Meeting of the Caribbean Working Group on Social Development
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REPORT OF THE MEETING OF THE CARIBBEAN WORKING GROUP ON SOCIAL DEVELOPMENT

(in preparation for the World Summit for Social Development)

UNITED NATIONS
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Introduction

The first subregional meeting of public sector officials, academics and representatives of Non-Governmental Organizations (NGOs) in the Caribbean on the subjects on the agenda of the 1995 World Summit on Social Development took place on 25-26 November 1993 at the Royal Palm Hotel, Port-of-Spain, Trinidad and Tobago. In this first preparatory meeting held by the Economic Commission for Latin America and the Caribbean (ECLAC), Subregional Headquarters for the Caribbean, participants from the various member countries, of the Caribbean Development and Cooperation Committee (CDCC) exchanged views on unemployment, social integration and poverty in the subregion, following the presentation of three papers prepared for each subject.

The agenda, as adopted, was as follows:

1. Opening remarks and general discussions on objectives of, and preparations for, World Summit for Social Development.

2. Employment expansion: Expansion of productive employment in Caribbean countries.

3. Social integration: Enhancement of social integration in the Caribbean, with particular reference to disadvantaged and marginalized groups.


5. Concluding discussion on employment expansion, social integration and poverty in the context of preparation for the World Summit for Social Development.

Opening remarks

The Director of the ECLAC Subregional Headquarters for the Caribbean, Mr. Daniel Blanchard, expressed his gratitude at having the opportunity to address the gathering. He told the meeting that the idea for the World Summit on Social Development originated with the Chilean Ambassador to the United Nations and was announced in United Nations General Assembly resolution 47/92. He provided the meeting with the planned objectives of the World Summit to be held in 1995 in Copenhagen.

The objectives indicated were: (a) To raise the level of awareness of the need to incorporate social factors in the national development exercise, harmonizing and integrating
economic and social policy-making; (b) To allow for a more active role by the United Nations in international cooperation in the social development of developing countries; (c) To identify those areas of cooperation and determine the ways in which such cooperation could be most effectively provided; (d) To bring out the inter-linkages between peace and stability, economic development and social progress in the new international context; (e) To devise integrated development strategies that would respond to the whole spectrum of human needs; and (f) To provide the opportunity for commitment at the highest political level to mobilize and reallocate resources for social development.

Three core issues for consideration at the World Summit were identified. They were:

(a) The enhancement of social integration;
(b) The alleviation and reduction of poverty; and
(c) The expansion of productive employment.

Mr. Blanchard stated that a series of regional committees would be formed, which would entail a series of regional meetings to discuss those core issues, the outcome of which would be regional position papers to be submitted for consideration at the World Summit. He stated that a preparatory Committee had been set up (comprising representatives of all the regions and United Nations organizations and agencies). The purpose of that Committee was to monitor the progress made at the regional levels in preparation for the Summit.

In that regard, he stated that the present meeting was convened to provide a forum for Caribbean Governments to focus on the issues on the global agenda. It was to be seen as a first step in the process of formulating a Latin American/Caribbean position paper for the World Summit.

For ECLAC, the three core issues were interlinked. The suggestion was that by expanding productive employment to incorporate the disadvantaged groups in society, the countries of the subregion could move faster along the continuum of social integration. For that to be achieved, the development of the human resource was critical. As such, areas such as health care, education, the mobilization and organization of the community, as well as the evaluation of the needs of society and the identification of ways to satisfy those needs were necessary to advance the process. The stipulation was highlighted that those advances rested on the availability of information and research on an ongoing basis to inform policy and direct strategy to those areas where the greatest benefits could be achieved. Additionally, it was necessary to identify the incidence of poverty and its manifestations and to determine the optimal ways of integrating the marginalized and disadvantaged groups into society.
A picture of the current socio-economic situation in the Caribbean was presented. It showed that the Caribbean economies, because of their smallness, openness and dependent nature, were vulnerable to external shocks. The view advanced was that the changes occurring in the world economy coupled with the subregion's own internal dynamics provided a turbulent environment. The effects of structural adjustment could therefore be evidenced by the contraction in government expenditure which impacted negatively on employment, moreso since the government was the largest employer throughout the subregion.

There was, therefore, legitimate concern for the growing number of persons who were excluded from enjoying the benefits of economic growth. In view of that, the attention of the participants was drawn to the ECLAC proposal of changing production patterns with social equity, which promoted the complementarity between economic and social issues. Thus, emphasis should be on the need for the objectives of growth and equity to be met.

Mr. Louis Bryan, Permanent Secretary, Ministry of Social Welfare, Government of Trinidad and Tobago, began his address by thanking the organizers for convening the preparatory meeting. He expressed the view that the meeting was timely in that the conference meshed with his Ministry's Plan of Action for the World Summit. He indicated that member States of the United Nations had been invited to participate in a preparatory meeting in New York and to that end, had been engaged in preparing the current Plan of Action. He stated that the directive had been given to Trinidad and Tobago's representative in New York to attend any and all meetings held there on social development issues and to provide feedback on the outcome of those sessions.

The Ministry had been asked to prepare a national report for the Conference and in that regard, preliminary discussions had been conducted to provide information to feed into the report.

Mr. Bryan informed the meeting that some progress had been made with regard to research in two areas. Firstly, with respect to productive employment, in 1992 the Ministry had conducted a National Consultation on Employment on the basis of which decisions had been taken on projects geared to the reduction of the unemployment problem. The view was that sufficient data on the various interest groups had been collected and would allow for proper consideration on the matter in the National Report. Secondly, with regard to the question of poverty alleviation the Ministry had been involved, along with its Latin American counterparts, in a study and had also attended a series of conferences in Latin America on the issue of poverty. As a result, the Ministry had been able to gather information and use the expertise obtained from those conferences to great advantage. In that context the Ministry was able to move away from the use of the poverty line and adopt more accurate methods of measuring poverty.

However, with respect to the issue of social integration, not much progress had been made, since great difficulty was experienced in coming to terms with a precise definition of social integration. The hope was that the present meeting would clarify that matter.
There were two important points to be noted. The first of those was the lack of clarity in the understanding of the term "social development" which had now come into wide use. Reference was made to the Report of the Secretary-General and to the definition contained therein. The view was that the definition served as a reminder to all that there were certain salient issues to consider. They were firstly, that an appropriate balance was necessary between social and economic activities in the development process. So far an over-emphasis had been placed on economic policies and strategies, with not much attention being paid to the social issues. Secondly, the need was for more integrated and coordinated action between agencies and nations in order to address social issues.

He closed by again expressing his gratitude to all those involved in bringing the meeting to reality.

**Unemployment in the Caribbean: Reversing the trend**

Dr. Ralph Henry, International Labour Organisation (ILO) consultant, called attention to the fact that with a few exceptions, double-digit unemployment rates have been the norm in the Caribbean, even in relatively buoyant circumstances. The position was taken that an employment policy should derive from an industrial/development policy. With this in mind, an evaluation of the industrial/development strategies in the Caribbean was made. The presenter highlighted four economic strategies pursued in the subregion since 1945; the Lewis Strategy; the integration strategy, the resource-based strategy and structural adjustment.

Dr. Henry noted that with the exception of Guyana, the subregion was listed according to the World Bank’s system of classification, as a subregion of middle-income countries. The disadvantage of such classification was that the subregion was thought of as being too rich to gain preferential access to international financial resources, yet at the same time it suffered the effects of being limited in natural resources and market size, and suffered through inability to attract funds from other sources.

