI, although the U.S. approached Jamaica bilaterally in 1990. Then the region resolved to explore the establishment of a multilateral mechanism for discussions with the U.S. Jamaica was given responsibility for the exercise. It culminated in a

⁴³. For a summary of the likely content of the Review, see Press Release of the European Commission, IP (93) 736-09 September 1993; Europe Agence Internationale Information pour la Presse No.6061, 10/9/93.

⁴⁴. In this respect, see the Dominican Republic representative, Bernardo Vega's complaint at the Europe/Caribbean West India Committee Conference in Santo Domingo, in November 1993, that Europe and the U.S. are both putting the Caribbean in a position where it has to choose between its friends, Caribbean and Central American Report, November 1993.

framework agreement, signed in July 1991, which established the Caricom-U.S. Trade and Investment Council⁴⁵.

Significantly, the U.S. refused to include in the agreement any clauses on the differing levels of development of the two parties, and stressed the principle of reciprocity. In 1992, the U.S. Deputy Assistant Secretary of State criticized articles of the Treaty of Chaguaramas, and Caricom in relation to other regional groupings. He stated that the U.S. will only support Caricom insofar as it has a trade liberalizing regime⁴⁶. The U.S. has also pressured Caricom states to accept a low CET rate, and has failed to offer support on the European banana issue. Finally, in 1993, in the context of U.S. budgetary stringencies, the Puerto Rico 936 Programme of low interest loans to CBI countries was suspended⁴⁷.

Caricom continued to lobby the Bush and Clinton Administrations on the detrimental effects of NAFTA on CBI states, and the need for special measures to preserve their benefits and to grant them some form of non-reciprocal participation in the emerging free trade zone in North and Central America. As a result, a Caribbean Basin Free Trade Act was introduced into the House of Representatives in March 1993. It proposed to grant parity of NAFTA provisions to CBI beneficiaries for a three year period. It allowed individual country, or group accession to NAFTA, or the negotiation of a separate free trade agreement with the U.S.⁴⁸.

Finally, in August 1993, five Caricom leaders met with President Clinton in Washington, where their discussions included NAFTA and measures to preserve the CBI benefits. The U.S. agreed to undertake⁴⁹ a study on the impact of NAFTA on Caribbean countries.

Complicating the CBI negotiations somewhat was the issue of Caricom/Cuban relations. The Clinton administration has expressed its objections to the Caricom decision in 1993 to establish a Joint Caricom/Cuba Commission. Congressional representatives have threatened to retaliate by excluding the region from hemispheric free trade arrangements⁵⁰.

⁴⁵. Caribbean Report, Latin American Regional Reports, 29/8/91.

⁴⁶. Ibid., 14/5/92.

⁴⁷. Caribbean and Central American Report, 17/6/93.

⁴⁸. Ibid., 13/5/93.

⁴⁹. Ibid., 30/9/93.

⁵⁰. Ibid. 30/9/93.

We conclude with the observation that, ironically, the establishment of a multilateral framework for negotiating with the U.S. seems to have generated a lever for even greater U.S. influence on the course of regional economic policy-making, and on the structure of Caricom itself. Additionally, the Clinton administration, to date, has shown less interest in the Caribbean area than its predecessors. The straitened economic circumstances of the U.S., together with its current global and hemispheric economic interests hold out little prospect of special treatment for the Caribbean.

Relations with Latin America and the Wider Caribbean

Caricom - Latin American relations have expanded rapidly since 1989. The most prolific area has been in links with Venezuela, Mexico, and Colombia, the Group of Three (G3)⁵¹. There have also been preliminary moves towards having regular consultations and greater cooperation with Central American states. Finally, the Caricom countries have normalized their relations with Cuba. There are differing motives for each of these developments. In the case of the G3, there appears to be genuine interest in pursuing trade and investment opportunities in the Caribbean Basin, as well as their longstanding strategic interests in the area. In the case of Caricom/Central America, increased dialogue has been the result of conflicts of economic interest, rather than their converging interests as very small hemispheric countries. With Cuba, Caricom appears to be motivated both by feelings of solidarity and by pragmatic economic concerns.

