

Notes on The development of Social Policy in the Caribbean

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1. Historical Background

The development of Social Policy in the former British Caribbean territories was influenced by several factors: their historical legacy; the local stimuli (e.g. civil revolts) and the international agendas of the developmental partners.

The scope of social policy is broad and includes several sectors (Devereux and Cook 2000):

- Social Sectors: Health, Education, Water and Sanitation, Housing
- Social Insurance: Pensions, unemployment benefits, disability allowances
- Social Protection: Food Subsidies, targeted safety nets (e.g. public works projects, supplementary feeding, income transfers)
- Social Services: Care for vulnerable groups (e.g. people with disabilities, elderly people, orphans and other children in need of protection)
- Social Rights: Child Labour, women's rights, labour codes.

During slavery and colonization, the colonizers were most influential in sculpting the tenets of the social policies in the Caribbean. The exploitative nature of their relationship with the slaves resulted in the economic value of the latter's labour taking priority over their social needs. Consequently, the health of the subordinated people was only given enough attention to ensure

that they would reproduce and be productive in the fields. Education and social protection were ignored.

These deliberate efforts to suppress attention to the slaves and later ex-slaves and indentured labour would result in the riots of the 1930s which forced the colonizers to pay more attention to the workers. The Moyne Commission report of 1940 cited as the main cause of the riots, the demand for better living conditions (Lashley, 2008, 5). The commissioners' recommendations were to form the foundations for future Caribbean social policies. Their recommendations spanned the various aspects of social policy. They recommended that basic social services which would include health, education, housing should be financed through the establishment of a West Indian Welfare Fund of 20,000,000 pounds sterling. Other recommendations included the establishment of a labour department, the establishment of wage boards, the fixing of wages, implementation of unemployment insurance, factory inspections to reduce accidents and the protection of trade unions (Lashley 2008, 5).

After the Moyne Commission Report, social protection was provided as “welfare” and “hand-outs” (Thomas 2001). Not all the recommendations of the Moyne Commission were implemented and many Caribbean countries suffer from the same social problems today. World War II diverted colonial attention from the problems of the Caribbean and post World War II, Caribbean territories struggled to provide for their citizens. With adult suffrage in the 1940s, there was increased self-assertion by Caribbean people. There was a clamour for independence and/or increased self-government in most territories. Many Caribbean populations were of the view that self-management would provide more opportunities for self-improvement. Across the region, various new relationships with metropolitan governments and distinct models of governance would evolve

between the late 1940s and the 1960s, which ranged from French Departmentalisation in 1948, to the place allocated to the Netherlands Antilles within the Kingdom of the Netherlands in 1952, to Puerto Rico's Commonwealth status vis-a-vis the United States, to the British West Indies Federation, inaugurated in 1958 which collapsed in 1962 leading ultimately to several individual independent states.

The post - independence period saw the enactment of several pieces of legislation which would promote the establishment of minimum standards of health care, provision of free primary and secondary education and better working conditions. There was an expansion of educational services at all levels. The Caribbean Development Bank (CDB), established in 1969 as part of the emergence of the Caribbean Community, which would be fully established in 1973, launched its own Basic Needs Trust Fund to support these efforts.

The late 1970s and 1980s heralded the emergence of Neo-liberalism and Structural Adjustment Programmes. Structural Adjustment programmes had negative social effects on Caribbean societies. For example in Jamaica, structural adjustment resulted in high interest rates, a shrinking of the public sector, the depreciation of the Jamaican dollar and rapid increases in the cost of living (King 2001). Attention to social protection declined as the authorities grappled with macro-economic stabilization. The education and health sectors were among those worst affected. Between 1977 and 1987, primary education expenditure declined in real terms by 30 per cent resulting in increased teacher-pupil ratios, the persistence of low attendance patterns, and declines in student performance levels (Witter and Anderson in Le Franc 1994, 46). Meanwhile at the secondary level with the exception of teacher-pupil ratio all indicators showed signs of deterioration. According to Witter and Anderson (cited in Le Franc 1994 , 48-49) during the period

of structural adjustment, the areas of per capita caloric intake and trends in infectious diseases indicated health – related declines. As a percentage of the recommended daily allowances, per capita caloric intake fell from 119.4 (1978) to 112.7 (1982).