The Arthur Lewis strategy essentially was an export-oriented strategy that called for the integration of the subregion’s productive systems and import substitution based on the agricultural base of the economies. It was pointed out that the strategy did not create jobs as was expected. The paper explained that this was due to the manner in which the countries tried to implement it. Countries implementing the strategy followed the path of individual import substituting efforts that relied on imported inputs. The "industrial" drive therefore could not be sustained and the subregion found itself in difficulties.

The view was expressed that, despite the failure of the strategy, it was clear that the resources to solve at least some of the problems existed, yet the unemployment rate was constantly increasing.
The failure of the Lewis model led the countries of the subregion to embark on the economic integration approach to provide industrialization with a more rational base for development. But integration in the subregion remained largely at the level of market integration. Market integration rendered industry a larger Caribbean market, but no genuine efforts were made to extraregional marketing, owing to the character of the industrialization. Industrialization was largely based on import substitution of products produced by multinational companies, which took advantage of the creation of a subregional market but usually limited the established Caribbean production units to the Caribbean market. The production integration which was called for was not achieved. Employment benefits were limited and went mainly to the larger countries of the subregion.

The third strategy examined was the resource-based development strategy pursued by Trinidad and Tobago, Guyana, Jamaica and Suriname. The strategy centred around the notion that revenues from the main natural resources should be utilized to finance investments related to downstream activities of natural resource exploitation. This strategy assumed that while capital-intensive itself, a diversified heavy industry would provide inputs for downstream activities that would be more labour-intensive.

A new, genuine manufacturing industry deriving from the resource base did not develop even in periods when relatively high incomes were generated by the natural resource exploitation, be it oil, bauxite or tourism. With respect to booms in income from these natural resource-based industries the paper referred to the Dutch disease. This implied that exactly when the financial resources were available for investment in the diversification of the economy to make it less vulnerable to the performance of any one sector, the country became incapable of effecting the strategy it had espoused all along.

The 1980s became characterized by the fourth strategy. The application of stabilization and structural adjustment programmes in the subregion came with a near universality. Because this strategy was promoted as the cure-all approach adopted by the multilateral lending agencies, there was a commonality of policies and of the problems emanating from the programmes implemented.

The central assumption underlying these programmes was that the poor economic performance of the Caribbean economies derived from their institutional structures, which were an obstacle to development and transformation and prevented the economies from adjusting to changing international economic realities. This included a central assumption of Government failure. In this view Caribbean economies were rife with price distortions and over-protection in trade and industry. The strategy therefore called for a reduction in the role of the State in the economy and a reduction of public expenditure. Governments were expected to renounce formal industrial policies to promote specific industries and likewise any employment policies requiring direct labour market interventions.

In none of the countries where structural adjustment was implemented did the strategy solve the problem of unemployment, and there was continued dependence on one
or two sectors to earn foreign exchange. The results so far have demonstrated some measure of competitiveness of wage rates in those countries that had to undertake the most thorough overhaul of their price structures, mainly through deep currency devaluations. The social costs so far have been enormous and a large social debt was now due to the lower income groups. These groups had borne the brunt of the adjustment costs through informalisation of work; the increase of unemployment and underemployment; the development and expansion of a criminal underground economy; the spread of poverty and the growing presence of nutritional deficiencies among children and infants.

The increase in formal sector employment in competitive industry had so far been limited to lower level manufacturing of the type found in enclave export processing industries. It was very dependent on gender segmentation, that created a reservoir of cheap female labour. Attention was given to the effect that the export processing zones had on employment and the position of women in the current labour market situation.

Since competitiveness in this area was contingent on strategies for cheapening labour even further, it was unlikely that employment creation along the lines of traditional export processing activities would hold out much promise politically and socially in the subregion, given its particular labour history. In this context, mention was made of a possible further downward adjustment of real labour costs, considering the further liberalization of the economies in the subregion. Under this assumption, it was questioned whether lowering real labour costs occasioned by structural adjustment measures would be adequate to induce the level and types of investment to expand employment in these formal sector productive activities.

The paper noted that the short-term benefit of employment in the export processing zones could not be dismissed, although policy makers would be ill-advised to rely on such programmes to solve the unemployment problem over the longer haul. Severe segmentation of the labour market confined large numbers of women in the Caribbean to low wages, precarious and insecure employment.

The paper outlined some of the effects of the structural adjustment strategy on poverty and pictured the resulting labour market situation. These were:

(a) A decline in formal sector employment. The limited data on the situation in the Caribbean suggested that contrary to the experience in Latin America, the initial effect of the decline in formal sector employment had been an increase in unemployment.

(b) Emigration. The reduction of real wages had undoubtedly stimulated some types of production, but severe cuts in wage incomes had also contributed to a high rate of migration. The paper further noted that the problem the subregion faced with regard to emigration was the loss of its skilled and professional human resources which constituted a capital loss.

(c) An increase in the incidence and intensity of poverty.
The paper did not propose a strategy for economic development or employment in particular. The author limited himself to summing up the main issues over which policy makers may have some influence, as follows:

(a) The demographic factor. Three factors were expected to determine the supply of labour in the future: the present structure of the population which was seen as the major determinant of labour supply, migration and female participation rates. The paper argued that the presumed benefits of emigration had to be weighed against the severe loss of skills in a subregion where human capital was invariably the main resource in a limited natural resource base.

(b) Deepening integration in the Americas. It was predicted that there would be changed economic relations between the subregion in its present political economy configuration and the rest of the Americas.

(c) The technological revolution. The developments in technology would impact on the entire spectrum of products and services, new products and services, traditional products and services and employment. The main policy implication pointed out was that production and, therefore, a high level of employment growth in the Caribbean, would depend on the level of investment made in human resources. The subregion must invest more heavily and selectively in its human resources to guarantee employability into the twenty first century. Polices in this field would require a drastic overhaul of efficiency levels in the education and training systems and a major reorientation in adult education. Two opposite cases were mentioned to illustrate the effects of the technological revolution. The banana industry of the Caribbean would be more likely to survive a withdrawal of the privileged position on the European market if technological change made its production costs lower than that of the competition. The other case made, suggested that expected technological developments in the garment industry could greatly reduce the initial success of the garment industry in the EPZs in the Caribbean, which was based on low-skilled and low-paid labour.

(d) The structure of international competition. In the policy mix needed to attract Foreign Direct Investment (FDI) and develop the domestic private sector, there were a number of alternatives. It would be rash to assume away the role of a domestic private sector in the transformation process. A warning was issued against total reliance on FDI, which may lock the subregion on to a low wage trajectory. Governments were advised to engage in strategic policy-making and the capacity of governments to satisfy conditionalities to find the leverage to engage in this kind of policy-making was seen as crucial to the quality of employment in the future.

(e) The mobility of labour. The issue of "redraining brains" would become more important and the subregion should look at ways to organize its own technical assistance with its own people from abroad.
(f) The institutional structure. The need was identified for a genuine tripartism and collaboration among the social partners, including institutionalizing new arrangements and some reinterpretation of the exercise of governance.

(g) Special employment programmes. A number of shortcomings of special employment programmes in the past have seriously undermined the credibility of these programmes. These programmes could be improved by contracting out responsibilities to community groups or NGOs, to achieve greater transparency and better targeting of these programmes.

(h) Small business. The point was made that with help small business could be structured to make a larger contribution to employment and genuine economic transformation. Mention was made of the need for financial assistance and infrastructural support in the form of training, product development and marketing.

