



ORGANISATION OF EASTERN CARIBBEAN STATES

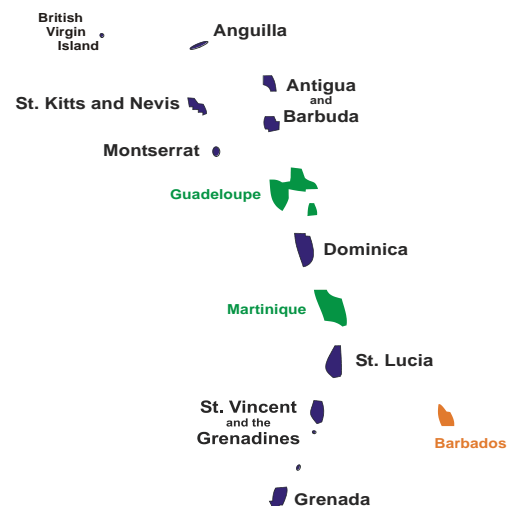
SIGNING CEREMONY

REVISED TREATY OF BASSETERRE ESTABLISHING THE OECS ECONOMIC UNION

Sandals Grande St. Lucian Spa & Beach Resort
Pigeon Island Causeway
Gros Islet
St. Lucia

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FEATURE ADDRESS BY CHAIRMAN OF THE OECS
DR. THE HON DENZIL DOUGLAS



FEATURE ADDRESS BY CHAIRMAN OF THE OECS AT CEREMONY FOR SIGNING OF REVISED TREATY OF BASSETERRE ESTABLISHING THE OECS ECONOMIC UNION

Salutations:

The eighteenth day of June 2010 is a particularly proud day for the citizens of the OECS. On this day, while we celebrate the story of twenty-nine successful years, we also make history, for it is today that we chart the course for a truly bright future. Today, as we toast the past, we defy the skeptics and the cynics, and confirm and live up to the expectations of those who have shown faith in our region, its leaders and its people. Today is the another beginning of a continuation, another turn in our OECS journey towards self-fulfillment and achievement. And I, just a citizen tasked with leadership, feel exceptionally proud, yet humbled, to be associated with the proceedings to be conducted imminently.

A Proud Record of Success

Since 1981, June 18th has held special significance for us, for it was on that day twenty-nine years ago, that the Founding Fathers of our Organisation affixed their signatures to the Treaty Establishing the Organization of Caribbean States, commonly referred to as the Treaty of Basseterre after the City in which it was signed. And what a legacy they have left us!

As it marks the beginning of the 30th year of its existence the OECS stands as the leading integration grouping of micro-states in the world. With a total land area of approximately 1000 sq miles and a population of just under 600,000, it boasts a record of success in integration far greater than its physical size and resource capacity would lead one to expect. This success can be measured by the high quality and international reputation of its flagship institutions.

For the last forty years, long before the formal establishment of the Organisation, the people of the OECS have benefitted from the operation of a single, fully functional regional judiciary, the OECS Supreme Court. This institution finds no parallel in the world, except perhaps with the European Court of Justice.

Since 1965, long before it was ever contemplated by our friends in Europe, OECS Member States have enjoyed a single currency, the Eastern Caribbean Dollar, which stands today as one of the most stable currencies in the world. It must be noted that our EC Dollar has maintained a fixed rate of exchange to the US Dollar for the past thirty four years! And of course this currency and the entire banking system within the OECS is managed and regulated by a single authority of the highest repute, the Eastern Caribbean Central Bank.

Another institution of long standing is the Eastern Caribbean Civil Aviation Authority, which boasts a successful record in the management and regulation of the airspace and civil aviation within the OECS.

The region's success at integration is also evident in the establishment and successful operation of other institutions of more recent vintage but of equally high international standing, such as Eastern Caribbean Stock Exchange, established upon a platform that is one of the most technologically advanced; or the Eastern Caribbean Telecommunications Authority, the single Authority for oversight of a fully liberalized Telecommunications Sector; or the OECS Pharmaceutical Procurement Service which has realized tremendous benefits for the regional Health Sector through the joint procurement of pharmaceuticals. Indeed, the OECS approach to the procurement of pharmaceuticals has attracted much interest in various parts of the developing world.

And there are yet numerous other successes which the OECS has achieved through pursuits such as joint diplomatic representation in major international capitals and institutions; or policy harmonization and coordination in various spheres of human endeavour including critical areas such as energy, tourism, air transportation, health, education and judicial reform, and foreign policy and trade negotiations.