Poverty Assessments carried out by the CDB between 1999 and 2012 show that large numbers of persons in the Caribbean were living below the poverty line. The evidence showed that poverty is mainly a rural phenomenon, with those living below an estimated poverty line having limited choice, living in larger households, low human capital base and limited access to decent paying jobs, poor housing, inadequate access to basic social services e.g. health and education. Poverty is usually intergenerational and in Latin America and the Caribbean, a total of 32 million children, that is one in five children lives in conditions of extreme poverty.¹

A More Contemporary Context: Social Policy Agendas into the 21st Century

The work of international agencies has also had an impact on the development of social policy in the Caribbean. The adoption of the UN Declaration of Human Rights in 1948 catapulted the issues of social justice and social equality to the forefront. This was the beginning of a series of international commitments and conventions which were to focus and re-emphasize the importance of addressing the needs of vulnerable people. Such activities included the International Year of Education (1970), The International Year of the Child (1979), the Education for All policy (1990). The main pillars of social policy in the 21st century have been heavily influenced by the global community's adoption of the Millennium Development Goals ((MDG) agenda 2000 - 2015. The formulation of a number of national medium term development plans and strategies between 2005 and 2012 attest to this and indicate a certain degree of optimism in the early part of the 21st century

¹ [UNICEF – Child Poverty and Disparities](#)

(egs. National Strategic Plan of Barbados 2005 – 2025; Trinidad and Tobago National Development Agenda 2011; Vision 2030 - Jamaica's National Development Plan 2007). Common elements in these plans included their focus on achieving greater social inclusion and equity, human development through health and education, better housing, public safety, social protection systems, expanding employment and creating sustainable growth and prosperity for their societies.

At the regional level, the Caribbean Community had agreed in 1992 to work towards the construction of a CARICOM Single Market and Economy (CSME), and had commenced a long legal and institutional journey towards implementing this decision. There are clear indications of the European Community model being used as a reference point for many aspects of deepening the Caribbean integration process. For example, an important part of the CSME framework was the Free Movement policy to facilitate the movement of goods, services, capital and people within the Single Market economic area. Art. 45 of the Revised Treaty of Chaguaramas (2001) commits CARICOM member states to promote the free movement of their populations and a progressive policy of liberalizing the movement of various categories of skills began in 2004. Initially, the professions and vocations covered included graduates of accredited CARICOM universities, media workers, artists and musicians, sports personnel, later expanded to include teachers and nurses with a longer term aspirational goal of including certified technical, vocational and domestic workers. A significant supporting policy for the free movement of labour was the entry into force in 1997 of the CARICOM Agreement on Social Security which aims to harmonize the social security legislation of the different member states. Although there are certain stipulations, it enables persons who live and work in different CARICOM jurisdictions, and their dependents to accumulate pensions and certain other social security benefits based on their contributions in the various jurisdictions. This agreement has been signed on to by 13 of the 15 CARICOM member

countries but is not applicable for Haiti or Suriname
(<http://www.ilo.org/dyn/migpractice/docs/93/Info.pdf>) ;

www.caricom.org/archive.caricom.org/jsp/single_market/free_movement.jsp

Likewise, the Caribbean Community made the first step towards articulating a regional development vision with the adoption of the Single Development Vision in 2007 (www.caricom.org). The declaration included the social dimension of development, listing the goals of social equity and justice, social cohesion and personal security. It urged member states to legally entrench the CARICOM Charter for Civil Society (1997) and regularly monitor and report on its national implementation, to adopt a regional human rights convention, to formulate and adopt benchmarks for national human capital investments, to give cultural recognition and development a central role in regional integration and development, to emphasize the use of new technologies in expanding employment and developing labour market skills, and to adopt best practice models of public policy in labour management, health, security and justice, gender equality and youth development.

Contemporary Challenges for Social Policy

The year 2008 had been preceded by a five year period of relative economic recovery following the 2001 external shock caused by the repercussions of 9/11 for the Caribbean region. Nonetheless, 2007 – 2008 were already witnessing sharply rising global food and fuel prices with adverse budgetary and current account effects for Caribbean countries, as for many others. These would be compounded by the impact of the global recession which began in 2008 and there would be a profoundly adverse impact on socio-economic conditions in the region and on the capacity of most countries to achieve the national and regional social objectives they had laid out since 2000.