**General discussion**

The need for a careful examination of the problem of unemployment in the subregion was expressed. It was argued that unemployment was currently not a poor country problem but a major world problem. Reference was made to the World Human development Report of 1993, put out by the United Nations Development Programme (UNDP), which expressed concern with the phenomenon of jobless growth. The problem of unemployment should not be addressed exclusively in the subregional context.

The problem the subregion was facing should be conceptualized properly, making use of the difference between the concepts: economic development, economic transformation and socio-economic development. It was suggested that the subregion was confronted with a very dramatic evolution in human society, and it should respond as such. The current problems should not be approached as a simple problem of economic development.

The manufacturing industry as well as other industries all over would experience dramatic falls in levels of employment in absolute as well as in relative terms, because with the existing technology it took less labour to produce the same output. So the subregion was faced with the process of adapting to these changed circumstances. In this view, development was defined as the response of the subregion once the opportunities were identified. The main challenge confronting the subregion was training its people to become more responsive to opportunities and acquire knowledge to achieve this. To illustrate this view, the brain drain experienced in the health sector in the Caribbean was presented as an indication that the subregion had a comparative advantage in the health sector and this represented an opportunity which could be utilized.

In reaction to this, some reservation was expressed regarding the idea of such an approach to the health sector because of the massive investment needed.
The observation was made that ultimately all these questions and suggestions related to development policies rather than employment policies. Employment policies are or must be built into development policies. Attempts to develop a new sector or even a traditional sector, targeted at the local or subregional market, were confronted with the question of efficiency, especially in the existing policy environment where structural adjustment came with conditionalities about the level of protection of local production and the opening up of markets. This involved the question of technology and human resources. The position was taken that the knowledge factor in the technological revolution and human capital, were critical in the current situation.

There was a call for massive investment in human resources, in particular in education and information, to be able to bridge the gap and to develop people who were able to seize opportunities. The concept of the entrepreneur was widened to include people engaged in policy making and in the public sector who understood people as well as the environment, and were capable of identifying opportunities and go after them.

The quality of employment was found to be a critical issue. Empirical findings showed that there was a trend of decreasing returns to labour while the returns on capital had been on the increase. In some countries in the subregion this was a policy, which could be questioned from the point of view of social policy. A suggestion was made that deductions could be made from this about the quality of employment. This trend was discussed with reference to a recent ECLAC document which pointed out the need to increase returns to labour and at the same time increase savings to create the investment pool needed for expansion of production and productivity.

The observation was made that while employment in the informal sector and the export processing zones was generally low skilled and low paid, these had been the sectors where employment growth was located in the 1980s. More important for the individuals engaged in these activities, "a job is better than no job". The assertion that employment in the informal sector was usually low-paid compared to the rest of the employed population should be verified. There was consensus that the countries and individuals should make use of these employment possibilities as long as they existed. There was no reason why nationals should not become more involved in the export processing zones as entrepreneurs, or why the sector should be utilized only for low-skilled operations. The assumption was made that all this depended on better use of the bargaining skills of the region.

There was consensus on the need to support the micro and small enterprise sector. The flexibility of its institutional setting, particularly with regard to labour standards and the direct linkage between labour and the performance of the economic unit, were seen as the main potential of this sector. Some critical remarks were made in this area. One related to a certain level of ambivalence among policy makers and academics in their evaluation of the sector. Another remark related to governments which, while formally pursuing policies to support the informal sectors, did not fully legalize the informal sector units and almost excluded them from participation in tenders for selling their products or services to the public sector services.
The observation was made that low-skilled jobs might be a basis for eventual higher-skilled and better-paid jobs. The problem was not in accepting the low-paid jobs, but in hanging on to them and not seizing the opportunities for the better jobs.

The suggestion was made to use the already available funds for redressing the social impact of economic policies more efficient, especially with regard to short term employment programmes. The need to move away from the hand-out system, that was still dominant in the "structural adjustment with a human face" approach, and develop the relation between income and work was stressed.

The problem of the work ethic in the subregion was mentioned as a factor considered relevant to the subject under discussion. It was felt that some change was needed in this field, and that the home and the education system should be utilized to create a change in work ethic.

There was some divergence on how to respond to the problem of the brain drain. One position was that flows of labour could indicate comparative advantages, for instance in health or in education, which should be seized in order to boost development and redress the problem of brain drain. Another approach to the problem was to accept these flows as a given fact of life and work out some cost-sharing between the sending and the receiving nations, in order for both to benefit.

**The enhancement of social integration in the Caribbean with reference to disadvantaged and marginalized groups**

Ms. Asha Kambon, Social Affairs Officer at the ECLAC/CDCC secretariat, made reference to the United Nations Secretary-General’s Report on the World Summit for Social Development, which described social integration as a "complex and elusive phenomenon, not amenable to simple definition or measurement". For the purposes of the paper, social integration was defined as a concept which addressed the extent to which categories or groups of people were brought into equal membership in a given society.

The notion of social integration had become a pressing issue to a large number of nations which had multi-ethnic societies. Resistance of ethnic, religious and national identities to "melting pot" strategies used, "often through violent means which had unleashed new threats to the stability and cohesion of societies", made it clear that for the development process to be meaningful, a degree of social integration or cohesion was essential. In this context the concept of pluralism had gained renewed attention. There was little disagreement that pluralism could be both beneficial and problematic, but cultural or racial differences within a social system did not by themselves indicate dysfunctional pluralism.
The modern West Indian societies had their genesis in the bringing together of very different racial, cultural and religious groups in small territories, within a structure that had been described as "purposely divisive and exploitative. West Indian societies emerged with internal divisiveness as a fundamental condition". It was argued that the Caribbean's longstanding involvement with these concepts and its experience with attempts at their resolution may assist other regions, which were only recently occupied by this problem.

The paper further elaborated on the concept of integration and on the identification of groups as an essential issue in the measurement of integration.

Integration was linked to the notion of the stability of a society. This could lead to one taking the level of stability of a society as an indicator of its integration. The fact that some previously stable societies had begun to show signs of crumbling, would lead one to conclude that stability could not be used as the sole indicator for integration.

Members of a society itself viewed social integration often not only by the extent of access to opportunity, but also by the extent of inclusion, acceptance, participation and control over the institutions and processes of societal life, be they socio-economic, cultural or political.

Modern societies had witnessed the phenomenon of a variety of ethnic, racial and other groups living within one State, these being traditionally defined on the basis of geographic and economic classifications. In addition, new social groups had emerged based on common aspirations and objectives and created alternative bases for identification. The position was taken that groups could be defined:

- within the traditional demographic characteristics;
- on what may be termed conscious social alternatives; or
- a mix of both.

Groups based on a conscious social alternative were for example, the Rastafarian Movement in the Caribbean and the Green Peace Movement in Europe. The women's movement was presented as an example of the third category, being a group defined within the traditional demographic characteristics, but which had developed recently on the basis of a conscious social alternative.

It was argued further that the Human Development Index might be the best guide post for assistance in arriving at criteria for group identification and attempting to measure the extent of social integration. The disaggregation of the HDI for the groups relevant to a country would prove to be a useful tool in measuring integration. The HDI attempted to measure three dimensions of human development - longevity, educational attainment and access to resources. It did so through "proximate variables" - life expectancy at birth, literacy and mean years of schooling and a modified measure of income per capita.
The paper elaborated extensively on the dimensions of social integration, identified groups and criteria for measurement of social integration in the Caribbean and attempted to explore the framework developed.