G3 relations have thus far proven to be the most fruitful. In 1989, the Group decided to step up its cooperation with Central America and the Caribbean. The resolution generated a series of regional and inter-regional consultations, and various areas were identified for functional cooperation.

In 1990, institutional links were strengthened by Caricom extending observer status to Venezuela and Mexico. Subsequently, in 1992, Colombia became an observer too. Reciprocally, Caricom gained representation in the Rio Group in October 1990. Jamaica was nominated to serve as their representative for the first three years.

In terms of concrete economic cooperation, Mexico appointed an Ambassador for Caribbean Affairs and reactivated the Mexico-Caricom Commission. It signed a new agreement with Caricom on technical cooperation and trade promotion in 1990, and took various initiatives in 1989 and 1990 in energy cooperation, and the extension of trade credit to the region.

⁵¹. See Serbin A., "The Caricom States and the G3: A New Partnership between Latin America and the non-Hispanic Caribbean?" Journal Of InterAmerican Studies and World Affairs, Vol.33, No.2, 1991, pp.53-80

A significant development came in July 1991, when Venezuela and Caricom signed a free trade agreement at the Caricom Heads of Government Conference in St. Kitts⁵². Under the terms of this arrangement, Venezuela granted Caribbean states non-reciprocal, duty-free access to its market for the next five years. Thereafter, there would be reciprocal free trade. They also agreed to set up a Commission to study the longer term impact of this trade and to launch the liberalization process. Colombia initiated proceedings to negotiate a free trade agreement in March 1993.

The ultimate step forward came with a Caricom/G3 Summit in October 1993, in Trinidad, when both groups supported the establishment of the Association of Caribbean States, to be inaugurated in June 1994, in Barbados.

Notwithstanding the positive trend, it is worth noting that political instability in both Venezuela and Mexico, the removal of President Perez and imminent departure of President Salinas may register a slowing down of the momentum of cooperation. Moreover, Caricom and Latin America have in the past shown a great propensity for declaratory policy vis-a-vis one another, rarely translated into action. Although the external environment, attitudes and perceptions have all changed, it remains to be seen if the political will and the economic pressures are really strong enough to extract early results from the new initiatives.

Central American/Caricom dialogue formally began in January 1992, at a meeting in Belize⁵³. This laid the basis for a Foreign Ministers' meeting in Honduras in February 1992⁵⁴. There have been various other meetings, at technical and ministerial level, and in May 1993, in Jamaica, an agreement was signed between the parties on institutional cooperation between Caricom and the CACM. This could lay the basis for a framework accord on inter-regional trade. The potential for increasing trade flows, to the greater benefit of the CACM, had already been well established by Caricom and SIECA officials.

To date, Caricom and the CACM have discussed developing regional projects that will foster linkages, and maintaining a system where they regularly exchange socio-economic information. CACM has also endorsed the concept of an ACS. However, concrete political and economic cooperation has been rendered more difficult by their conflicting interests on bananas, and the handling of this issue within the GATT.

⁵² . Caribbean Report, August 1991.

⁵³ . See Aide memoire Issued at End of First Working Meeting on Economic Cooperation of Caribbean and Central American Ministers of Government, Belize City, Belize, 10/1/92.

⁵⁴ . Caribbean Report, 27/2/92.

Cuba and Caricom

As pointed out earlier, Caricom- Cuban relations have evolved in response to Cuba's desire to reintegrate into the hemisphere, Caricom states' sympathetic perceptions of the Cuban predicament, and their pragmatic economic calculations. Thus, since 1989, they have readily supported Cuba in hemispheric fora, and have increased their own contacts with the Cuban government. There has been particular interest from Jamaica and the Bahamas in joint ventures in tourism.

