ECONOMIC COMMISSION FOR LATIN AMERICA
Office for the Caribbean

TOWARDS FUTURE DEVELOPMENT DECADES
IN THE CARIBBEAN AND
LATIN AMERICA

Prepared by
Max B. Ifill
Regional Economic Adviser
TOWARDS FUTURE DEVELOPMENT DECADES
IN THE CARIBBEAN AND LATIN AMERICA

The main themes running through UN development policy over the past two decades are growth and an integrated approach. The first of these conceived development in terms of an end. If desirable rates of GDP growth and capital formation were attained, then development achievements were satisfactory. There was debate about the strategy to be adopted in order to achieve these ends. Should the approach be balanced, aimed at synchronizing changes of all sectors or should it be unbalanced, where it was assumed that heavy injection of capital in one sector would act as a catalyst and generate overall growth? But over and above the method to be adopted was the goal of maximum growth levels.

The second theme in the development debate did not put less emphasis on economic goals but recognized that there were other criteria important to human welfare which should be considered in the development process and also that there was a spatial dimension which should not be ignored in the development effort. The approach, therefore, was to be an integrated one giving weight to social, spatial and environmental disciplines. The vehicle for achieving an integrated approach to growth was multi-disciplinary teams which included expertise over a much wider field of human

1/ This note focuses on the Caribbean because of the author's greater familiarity with that area.
endeavour than the economic. But possibly, because of the rapid rate of technological change and the growth of transnational enterprises, the drive towards high growth rates continued unabated, though now there was concern about social and environmental consequences. Towards the end of the second development decade, there is now rising dissent about growth as the end purpose of economic activity and growing concern about distribution, rather than accumulation of wealth.

Developing countries driven by an urgency to catch up with the so-called developed world, have for the past quarter of a century regarded planning as an indispensable tool for rapid economic and political achievement. Within the Caribbean, the setting of growth targets and the preparation of medium, short-term and project plans in order to achieve these targets, have been dominant activities of public sector economists. In recent times, however, there has been disenchantment with plan preparation exercises because of inability of Governments to create an expanding labour market or increasing supplies of labour. Furthermore, development experience within the Caribbean, with the notable exception of Cuba, has resulted in increasing polarities in the distribution of wealth. The rich has got richer, the poor poorer and high levels of inflation have severely undermined the real living standards of middle income groups. A review of recent Caribbean history shows certain economic characteristics:

1. While development plans were prepared with some regularity and with much political and intellectual fervour, no planning mechanisms were developed, so that in fact, Governments lacked the capacity to implement plans:
2. Plan preparation exercises were carried out by Governments on behalf of, but not with the people. The approach has been from the top down, with no attempt to involve the masses in dialogue, in plan preparation, or plan execution;

3. The spread of educational facilities, increasing levels of educational attainment, and unchecked aspirations towards consumerism, have all raised, in the young, job aspirations and socio-economic and class ambitions which these societies, structured as they are, cannot meet. As a result, there has been increasing disenchantment with the type of social change which has occurred in the region, and increasing alienation of youth from the growth process which they have witnessed;

4. Development paths chosen by Governments have made Caribbean economies more dependent on traditional metropolitan capitalist trading partners for raw materials and semi-processed goods for their manufacturing and industrial enterprises; and

5. The inability of Caribbean Governments to develop their agricultural sectors to meet current demands for food, and raw materials for agro-industrial enterprises, has made the region more heavily dependent on food supplies from developed industrial economies.
The task facing the Caribbean for the remainder of this century is a formidable one. Surely, past experience has demonstrated that increasing capital accumulation and high growth rates do not ensure social peace and stability. The price of further alienation of the populace is high, for current stress could, in due course of time, lead to open organized violence against individuals as well as groups. There is urgent need for crystallization of our thinking to make meaningful the twin concept of participation and planning.

The main thoughts behind this twin concept are:

1. Caribbean society has, on the basis of its historical antecedents, to establish meaningful goals aimed at improving life chances and the quality of life of all its citizens, particularly those who form the mass and whose ancestors, by their labour, laid the foundations which present generations enjoy;

2. Since these goals are concerned with the human condition, then people at all levels - socio-economic, cultural, residential, occupational - must participate in their formulation through group activity;

3. Participation is seen as both a thinking and a doing process, and its effectiveness will depend, in essence, on the extent to which Caribbean societies can decentralize their governing and political institutions. Current
tendencies towards centralization of power in the hands of political and economic elites can only brook ill for the future;

4. Participation in implementation is important in order to overcome waste in human resources resulting from current approaches towards development. For where the people are involved in thinking and formulating processes they will tend to choose technologies which will be complementary rather than substitutive to their effort. This is the path to full employment;

5. Planning is an indispensable tool for attaining goals. But the plan process must provide for people participation in the preparatory process. A national plan must be a synthesis of regional and geo-political interests together with economic human involvement in development of resource potential;

6. The individual states in the Caribbean are small so that the level of development which they can achieve will depend on the extent to which they can work jointly towards regional goals. The principle of participation of the individual citizen in the development process of any one territory must, therefore, be extended to define the relationships between the individual states. They all have to play a part in improving human conditions within the region, and in order to do this effectively
they must continue, whatever the hurdles, to plan regional courses of action. The twin goals of participation and planning should, therefore, be for the third development decade, centre-pieces for both individual Governments in the Caribbean as well as all Governments acting in concert with one another;

7. But Caribbean nations are only part of that broad continuum of states aspiring towards rapid socio-economic change. In the interest of the world community, they can both teach and learn by joint action with other states interested in adopting similar means towards common goals. CEPAL as the organ of regional consensus for the Caribbean and Latin America should therefore, establish close links with ECA, its counterpart for African states, where planning and mass participation are also keys for future development; and

8. As a means towards focusing on the dominant themes of participation and planning towards the year 2000, CEPAL-ECA should examine the possibilities of holding quinquennial sessions at either or both expert and ministerial levels to examine and plan progress towards these twin objectives.

MAX B. IFILL

4 April 1979