It was argued that social integration had three dimensions:

(a) The socio-economic dimension. Indicators for this dimension were the number of persons or households living below an accepted poverty line, the existence of legally established privileges; forms of discrimination and inequality of opportunities and the extent of concentration of power; wealth and the fruits of progress.

(b) The cultural dimension. When cultural differences became the basis for inclusion or exclusion of groups of people in the political, socio-economic or cultural processes of a given society, then culture became a key dimension in the process of social integration.

(c) The political dimension. The key notion here was the "empowering of marginalized groups and ensuring the participation of people at all levels...". The UNDP report was quoted, which asserted that "even where citizens can elect their leaders in regular, free and fair elections, they seldom have achieved full political participation". Political management in a plural society faced numerous challenges arising out of competing claims of different classes, ethnic groups and political actors. Various sources indicated that the level of decentralization of the State and movement away from the centralist model of the State could be indicative of levels of political integration.

An attempt was made to identify the groups and the criteria for measurement of social integration. With reference to the Human Development Report 1993, the following categories were identified as relevant for analysis in the Caribbean context:

(a) The poorest people, as a group based on socio-economic classification;

(b) Women, as a group based on gender classification;

(c) Male youth, as a group based on age and gender classification;

(d) Indigenous peoples, as a group based on ethnicity;

(e) Displaced persons, as a group based on geographic and conscious social alternatives;

(f) People in rural areas, as a group based on geographic location; and

(g) Disabled, as a group based on conscious social alternatives.
The variables and indicators suggested were:

(a) Political power, direct and indirect political power. Direct political power could be measured in terms of the extent of voting rights and the extent of participation in the democratic process of a country. This could also include numbers of representatives within the governing machinery at different levels. Indirect power could be measured in terms of the ability to influence and have one's position accepted by the other groups in the society.

(b) Economic power, using the traditional variables of income, employment and ownership.

(c) Education, to be measured not only by the number of children attending schools at the various levels of education, but also access to on-the-job training, special education and the quality of education.

(d) Health and well-being, using the traditional health indicators such as life expectancy; infant and maternal mortality and some additional measures such as the incidence of STD and HIV infection; access to contraceptive services; incidence of cervical cancer, cancer of the prostate, reproductive tract infection; life style diseases such as diabetes mellitus, hypertension, substance abuse, mental illness, and ill health resulting from violence; access to safe water, food security, proper housing, waste disposal etc.

(e) Status, as perceived through acceptance and prominence of world view and esteem applied to those views.

An analysis based on this approach was made for three selected groups: the poorest, youth and women.

The positions of the three groups analyzed was summarized using the five variables mentioned above. Young males were found to be in the most disadvantaged position in the subregion and the situation of the poor had been worsening with respect to all the variables and indicators used. It was found that in several respects women as a group had been able to improve their position in society, even if more slowly than expected.

The paper summarized the strategies implemented in the subregion by governments and non-government institutions, to address the problem of the disadvantaged or marginalized groups. It distinguished between strategies geared or targeted to:

(a) The most economically disadvantaged. Policies such as financing micro-projects of NGOs and community based groups, school feeding programmes, subsidization of food and essential items, food stamps and temporary employment programmes were utilized in the period under consideration.
(b) Women. Women’s machineries had been set up within special ministries as focal points for women's development. At the university level, women's studies had been incorporated in the syllabus and a Subregional Coordinator for Gender Studies had been appointed. Much new legislation had been passed. Family courts were established in some territories. The paper credited the women's movement largely for the successes in women's advancement in the subregion.

(c) Ethnic groups. The policy mentioned was the establishment of an Ethnic Studies Center at the University of the West Indies in 1992.

(d) The participation of people. Mention was made of the establishment of the West Indian Commission and the various discussions it held with the population. The First Subregional Economic Conference brought together the social partners as equals to discuss the approaches and solutions to the subregional recession and stagnation.

(e) Youth. Programmes concentrated on employment and attempted to assist individuals and communities to become more self-reliant through training and the setting up of micro-enterprises.

General discussion

The observation was made that the concept of social integration was on a high level of abstraction and would give rise to methodological problems. To descend from this level of abstraction to the level of measurement might prove to be one of the most extensive ventures undertaken in social measurement.

Using the concept of social integration, one implicitly departed from the notion of a system; the issue was the integration of the various groups into that system. In the discussion on social integration, two related systems seemed relevant: the international level and the national level. Up to now the discussion had concentrated on relevant aspects on the national level, that is, integration of the nation State as a system. Efforts were concentrated on identifying groups within the nation State and assessing the level of integration of these groups in the nation State as a whole. Disintegration of the nation State consequently had been a major concern.

The concern was expressed that the impact of the international community on the level of integration of a nation State could be overlooked. The level of integration in the international community could affect the internal levels of integration of a particular society in two ways. The level of integration into the international community could influence:

(a) How freely a nation State could access international resources and markets needed for its economic and social development. It was felt that this would impact on its pace of development. If, partly due to a low level of integration in the international
economy, the economic growth of a nation State stagnated and levels of living in the nation kept falling, this usually impacted heavily on the internal relations between groups.

(b) Political influences from outside, especially in nation states which were made up of different ethnic, religious or cultural groups, could upset the often complicated and delicate balance between groups. These political influences tended to become more intense if a nation State was not well-integrated in the international community.

The current discussion on social integration and its measurement was taking place in the context of policy development and this implied that there was need to identify groups which could disintegrate society if the process of their integration into one nation State was derailed. Whereas it was possible from an academic viewpoint to identify other groups which were weakly-integrated into society, it was necessary for the policy maker to identify groups which posed a threat to the cohesion of the society. The rich versus poor, youth versus older or women versus men contradictions would generate social conflict but they were not likely to disintegrate the nation State.

The integration of groups which did pose a threat of disintegration of the nation State demand policies other than those aimed at integration of broad social groups such as women, youth, poor etc. If a society was composed of groups that had a very different world outlook and if they were present in numbers that were significant enough to disintegrate society, political and other leaders should set out to agree on a strategy to prevent the nation State from disintegrating. Such a strategy would provide the basis to develop polices to facilitate equity between the groups and within the groups.

It was felt that if definition and measurement of social integration were coupled with policy measures, definition and information alone would not be sufficient. The need for an explicit model of how things ought to be was seen as necessary. A scientific approach to this was seen as favourable, to be able to find out what was desirable and what was not. Some degree of conflict was deemed unavoidable because, to a certain extent, tension was what drove society. Ossification was seen as the factor that disintegrated society.

Suggestions were made with respect to the identification of groups considering the danger of disintegration:

(a) Usually these groups had deep-rooted differences in world outlook on culture, and they identified themselves as different from others.

(b) The proportion of the groups identified in terms of total population.

(c) The regional distribution of the groups, being one of the indicators of integration in a multi-ethnic society.
There was a warning against too much confidence on the part of the West Indian societies when dealing with pluralism. The mechanisms dealing with the aspects related to pluralism in Caribbean societies had been mainly informal and implicit. The question was raised whether we could continue on this basis. Many of the problems of the past were related to the colonizer, but current inequalities did not come from outside and could generate more conflict than we have witnessed in the past.

Attention was called to the need for a comprehensive approach to the question of social development to be able to solve the problems caused by poverty. It was argued that three principles were of prime importance in economic and social development policy:

(a) A comprehensive approach which departed from the unity of the economic and social aspects of development;

(b) The leading and coordinating role of the State; and

(c) The participation of the people and high efficiency of the government.

