

Sir K Dwight Venner: Caribbean Growth Forum – Dominica Chapter

Remarks by Sir K Dwight Venner, Governor of the Eastern Caribbean Central Bank, at the Caribbean Growth Forum – Dominica Chapter, St Kitts, 15 March 2013.

* * *

This launch of the Dominica Chapter of the Caribbean Growth Forum is the last for the countries of the Eastern Caribbean Currency Union. Following this, it would be necessary to carry out an objective assessment of our efforts as a group before we move on to the next stage which would be the wider regional engagements.

The reason for this is that our governments have now established by law and treaty a new entity, an OECS Economic Union, which requires a new conceptual approach to our growth and development strategies. The unit of economic activity in this new entity comprises 8 countries within a single economic and financial space. Given the scope of the new treaty with its supporting organs and institutions, we have in effect created what I refer to as a State Nation with a dual system of government and governance. This state nation in the treaty has an Executive, the OECS Authority, which has both executive and limited legislative powers, an OECS Assembly which is selected from national assemblies or parliaments and a regional judiciary which has been in existence since 1967. The grouping has also had a common currency from 1983.

There is therefore, by law and treaty, a framework for addressing the growth and development challenges at the regional level. This framework takes into account the very important matter of the characterization of our economies as small, open, and vulnerable and gives a viable way to deal with these major issues.

This means that when a decision is to be made on such issues, our decision makers must now think in “dual mode”. Can this problem be resolved solely within the confines of Dominica or do we have to go beyond? This new possibility and focus must become a part of the mind set and solution kit available to both the public and private sectors in the OECS countries.

As I have emphasized at the other launches which I attended in St Vincent and the Grenadines, Saint Lucia and St Kitts and Nevis, there are two critical elements of the approach being used for the Growth Forum which have been of great value in and of themselves:

1. The bringing together of a wide cross section of the stakeholders in the growth agenda to discuss ideas and exchange knowledge in a structured setting, and
2. The methodology which is being used to conduct the discussions.

As I reflect on the situation in which we now find ourselves, we must place ourselves in two planes:

1. The global environment in which we now function in the wake of the global crisis and
2. Our current domestic environment following the impact of the crisis.

We must also acknowledge that this time is different.

The new landscape is that of a low growth / high unemployment trajectory with high sovereign debt and fragile financial systems. This is a global phenomenon with our major trading partners, the USA, UK and Europe, all experiencing this phase.

Our own domestic environment has clearly shown that there are some factors over which we have some control and others over which we do not. Our countries can be characterized as small, open and vulnerable countries – features which when defined are extremely

challenging. This calls for deep reflection on what would be the viable responses to these circumstances.

This is the time for a sober assessment of our situation, what I refer to as “objective realism”. We must then summon up the optimism and hope to successfully address these circumstances to deliver a better standard of living and quality of life to our people.

Our governments have crafted the instruments required to deal with the challenges being faced by our countries, operating as very small independent states in a global village, but in the current circumstances there must be a greatly increased urgency and focus on implementation. The Economic Union has given us the political, constitutional and economic framework and the theatre, the single space, for achieving our goals. The Eight Point Stabilization and Growth Programme provides the technical approach to be used for resolving the problem. In addition the Work Programme Coordination initiative provides the critical ingredients of coordination, cooperation, and exchange of information within each country, between our countries and with the regional and international communities to achieve our goals in a much more cost effective way than presently occurs.

We therefore look forward to the next stages of this Growth Forum initiative as we move towards achieving our development goals with realism and hope.