2009 – 2012 were years of prolonged economic recession during which the regional GDP growth rates for the Caribbean Community fell from 4.8% in 2007 to negative growth of 0.8% in 2010, rising to a fragile 1.0% in 2012, when the subregion’s average debt burden had reached 65.5% of GDP (Alleyne et al 2013: 8-9, cited in Byron 2014). GDP growth rates were negative between 2008 and 2013 for eight out of thirteen CARICOM memberstates (UNDP 2015 Caribbean SIDs Report on Financing for Development). In January 2010, CARICOM’s newest member state, Haiti, suffered an earthquake that killed over 230,000 people, generated economic losses amounting to 120% of GDP and reduced by 80% government revenues (Haiti MSPP 2013; CARICOM 2010a cited in Byron 2014). The collapse of some significant banking and insurance entities in the Eastern Caribbean in 2009 – 2010 wiped out some 10% of the GDP of the Eastern Caribbean Currency Union economies, and also had a negative impact on Trinidad, Barbados, the Bahamas and Guyana. There were severe negative repercussions of these economic shocks on pension schemes and populations’ private health insurance and life insurance arrangements, as well as on regional labour markets. In 2008, with the exception of Trinidad and Tobago, unemployment rates ranged between 8.2% and 15.7% for CARICOM countries, while by 2014, the same countries’ unemployment statistics ranged from 11.1% to 25.8% (Source: CDB 2013, cited in UNDP 2015 Caribbean SIDs Report on Financing for Development). The UNDP (2015) Caribbean SIDs Report also mentions that in 2013, ten CARICOM countries had debt to GDP ratios above 60%, while for three of those countries the ratio was in excess of 100%. Public health vulnerabilities had become more pronounced, mainly in the areas of nutrition, disease prevention and treatment, health systems capacity, and the growing financial constraints under which most administrations were operating (UNDP 2015 Caribbean SIDs Report).

The economic crisis put the regional integration process under more strain, resulting in a growing paralysis of decision-making and implementation, and governments' reluctance to comply with certain CSME commitments, including the facilitation of freedom of movement of labour. This, notwithstanding the Action Plan Guidelines agreed to in an ILO Tripartite Caribbean Conference in Kingston Jamaica in April 2009, aimed at addressing the social and labour consequences of the global financial crisis (http://www.ilo.org/caribbean/newsroom/WCMS_307332/lang-en/index.htm) The national development plans of the previous period were modified to conform to the structural adjustment programmes that a majority of debt-strapped member states and regional groupings had been obliged to resort to during the economic recession. These included Barbados' Growth and Development Strategy 2013 – 2020, and the Organization of Eastern Caribbean States' Eight Point Stability and Growth Programme (2012). Such programmes emphasize fiscal reform, increased taxation and debt management as imperatives in the short to medium term, while also aiming to maintain social safety nets for the most vulnerable sectors of their populations. However, even countries like Barbados and Trinidad have been obliged in 2015 and 2016 to scale back for the time being on public investment in certain human development goals, including reducing the scope of their funding for tertiary education students.

In the context of this specific research project, which focuses on EU-LAC intra- and inter-regional cooperation, one should note the growing importance for the Caribbean of LAC cooperation in the area of social policy in recent years (Byron 2015). The Declaration of the First CELAC Summit in Santiago de Chile in January 2013 recommended the creation of a Working Group on International Cooperation that would include SSC in its remit (www.minrel.gob.cl/). In July 2014 in San Jose, Costa Rica, the Second Meeting of this Working Group adopted a Conceptual Framework which documents the normative history and spells out the principles for SSC in the

CELAC region (*Marco Conceptual de la Cooperación Internacional para el Desarrollo en la CELAC*, 2014).

These guidelines state that in the present phase of CELAC's evolution, not just bilateral relations but also regional and sub-regional institutions and programmes will be the major vehicles of cooperation with the main goal being to address asymmetries across the countries of CELAC and inequalities within the societies. The guidelines emphasize island developing states, landlocked states and the most vulnerable sectors across CELAC populations. There is a commitment to special cooperation with Haiti. The context in which the CELAC guidelines were formulated includes the evolution of social development cooperation among Caribbean and Latin American countries since the 1990s and more specifically in the 21st century. In the Caribbean, two cooperation programmes with Cuba and with Venezuela were particularly significant during the economic crisis years since 2007. Cuba-CARICOM cooperation falls broadly under a multilateral Trade and Economic Cooperation Agreement (2000) which is complemented by a series of bilateral cooperation agreements and joint commissions. The cooperation is predominantly in the social sectors of health and education. Cuba-CARICOM cooperation has included the provision on a government-to-government contractual basis of health and other professionals to supplement available national expertise in the public sector, Cuba's scholarship programme which has trained over five thousand Caribbean health and other professionals in Cuba,² and the delivery of specialized care for large numbers of ophthalmic patients and numerous other critically ill patients. Cuba-CARICOM health cooperation has supported CARICOM countries' work towards achieving their MDG national goals and has been especially significant in assisting hard-pressed

² One should note that this figure, which approximates 6000 now is not limited to CARICOM nationals only but includes citizens of nineteen countries from the Greater Caribbean area. See Byron (2015).

health sectors during the economic crisis. In the case of Venezuela, the PetroCaribe Agreement of 2005 was signed by fourteen countries in the Greater Caribbean area and the cooperation extends beyond the concessionary delivery of energy supplies to include social and economic development far more broadly. Between 2008 and 2012, PetroCaribe financing for social development programmes in OECS countries and Jamaica contributed significantly to those countries' ability to maintain social safety nets during the years of budgetary austerity (Byron 2015).