An observation was made regarding the applicability of the concept of social integration in the Caribbean reality. If the use of the concept of social integration implied a level of open conflict between groups, it would not apply to the situation in the Caribbean. The notion of equalization of opportunities was a better reflection of our efforts in the subregion. Others felt, however, that social integration could accommodate pluralism provided that there were linkages between the groups.

The question was raised whether the concentration on social integration did not lead us to overlook the greater need for social transformation in the Caribbean. It was stated that heterogeneity in the subregion as well as in the countries made the question of social justice a complex one.

The question was raised whether the models and processes of development were acceptable to our people, did they work for our people, for those who were marginalized or outside the system. The experience of the women's movement in the 1980s showed us that the integration of women into development had the underlying assumption that the models of development were acceptable. This assumption was questionable. The fact that youth were not participating in the political processes was seen as an indication that the processes were not acceptable. An approach which started with the assumption that the models and processes were acceptable, and consequently set out to identify the people who were left out and merely attempts to bring them in, would be a very simple way of approaching a problem that was far more complex. It became clear however that the existing models and processes were not regarded as an acceptable structure in which all groups must be integrated.
In addition to the notion of direct and indirect power, the concept of effective power was believed to be of special importance in plural societies. It was said that in these societies loyalty to one's own group tended to come before loyalty to the nation State. The extent to which this was happening would render election processes less effective as an instrument to achieve an effective and efficient government. This inhibited the danger of a weak State which was not capable of redistributing resources adequately, while this was of prime importance in the current economic and political situation in the subregion. The political systems in our countries were still very much occupied with the balance between groups creating a rather rigid political climate and inefficient bureaucracy.

The need to decentralize and establish other forms of power based on more intensive participation of the people was seen as an important aspect of social integration.

The question was raised whether the term 'knowledge' could not be used instead of 'education'. The term 'education' would tend to confine analysis to aspects that are easily measurable. The concept 'knowledge' would make it possible to include in our analysis important knowledge which existed in our society and the effects of trends to commoditize knowledge. It was agreed, however, that the concept of knowledge was difficult to measure.

The concept of linkage was introduced in the discussion, and suggested to be included as a criterion for the level of cohesion of society even though it is difficult to measure.

The observation was made that the measures suggested do not capture the need for happiness or comfort, which were essential aspects of human life. Although these issues were very difficult to measure, efforts should be made to include them into the analysis.

**Poverty issues and poverty alleviation in the Caribbean**

This paper, presented by Mr. Tom Eriksen, Associate Economic Affairs Officer at the ECLAC/CDCC secretariat, defined poverty as a multidimensional and multisectoral phenomenon that evoked notions of social justice and even ideology. At the same time it was a relative and subjective phenomenon. As poverty was multifaceted it may be perceived and analyzed on the basis of different criteria: material, cultural, spiritual, etc. Its definition depended not only on the global social reference context, but also on the socio-economic and ideological position of the evaluator. The relative character of the concept made it difficult to attain a conceptual and operational definition that was universally valid and accepted.

In most attempts to define poverty there was an assumption that there existed a level of well-being, deemed to constitute a reasonable minimum by the standards of that society, below which individuals were considered to be in poverty. The concept of poverty therefore implied a situation in which sections of a population are considered relatively deprived, in
terms of access to certain goods and services which were regarded as 'essential' or 'basic', when compared to the rest of the society. These needs could vary from elementary physical ones such as being well-nourished, being adequately clothed and sheltered, to more complex social needs such as taking part in the life of the community and leisure.

It was explained that the purpose of poverty measurement was not primarily to obtain snapshot estimates of the prevalence and incidence of poverty, but to trace changes over time to see whether the poor were expanding or falling in numbers and whether their condition was improving or getting worse, particularly in relation to aggregate economic growth or in response to targeted poverty alleviation programmes.

Household surveys were the single most important source of data for making poverty comparisons. They could tell us directly about the distribution of living standards in a society, such as how many households did not attain particular consumption levels. Current consumption was generally taken to be the preferred indicator of well-being in applied work and income was used as a proxy for consumption.

The paper briefly explained three major approaches to poverty measurement:

(a) The basic-needs approach, or its variants, was the predominant trend and was based on the notion of a necessary minimum to maintain physical existence. It normally utilized a poverty line to distinguish the poor from the non-poor. The criterion of reference was the minimum cost of essential foodstuffs or the poverty line. The poor were those individuals "whose total income was insufficient to obtain the necessary minimum for maintaining their mere physical efficiency". ECLAC had developed the Unsatisfied Basic Needs Approach (UBN) which classified households as poor when they were unable to satisfy one or more defined human basic needs.

(b) Income distribution or relative inequality approach. These approaches were intended to measure inequality in the income distribution of a specific population. They utilized statistical tools to identify the poor as a particular fraction of the income distribution such as those below the average income, those in the first or the second decile, or they utilized the Lorenz curve or the gini-coefficient to indicate income inequality or poverty.

(c) Socio-economic indicators as a description of poverty. In these descriptions of poverty, social indicators were utilized to indicate the welfare of an individual. Common indicators used were access to basic services and assets, for example, land, health care and education, nutritional status, educational attainment, housing conditions and unemployment. They were used to complement income measures, completing the picture of individual well-being in the society under study.

Lack of data remained a considerable problem in identifying the poor in the Caribbean. The paper revealed that a variety of methods had been used in the subregion. This hampered comparison between countries, but the observation was made that at least some information on poverty in these countries was available through these studies.
It was argued that relative measures like income distribution may well be more appropriate to the reality of Caribbean countries, many of which fell into the category of "middle-income developing" countries.

The basic needs approach had been used in studies on poverty in Jamaica, Saint Lucia and Trinidad and Tobago. One of the conditions for using this method was the existence of information on consumption/household expenditure or the income of the persons or households. Such information was normally supplied by household budgetary surveys or living standard surveys, as have been initiated in Jamaica and Trinidad and Tobago.

Unfortunately, barely a third of the countries in the Caribbean have recent (1980s) nationally representative household budgetary surveys and these do not supply all the data necessary for poverty studies. In the Caribbean subregion, an in-depth review of the methods for gathering data was necessary.

An assessment of the magnitude and the characteristics of poverty in the Caribbean was made. Poverty had been a feature of Caribbean societies, for a long time. This had been evident in unemployment, housing, sanitation, education, health and other social services, access to land and even leisure.

The 1970s were evaluated as a period of economic prosperity with an interventionist approach by the governments aimed at increasing social equity. Public expenditure on social services increased in this period and the quality of life of many poor improved. Infant mortality declined and life expectancy increased at rates that outpaced the improvement in income and consumption. In this period the poor may have come to view the State as a source of social services and arbiter of social conduct and justice.

Poverty was however not completely eliminated during this period of economic growth. The situation was also exacerbated by high population growth which put pressure on labor markets and social services in general. This pressure was somewhat alleviated by high rates of outward migration.

By the 1980s, therefore, the theory that concentration on economic growth would reduce poverty and improve the quality of life had become a myth for some countries. Recession started in earnest in 1973 for countries like Jamaica, with the hike in oil prices and the decline in aluminum prices, and pushed some Caribbean economies into economic decline and a seemingly unending debt spiral.

The gains made in education, health and social services were relentlessly eroded during the 1980s as the economies of the subregion contracted and they were forced to embrace structural adjustment measures as a means of solving their indebtedness and
stabilizing their foreign exchange positions. The structural adjustment programmes were aimed at increasing growth, reducing balance of payments deficits and controlling inflation.