Nonetheless, in 1990, they turned down a Cuban application for observer status in Caricom, and the pace of political and economic cooperation has been slowed by U.S. pressure to isolate Cuba. After some deliberation, however, in July 1993, at the Caricom summit in the Bahamas, Caribbean leaders ratified an accord establishing a Caricom- Cuba Commission to promote trade and cooperation in sectors like sugar production, fisheries and biotechnology⁵⁵. It remains to be seen how rapidly cooperation will materialize, given Cuban internal developments, and relations with the U.S.

Despite all the questions raised about the future of such initiatives, it must be stressed that the years since 1989 have been a period of unprecedented regional activity and productivity on the foreign policy front for Caricom. Regional leaders have met twice or three times annually to advance their initiatives. All in all, it has resulted in a greatly changed and much more integrated regional diplomatic landscape.

Conclusions

I conclude with a few observations on the main trends emerging from Caricom's diplomatic revival of the 1990's.

In the first place, one must reiterate the earlier words of caution on the region's fondness for rhetoric and declaratory diplomacy. We therefore have to wait for a while before assessing the full implications of recent initiatives in economic cooperation. Moreover, the dilemmas implicit in Caricom's new diplomatic course have been very much in evidence. Each area of foreign policy contains some actual or potential contradiction with the policy being pursued in another area - Europe/Central America; U.S./Cuba; Central America/Cuba; Lome/NAFTA. Caricom policymakers will have to develop singular reserves of diplomatic sophistication and agility in order to reconcile such contradictions.

A daunting picture emerges of the longer term prospects for the Caricom states' interaction with their external environment. They can no longer count on guaranteed preferential market niches, an assumption on which their entire earlier economic diplomacy and

⁵⁵. Caribbean and Central American Report, 30/9/93.

strategy were based. Some form of reciprocity will, increasingly be required from them in future negotiations⁵⁶. Moreover, falling back on the regional option does not necessarily offer greater economic security for Caricom, since they are the weakest and least competitive economic grouping in the Western Hemisphere.

Nonetheless, the survey has indicated some positive trends. Caricom demonstrates much higher levels of participation by all member states now than in previous decades. It is worth noting that there is more balanced involvement, and rational division of labour, based on the political and economic interests, as well as the geographical location of member states. Thus, Belize is a vital communications link with Central America, while the Bahamas participates in consultations with the U.S. The OECS play a leading role in relations with Europe, and also act as the main link with many non-independent actors in the region. The higher levels of functional integration that have been achieved by the OECS are likewise regarded as a model for Caricom. Finally, there is now much greater involvement of the business interests in the formulation and execution of regional foreign policy.

One could also argue, however, that Caricom foreign policy positions and initiatives are, even now, substantially influenced by the concerns of its largest members, especially by Jamaica. The latter state still plays a leading role in regional diplomacy vis-a-vis Europe, the U.S. and Latin America.

All the same, there is now less scope for unilateralism than previously. The uncompromising external environment demands a much higher calibre of information gathering, research and analysis, policy preparation and implementation. In order to reach minimal standards of effectiveness, Caricom states are forced to pool their technical, administrative and diplomatic resources, and systematically coordinate their external activities. One option, frequently mooted, would be to establish Caricom joint representation in appropriate locations. The OECS has managed to enhance its diplomatic capabilities by this means, and now has joint missions in London, Ottawa and Brussels. However, it has proven much more difficult to realize this at the wider regional level.

The Caricom and OECS Secretariats perform a vital function in the process of coordination, since they receive, process and distribute most information inputs, and do substantial preparatory work for policy formulation. A certain amount of restructuring and strengthening of these secretariats, by boosting their human and material resources is essential.

⁵⁶. This has already been demonstrated in negotiations with the Dominican Republic in 1991 over market sharing in the European banana market, in the NAFTA/EAI framework, and in the longer term future of Caricom - Venezuelan trade.

This leads to my final point. In the post-Cold War world, regional cooperation has become even more of an imperative for the actors of the Caribbean Community. Not only are they predisposed historically to seek this option, but it is also externally imposed on them by changing global political and economic conditions. However, regionalism now has a greatly expanded definition, and contains many more foreign policy contradictions for Caricom states to reconcile, than in the previous two decades.

