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The Caribbean is More Integrated Than Ever, Caricom Notwithstanding

Over the five decades of Caricom's existence, our leaders have signed successive agreements committing our region to ever stronger cooperation, all the while implementing policies that are more and more divergent. In theory, Caricom has gone from a free trade area, to a common market, to a single market space, and now to a single economy, implying commonality of financial and commercial regulation, and common rules and procedures. The reality is that each member country has its own internal systems, and the laws, rules and procedures governing the movement of goods, people and finance between members are the same as for the US, UK, Canada or any other non-Caricom country.

Although the University of the West Indies predated Caricom, it has come to be seen as a symbol of regional unity. However, I contrast my own experience as an economics graduate from UWI in 1967 with that of the typical UWI graduate today. I graduated with a lived experience of my Caribbean identity, understanding Jamaican creole, partying to the music of the Skatellites and the Supersonics, going on the annual economic retreat at the University house in the Blue Mountains with Guyanese, Antiguans, Kittitians, Trinidadians and Belizeans, rooming with a Dominican, and learning how steel pans are tuned from Trinidadian pan tuners. After the five years I lived, studied and worked in Jamaica, I came away with many personal memories, experiences and life-long friendships. In contrast, today's Antiguan, Barbadian or Jamaican graduate has no personal experience of the Caribbean as a whole, and no greater personal appreciation of a Caribbean identity than any non-graduate of a supposedly regional institution.

In the 1960s and early 1970s, newly-independent Caribbean countries actively collaborated in designing economic policies, with the participation and advice of renowned scholars associated with the University of the West Indies and the Sir Arthur Lewis Institute, then known as the Institute for Social and Economic Research (ISER). When the UK devalued the pound sterling against the US dollar on November 18, 1968, Caribbean countries approached the UWI to advise as to whether they should follow suit. The ISER arranged for studies to be prepared, and a conference was held at which the pros and cons were discussed. Encouraged by the insights which the exercise yielded, the region's central banks and the UWI set up a permanent programme for regional economic policy research. That Programme evolved into the Caribbean Centre for Money and Finance, which I headed for a brief period a decade and a half ago. The Centre has since been dissolved, its services no longer needed now that there is no longer any interest in regional policy coordination.

The economic thinkers whose work influenced the formation of the Caribbean Community saw economic integration as a tool to promote the diversification of the region's exports beyond sugar, bananas, oil and bauxite. The classic 1967 *The Dynamics of West Indian Economic Integration*, written by Professors Clive Y. Thomas and the recently-deceased Havelock Brewster, was an in-depth study of manufacturing activities that might be supported for regional production with a view to building a large enough capacity to export these products to the world at competitive prices. Other studies published around this time explored how the Caribbean might combine resources of members to add value to the raw materials the region exported, for example by using Trinidad's energy resources to process bauxite from Jamaica and Guyana into aluminium for export. None of these strategies ever materialized.

The Caribbean is unquestionably more integrated today than it was 50 years ago. Since that time Trinidad's style of carnival has spread into the diaspora and across the region; Jamaican music has become a world phenomenon, with variants springing up everywhere, including in the Caribbean; Caribbean literature attracts readership across the English-speaking world and in the region; and thanks to many decades of emigration, and the presence of large communities of Caribbean people in major cities in North America and the UK, almost everyone has personal links of family and friendship across the region.

This is not the pattern of regional integration which the Caribbean leadership has in mind, but it has developed organically to the benefit of the region's people, providing rich and dynamic cultural experiences for us to enjoy and celebrate, and enriching livelihoods for cultural practitioners, regional economies and everyone who benefits from remittances, pensions and other income from abroad. Ironically, it is often in Miami, New York or Toronto that we feel most Caribbean.

There is no need to abandon Caricom; it is a useful forum for leaders to meet regularly to exchange views on the issues of the day and the performance of their economies. However, it is surely naïve to expect that the decisions made at these meetings will have some impact in the future that is any more notable than has been the case in the last 50 years. The one major change that would deepen Caribbean regional integration significantly would be the use of US dollars for all local business in place of the national currency; no Caricom decision is needed for any country to reap that benefit.
My Economic Letters may be found under "Commentary" at DeLisleWorrell.com.