Barbados, Dominica, Guyana, Haiti, Jamaica, Dominican Republic and Trinidad and Tobago all entered into agreements with one or more of the international financial institutions. Many other countries adopted similar measures through the Nassau Understanding of 1984, so that the model of structural adjustment became the prevailing model in the Caribbean.

The evidence in Guyana, Jamaica and Trinidad and Tobago which had the longest experience with structural adjustment policies had demonstrated the possible negative social impact of these policies in the form of increased unemployment, decreases in per capita income and a falling standard of living.

The rate of price increases for basic needs due to depreciation of currencies and the reduction or elimination of subsidies of basic consumer goods, impacted directly on lower income groups, especially wage incomes or transfers. In general the standard of living, especially among the poor who expend a large part of their income on food, was affected. The incidence of poverty may have been felt most severely by women and their dependants, i.e., children and the elderly. In the Caribbean, women frequently bear the burden of greater responsibility for households, as heads of single-parent families.

Further impacting on the poorest were increases in user charges for public utilities and social services including water, electricity and medical services.

Unemployment had increased, especially among the youth. In some of the larger countries there was a 50 per cent unemployment rate in the 15-25 age group. Rationalization and restructuring of the public sector forced retrenchment of public sector workers and lower incomes for the families involved. To improve the public finances in Guyana the public sector work force was reduced significantly during 1986-1990. Trade liberalization and increased foreign competition for domestically produced goods had resulted in the closure of enterprises unable to compete with imports and caused workers to be laid off.

Cuts in social sector expenditures, while personal standards of living were falling in many countries had been a dominant trend in the 1980s. The capacity of government to provide a social safety net for the poorest was also diminishing, due to a contracting revenue base and increasing debt. This had forced government to divert finance and resources away from local expenditure, resulting in disproportionate expenditure cuts to the social services.

Even though population growth had been steadily reduced in most of the Caribbean during the last decade, high fertility rates put pressure on scarce resources in Haiti. In other countries this factor may have contributed to increasing poverty in the subregion.
The World Bank estimated that in 1990 about 10 million people lived below the poverty line in five Caribbean countries. Haiti alone accounted for about half this number, and the Dominican Republic for about a third. Jamaica, Guyana and Trinidad and Tobago also had a significant number of their population living in poverty.

The paper argued that it was not possible to estimate accurately the total number of persons living below the poverty line in the Caribbean. In the Caribbean the smaller economies had experienced some growth since the 1980s, while the larger economies have experienced recession, stagnation or minimal growth; it was difficult to generalize about the subregional situation.

In the Eastern Caribbean it was generally acknowledged that some pockets of poverty existed, but there were no data available and poverty measurement was not simple because of transfers from abroad, the use of home-grown produce and the reality of the extended family in these islands made it difficult measure income.

The paper made an assessment of the incidence of poverty in a number of countries in the subregion, based on available data. Based on these and other studies done by NGOs an assessment was made of the characteristics of poverty in the Caribbean countries.

In most of the case studies for the Caribbean subregion the most vulnerable groups found were pregnant and lactating mothers, children, the aged and rural groups tended to be poorer than urban groups. There was general consensus on the factors which must be addressed: unemployment, poor family life (teenage pregnancy, poor parenting skills), drug abuse, crime, land distribution and ownership of wealth, functional illiteracy and a poorly planned education systems. Some studies had emphasized poverty in spiritual terms, like self-esteem, poverty of the mind, the spirit of materialism and individualism.

Rural poverty in the Caribbean was more severe than in urban areas. In Jamaica in 1988 it was estimated that the rural poor comprised 33 per cent of the total population, while the urban poor were 10 per cent of the total population. Similar traits were to be observed in other countries in the subregion. Two major aspects of rural poverty were the inequitable distribution of land and inadequate legal titling of land available to small farmers.

Urban poverty in the subregion was linked to a limited capacity to generate income. Around 25 percent of the jobs in urban areas in Trinidad and Tobago were in the informal sector. These jobs were usually own-account activities which encouraged an entrepreneurial attitude and creativity, but were associated with make-work operations and almost always with low incomes.

Impoverished women in urban areas formed one of the most vulnerable population groups. Their quality of life was extremely precarious, especially those who were heads of household. They were very often unemployed or underemployed and struggled for survival.
This was the setting in which many children found themselves. A combination of poor or overcrowded housing, little or no financial resources, poor nutritional and health status, little or no parental guidance and support, and little hope of escaping these conditions through the accepted channels of mobility.

In the urban areas, poverty often resulted in poor housing conditions living quarters were structures to be established or eradicated on empty lots with basic services, and overcrowded housing was a main characteristic of the poor households.

The unemployed were a very vulnerable group and there was a high correlation between unemployment and poverty in the Caribbean countries. In Trinidad and Tobago, for example, the correlation between poverty and unemployment was estimated to be 0.88.

Unemployment rates in the Caribbean were generally very high. Caribbean societies had been able to endure very high rates of structural unemployment. The absorption of prolonged, high unemployment rates of 15-20 per cent and higher had been attributed to the prevalence of the extended family system, a continuous flow of remittances from relatives abroad, the possibility of outward migration and some kind of social safety net throughout the English-speaking Caribbean.

However there was evidence that the extended family system was being eroded by urbanization and by changes in the occupational structures. The possibilities of migration had become fewer and the social safety nets were collapsing. These changed conditions made it less likely that the Caribbean societies would be able to endure the very high levels of unemployment of the past and this could lead to increased anti-social behaviour.

Estimates placed the number of jobs in the informal sector in the Caribbean as high as 30 and 50 per cent of total employment. The growth of the informal sector was a manifestation of the effort of the unemployed to devise and implement their own survival strategies. But the low skills of the unemployed usually resulted in informal sector activities with low productivity and consequently low incomes.

It was believed that high unemployment and eroding real income had worsened income distribution in the subregion. There had not been many income measurements in the countries of the Caribbean subregion, so it was difficult arrive at a definite conclusion for the entire subregion. Nevertheless the few studies done had shown that the distribution of income was unequal and was close to the income distribution of Latin American countries which had exhibited some of the most unequal distributions of income in the world.

An assessment was made of the availability of public or social services for the poor and some aggregate social indicators were presented in the paper.

(a) Education. In the Caribbean there were vast differences in the access that the poor had to education and the quality of education available to them.
(b) Health. Expenditure on health, while remaining a significant part of the overall national budget had been declining in both real and absolute terms.

(c) Water and sanitation. Several Caribbean countries had reached a high level in terms of access to drinking water as well as sanitation and the quality of housing had improved in recent years.

(d) Housing. In a number of countries in the Caribbean housing was a serious problem. In the depressed urban and rural communities, housing was for the most part inadequate. Various studies revealed conditions of overcrowding and estimates varied from an average of 3.5 to 10 persons per household.

(e) Infant mortality. During the last decade, infant mortality had been steadily decreasing in the Caribbean subregion, but it was still very high in Haiti, the Dominican Republic and among the poorest strata in a few countries.

(f) Fertility. Although fertility rates had steadily decreased in most Caribbean countries, they remained high in Haiti and the Dominican Republic. Studies by ECLAC and others have pointed to the positive correlation between high fertility, unemployment and poverty.

The paper discussed poverty reduction strategies:

The extent to which Governments could intervene depended on their ability to collect sufficient resources to provide services to improve social conditions. The ability of governments to mobilize resources through taxes is ultimately determined by the tax-paying public. There were limits to government spending on social development resulting from the rates and levels of economic growth.