Crisis responses at the regional institutional level have included the adoption of the CARICOM Five Year Strategic Plan 2015 – 2019, which emphasizes the building of social resilience at the national and regional levels as one of its key dimensions. The key activities mentioned include human capital development, strengthening health and wellness infrastructure, citizen security, increasing employment. Another significant policy development has been the publication of the CARICOM Youth Development Programme (CYDAP) in 2014 which targets young people between the ages of 10 and 29 years and aims to increase the development opportunities available to them. The CARICOM Committee for Social and Human Development (COHSOD) is the regional entity responsible for advancing these policy objectives and programmes. Its focus since 2009 has been overwhelmingly on mapping out or strengthening regional agendas and policies in the health and education sectors (COHSOD Meeting Communiques 2009 – 2015, www.caricom.org). A very tangible advance was the 2013 inauguration of the Caribbean Public Health Agency (CARPHA), following an intergovernmental agreement on its establishment in 2011.

However, COHSOD is essentially a deliberative organ, composed of ministers and public officials from the health, education and other social sectors, with no final decision-making, legal or resource

allocation power. Social policies are essentially in the nation state's domain, although at regional level countries work to agree on certain collective objectives and indicative targets, engage in dialogue and negotiation with external partners and they may set up regional machinery to support national social policy efforts. Despite regional recommendations and exhortations, vulnerable groups, including low income communities, children and youth, people with disabilities, migrant workers have been greatly affected during the recession. Youth and women have been disproportionately affected by shrinking labour markets and social budgets and their unemployment rate is significantly higher than the national average for most countries. Examples include St. Lucia, where the youth unemployment rate was 45% in 2014 and that of women 31%, while in Grenada youth unemployment in 2014 was 39% (ECLAC/CEPAL 2015 Economic Survey for Latin America and the Caribbean).

To conclude, while there is much vocal and written attention paid to social policy in the Caribbean, the deficiencies in the policy process that were identified by C. Y. Thomas (2001) still exist today (Table 1).

The emphasis of social policy should be social protection as defined as: *“all interventions from public, private, voluntary organizations and informal networks to support individuals, families, households and communities in their efforts to prevent, manage and overcome a defined set of risks and vulnerabilities (Henry-lee, 2004).”*

The poor remain the most susceptible to all risks and vulnerabilities. There are three types of poor: those who are always poor; those who move in and out of poverty and those who are poor once in their lives (Dennis 2004, 15). While all need policy attention, those who are always poor need social policy which focuses on how to manage and overcome their vulnerabilities.

Some of the main vulnerable groups today include

- Persons living in poverty
- Children and the Youth
- Women
- The Elderly
- Persons Living with HIV/AIDS
- Persons with Disabilities
- The Unemployed

C.Y. Thomas has identified issues which face the implementation of social policy in the Caribbean. Until these are addressed, the benefits of social policies will never be equitably distributed.

Issues from Institutional Review

<p>1. Evaluation: 1.I Systemic Weaknesses <i>(Policy and Planning)</i></p> <p>1.II Systemic Weaknesses <i>(Social Services Delivery)</i></p>	<ul style="list-style-type: none">• Weak capacity for policy implementation and evaluation.• Weak databases and ad hoc interventions to generate data.• Acute personnel shortage and lack of a “critical mass”.• Severe resource constraints and under-funding.• Uneven capacities of various development partners affecting participatory approaches.• Priority setting. Resources shortages have elevated Ministries of Finance to the position of the “final arbiter” with regard to priority setting. These Ministries are forced to adopt a “fire-fighting” stance toward resource spending and acquisition, thereby abandoning longer-term concerns.• “Turfdom” is a serious and insidious threat in the public service, limiting the scope of the long-term planning objectives and vision.• Small size and relative homogeneity of the population make it difficult to determine the appropriate balance between centralization, local execution and bottom-up approaches to development. <ul style="list-style-type: none">• Significant segmentation, fragmentation, and duplication in delivery of some social services.• Line Ministries are premised on the “universal principles” of non-discrimination, non-selectivity, and homogeneity in the provision of social welfare, while many problems require a complex multi-sectoral response.• Reliable indicators of social processes and outcomes are only now being developed.• Minimal consumer preference exercised over the form, content, and the manner of delivery of social services, which perpetuates disfunctionalities.• Peripheral involvement of “social partners”.• In the struggle over resource access in the public sector, social sector ministries as a rule seem to be placed at a considerable disadvantage.• High transaction costs in social service delivery.• Too much “outside” leadership from the donor, inter-governmental, and IFI communities.• Political influence over social policy and in particular, the influence of the “election cycles”, vary considerably across the Region and indeed over time.
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Source: Thomas (2001): p.81

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