Rural development could be greatly facilitated by macroeconomic policies which did not discriminate against domestic agriculture. Such policies could reduce rural poverty. This strategy should include policies and programmes to enhance access of small farmers to (rural) credit, extension services, building small-scale irrigation works and feeder roads, the provision of primary health care and education and potable water to improve the productivity and the quality of life of the poor.

There may be great potential if the existing spirit of self reliance and self-help in rural communities was integrated into a genuine participatory development model.

It was argued that increasing urban employment with special attention to the informal sector was essential to the reduction of poverty in these areas. The creation of favourable conditions for small-scale and micro-enterprises and enhanced access of the poor to essential services such as clean water and electricity, primary education and health care, transportation and improved housing conditions were important. Support to raise the
productivity of urban micro-enterprises called not only for a complementarity between various agents but also for coordination.

With respect to training programmes the paper stressed the need to respond to real demand in the labour market. Information about present and future needs of private enterprises and a system to follow up on the graduates of training programmes once they entered the labor market facilitates such coordination.

The importance of education in the poverty reduction process was generally acknowledged by governments in the Caribbean. Also the need for vocational training had been stressed in all governmental plans. The employment effects of vocational education in the subregion had been mixed. It appeared to positively affect the motivation to seek employment, but in economies with high unemployment, vocational education would not significantly increase employment chances.

Primary health-care strategies to reach rural households more effectively were adopted by many governments in the subregion. Gains in child health had stemmed largely from the maternal and child health and immunization programmes that had been established throughout the subregion and emphasis was placed on nutrition and primary health care. It seemed necessary for the Caribbean countries to focus more on the composition of health expenditure. Emphasis would have to be placed on the construction and improvement of district health centers and the placement of public health personnel within easy reach of most of the population.

To combat malnutrition, many government policies and programmes in the subregion had aimed at raising the incomes of the poor, boosting food production, providing food subsidies of various sorts and educating people to know about proper diets. Some groups could best be helped through a system of targeted support in the form of:

(a) income transfers; and

(b) safety net measures.

Social support programmes had been implemented in some Caribbean countries during the economic crisis of the 1980s. A major concern of these programmes has been the alleviation of unemployment and nutritional assistance to school children and pregnant and lactating mothers.

The paper discussed challenges and recommendations for poverty reduction and alleviation. Some important elements were:

- Given the massive and entrenched character of poverty, it was likely that even a major shift in resources would not be sufficient to address it in full measure. At the national level, higher rates of growth, savings and capital formation were needed to generate
resources for poverty reduction. New resources must be generated at national and international levels for any successful effort to reduce poverty.

- At the local level innovative and creative approaches must be developed to marshall the energies and skills of the poor through community-based programmes and projects. Non-governmental agents of development could play a critical role in this regard.

There was a critically important role for the international community in assisting the Caribbean's efforts at poverty reduction and alleviation.

General discussion

The availability of statistics was observed to be a major problem in assessing the incidence and intensity of poverty in the Caribbean but there were different views on how this affects policy development and action to alleviate and reduce poverty.

Some argued that the lack of data made it difficult to identify and develop targeted programmes to assist the poor and monitor these programmes. The skills to collect data were available but there seemed to be a paucity of skills to analyse data. Although many statistical offices were well-equipped, there was a lack of capability in constructing and/or implementing social accounting matrices as well as a lack of commitment to using the measurement devices in the health and nutrition sectors. Regarding the availability of data, the time lag between data collection and publication was stated to be a problem in this field.

The lack of comparability of poverty studies in countries and in the subregion as a whole aggravated the lack of data and was attributed to the use of different approaches to poverty and to the multitude of agencies dealing with the same issues. The need for some standardization of poverty studies in the subregion was advocated and the positive role of the international agencies could play in this process was stressed.

Others however, were of the opinion that the lack of data was not as crucial as some suggested. The "real problem" might be an over-concentration on the use of macro-based measures and an unwillingness to use the information on poverty in our small societies. There was information which was readily available from key persons as well as NGOs. They had first-hand contact with the poor.

There was a call for utilizing other than the traditional instruments to measure poverty. Government needed to identify and train key persons in what to look for and to develop feedback mechanisms that would allow them to handle in a more accurate and timely manner, the identification of groups for assistance and the evaluation of policies implemented.
The observation was made that poverty studies needed to examine other factors, such as the level of parental motivation, lifestyles, homelessness, etc. The view was that communities should be studied with the aim to identify various ways in which poverty pervaded families and communities. Poverty studies should be designed in such a way that it became possible to identify relevant disadvantaged population groups such as youth, women, etc.

It was argued that the concept of poverty was started from the idea of a minimum consumption level and this had methodological implications for poverty measurement. The importance of a basic needs basket for poverty measurement, policy development and monitoring polices was stressed. Usually the discussion concentrated on the methodology used to arrive at such a basket. It was pointed out however that social consensus on such a basket was much more important in terms of the acceptance of this social indicator.

It was felt that the issue of poverty reduction was beyond the technical level. The political will as well as the apparatus needed for social transformation implied by poverty reduction should be present in order to adequately address the issues. Enhanced productivity and growth were seen as central to poverty reduction and alleviation, but the State should reorganize its institutions to be able to effectively play a role in the redistribution of this growth.

The need for a more holistic approach to poverty reduction was suggested, and the distinction between poverty alleviation versus poverty reduction polices was highlighted. In certain strategies poverty reduction policies played a minor role while poverty alleviation policies of a welfare type received almost all attention and funds. It was suggested that social safety nets, which were undoubtedly needed to protect the most vulnerable groups, should be part of an integrated social policy. Such an integrated approach should include an incomes policy especially where wages and salaries made up a large part of household incomes.

There was consensus on the idea that strategies aimed at poverty reduction and alleviation should take account of the recommendations contained in the ECLAC document on changing production patterns, so as to prevent the transference of poverty.

One opinion voiced was that one of the factors that had contributed to increased levels of poverty in the subregion, was the withdrawal of support of government institutions for women and children, especially in the 1980s. This withdrawal of support was in line with the structural adjustment policies adopted.

There was a call to change the focus of policies in line with the perspective of the poor themselves. Support programmes should concentrate on the poor who were doing something to survive, and thus could be of help to others. Policy makers should understand that poor people had used some techniques to survive the past decade. They should identify those and learn from them. In this context it was suggested to revisit some of the structures
that existed prior to the structural adjustment policies, e.g. district nurses. At those times the social services were closer to the communities from which policy makers should draw to inform themselves on workable strategies. There was a call to adopt a more community-based approach to poverty alleviation and reduction strategies.

A critical remark concerned the relation between poverty and population growth. The idea that lower fertility rates were an important aim in the fight against poverty was embraced in the subregion in the 1970s and 1980s. This strategy had been effective and contraceptives were now widely used in the Caribbean. The fertility rates had fallen but poverty had increased.

Concern was expressed with targeted food programmes and training programmes. While the usefulness of those were generally acknowledged, it was pointed out that those programmes put pressure on the existing monitoring mechanisms to ensure that they yielded the intended results. With regard to the training programmes the experience was that these programmes trained poor in occupations where there was no demand or trained too many people for one occupation. In these cases training programmes ceased to contribute to poverty reduction and the investment was wasted.

Panel discussion

Expansion of productive employment in Caribbean countries

Employment

The panelist on employment, Mrs. Grace Strachan of the ILO, informed that the ILO had taken the approach that structural adjustment was an abiding imperative. She called attention to three basic issues that must be dealt with during in the process of structural adjustment in order to minimize human suffering caused by this process:

(a) The social aspect. Social aspects, in particular poverty and unemployment, must addressed with high priority during structural adjustment.

(b) The duration of structural adjustment. The balance of payments problems and economic restructuring of the economy could not be solved in a short period of time. This meant that policies should also be implemented with a shorter-term perspective.

(c) Attention should be paid to the role of building national, social consensus on strategies and policies in achieving vigorous and sustainable growth. Economic growth was essential to restructure the economies and resolve balance of payments difficulties.
In reaction to the trends in the global economy, the challenge to the Caribbean subregion was to turn perceived threat into opportunity by enhancing labour productivity and developing linkages within the domestic economy. In policies aimed at solving the social question linked to adjustment, there was a tendency to think that increased investment would automatically lead to increased employment and better social conditions. This had not been the case, and strategies must be created in which investment was explicitly targeted to employment-intensive activities and to improvement of health and education.

The problem of employment in the Caribbean was one of underutilization of labour in various forms. With reference to overall employment policies, it was suggested that past policies on employment be reviewed, and past experiences should be utilized to design strategies and policies for the future. Employment policy proposals should be realistic and pragmatic in their approach.

In employment generation, the role of the government should change from one of creating jobs to facilitating job-creation and placement mechanisms. New employment policies should take into account current survival techniques of the population and place emphasis on support for these initiatives from below. It was argued that there was a new role for government to provide an enabling environment for technology, skills, and management development.

Although high open unemployment levels and underemployment existed in many Caribbean countries, there still were some jobs that could not be filled because the relevant skills were not readily available. This indicated an urgent need to develop labour market information systems and build mechanisms to increase the efficiency of labour markets.

Poverty and a worsening social situation, in general, during the past decade had led to high emigration in many Caribbean countries. This loss of human resources was hampering the ability of some Caribbean countries to recover from the crisis and restructure their economies. This trend should be reversed.

In terms of general approaches, importance of the participation of the people in the preparation of policies was highlighted, considering the fact that these policies were dealing with people's lives.

Social integration

The panelist on this issue, Ms. Alicia Mondesir, observed that social integration aimed at the attainment of equal opportunity for all members of the society. In the political sphere, this meant achieving an adequate level of participation of people at the community level. It was said that the existing model was based on an electoral democracy with elections every five years and it tended to be an elitist model in which decisions were made by a few people for the benefit of many.
The essential challenge was to build a genuinely consultative mechanism at the national level centred around the issues identified as basic to the upliftment of all groups. A participatory model would allow for institutionalized consultation between community groups and the national level of administration. The need to understand what was occurring at the governmental level and at the level of the social partners demanded another distinct form of participation in search for social consensus on developmental issues.

Given the size of the Caribbean populations, it might be possible to initiate a participatory process, focusing particularly on ways to establish participation at the level of local government and the social partners. The consultative model that the CARICOM was formulating should be considered by the countries of the subregion in terms of its usefulness.

Poverty

The panelist, Ms. Sonja Harris, raised the question of how long planners could rely on the attention that was currently given to the problem of poverty before it was pushed to the background as other issues have been in the past. A core of activists involved in women and environmental issues had ensured continuing interest in these subject areas. He proposed similar pressure groups to uphold the issues of poverty and stressed the role NGOs could possibly play. The NGO community had the means to take up such issues and to move away from a top-down approach to a more participatory model.

General discussion

In his contribution, panelist Mr. Atherton Martin, stated that to ensure poverty alleviation and poverty reduction it was essential to identify the causes and problems of poverty. These insights were essential to be able to successfully address it. It was necessary to analyze the pattern of savings and investment. To study technologies of marginalized groups such variables should be incorporated in the analyses of the poverty phenomenon. With regard to research, the need to engage people in data-gathering activities was registered. For example, rural women should participate in research on the impact of agricultural policies on women and communities. This could ensure that data-gathering becomes more accurate since the people on whom the data were gathered would actively participate in the collection process.

In a contribution from the floor, Mr. Reynold Simons warned against narrowing down social policy to a safety net conception, which would usually focus on a welfare type of programme utilizing transfers to the poor. A broader notion of social policy was advocated, where social policy was part of development policy. Within this broad conception of social policy, the question of how to generate savings to finance development must be addressed. Another issue in this broad conception of social policy was mentioned - the need for an incomes policy in fighting poverty and achieving social equity and the need to build social
consensus on this. It was argued that in the adjustment period there had been a general worsening of income distribution. Attention was called to the drastic changes in the percentage of GDP going to capital and that going to labour, usually as a result of inflation. An incomes policy could address this.

Panelist, Dr. Neville Duncan, questioned the position that society was threatened by disintegration and that policy should focus on ways to minimize the influence of elements and processes that threatened social cohesion. It was pointed out that this was just one way of looking at the current problems. It was suggested that the paper on social integration be placed against the background of ideology, governance and political power.

The role of governments and the role of institutions which played a part should be of direct concern to our countries. Above all else, the achievement of good governance meant moving to a framework which focused on results and outcomes. The ECLAC document entitled "Changing Production Patterns with Social Equity - An Integrated Approach" provided a significant set of issues around which consensus could be built. That consensus-building would be achieved primarily through good governance which was essential to expanding and sharing power. Governments would become stronger through the decentralization of power, taking on the role as facilitator. Since poor people were not necessarily resourceless, this new role should rely more on initiatives of the people and help them to find better markets to break the pattern of dependency. To achieve social integration and equity, it was essential to know the nature of government and its structures, and thus create incentives for citizens to take control of the decision making process. That process needed to be continuously evaluated and monitored to achieve optimal results. Agencies such as ECLAC needed to go directly towards assisting institutionally weak countries which were unable to define their own problems with clarity. There was a prevailing fear that small countries were having their problems outlined by multilateral organizations.

The challenge facing individual governments lay in how best to pursue the coordinated and sovereign approach with emphasis on the micro level. The new role for the statesman was to provide the social groups with resources and opportunities for successful productive activity. ECLAC had a direct role to play in assisting governments in fulfilling such a task. Still it must be ensured that in the process of decentralization, governments' responsibilities were not diffused and that they continued to be held accountable by the people.

Essentially, good governance was about achieving the best results from available resources and to identify the best delivery methods. Good government, on the other hand, was essentially a good State system, and in the philosophical sense a system facilitating the democratization process. In the past, Caribbean governments spent a large share of resources on institution building, and not enough on engendering participatory structures. The result was that although governments perceived themselves as possessing power, in reality they did not have it. People generally found ways of circumventing undesirable
policies and structures of governments. In the past, the private sector, for example, left the subregion and farmers chose in some cases not to make output available. The lesson learnt from such developments lay in dealing with people directly through the engendering of good governance, and so change people from clients of the State to citizens within a genuine participatory process.

Conclusion

In concluding the meeting, the secretariat noted the following pertinent issues:

(a) The insufficiency of data in the social area was serious but a lack of data should not become an excuse for inactivity in this area;

(b) Policy areas where affirmative action must be taken immediately were:

(i) Poverty reduction;

(ii) Analysis of the functioning of labour markets, targeting and employment generation;

(iii) The issue of empowerment of marginalization of groups;

(iv) Human resource development;

(v) Social security; and

(vi) Democratization.

(c) The remarks made on social transformation and a more thorough-going reorganization of society and the economy must be carefully considered. One problem with these suggestions was that they did not tend to lead to specific, implementable recommendations for policy.

(d) Note would be taken of the suggestion that ECLAC should adopt a more extended, field oriented approach to its studies in social development.
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