These successes have resulted in a dramatic increase in the international profile and stature of the OECS, with its development model and success story being promoted internationally to other Small Island Developing States. Additionally, the Organisation's success has attracted the attention of many countries and institutions, with a significant number of them seeking to develop and enter into various forms of closer relationship. Within the last seventeen months alone, six countries (including four from the European Union) have established diplomatic relations with the OECS.

The successes of the OECS are truly amazing when viewed against the backdrop of an international environment that is so hostile to Small Island Developing States. Those of us who are now charged with the responsibility of leadership of this great Organisation owe it to the Founding Fathers and to future generations to guard jealously the legacy which has been bequeathed to us. We have as an imperative, to consolidate the gains that have been made thus far, and undertake the engineering which will place the Organisation on a stronger footing and at a higher institutional level, in order that it could withstand the persistent threats, and the new and emerging challenges that are a hallmark of our time.

The Making of History

Ladies and gentlemen, while we celebrate the past, we have come together in the main, to herald the future - to witness and to engage in, a symbolic re-enactment of that afore-mentioned historic event, by affixing our own signatures to the successor Treaty, the Revised Treaty of Basseterre Establishing the Organisation of Eastern Caribbean States Economic Union. This seminal and far-reaching document will stand through history as testimony to our maturity as a people, and a testament of our faith in each other and in our collective future.

But we are not here engaged in mere symbolism. We are engaged truly in the making of history by meeting frontally, the demands that history has made of us. And even as it makes its demands, history is generous in its offering of lessons and precedent. In 1981 the Founding Fathers of our Organisation were seeking to consolidate the achievements which had been made up to that point through joint action in respect of the governance of the region, and to formalise related institutional arrangements to guide such action into the future.

They were also reacting out of sheer necessity to the reality of new and emerging circumstances. In 1962, the Caribbean Experimental Ship, ***the S.S West Indies Federation***, foundered on the rocks of apparently irreconcilable differences, when the plug was pulled in Dr. Eric Williams now famous mathematical aphorism, "one from ten leaves nothing!" Those who appeared better able and equipped, swam each to the safety of their own independence, leaving the most vulnerable of those on that ship, to face the turbulent waters that threatened to overwhelm them. But they picked up the pieces of the wrecked ship, banded themselves together, and fashioned their own survival craft, which they would use and continue to reshape, to take them ever forward, notwithstanding what

they were to encounter on that journey. This was the foundation of what we observing today. This was the genesis of the OECS.

Following the experiences of the 1960's, the world of the 1970's and beyond had become even more challenging, dangerous and uncertain. By the early 1980's, as newly independent micro-states, vulnerable, on their own for the first time, no longer assured of the protection of the so-called "mother country", but fiercely determined to prove their maturity, they had seen the wisdom and value of joint action, and had found great comfort in it.

In this regard, the leadership of the day saw the necessity of formalizing the existing institutional arrangements and relationships between their countries at the highest level, via treaty. They were making a statement not merely to themselves, but to the wider world as well, that they were taking the relationship between their countries to a higher level! It was as if history had made a particular demand of them – that the existing global realities required a new political construct if ever there was to be a chance for survival. Thus they had to move on with what had been put in place in the 1960s.

Lest We Forget

History has shown that our Founding Fathers stood up to the challenge, and responded well to the demands made of them. As I have done on previous occasions, I again wish to acknowledge publicly, the contribution which they have made to the history of our Organisation and our region.

As we prepare to advance on and to re-shape that most historically defining act, I am moved, lest we forget, to make special mention of those individuals who laid the foundation from the 1960s, or who brought the OECS into being through the Treaty of Basseterre in 1981, and some of whom are still with us – persons like Dr Kennedy Simmons of St Kitts and Nevis, Lester Bird of Antigua and Barbuda, Austin Bramble, John Osborne and Franklyn Margetson of Montserrat, and Allan Louisy of St. Lucia. There are those who have passed on – persons such as Robert Llewellyn Bradshaw of St. Kitts and Nevis, Vere Cornwall Bird of Antigua and Barbuda, Dame Mary Eugenia Charles of Dominica, Eric Matthew Gairy, Herbert Blaize, and Maurice Bishop of Grenada, Sir John Compton and Winston Cenac of St Lucia, and Milton Cato and Hudson Tannis of St Vincent and the Grenadines. Their very names resound through the corridors of time as the titans who shaped the collective destiny of the OECS through their will and foresight.

A Challenge Historically Similar

The world has undergone a profound and dramatic transformation since that time in 1981 – from the end of the Cold War (and the attendant loss of strategic value by the Caribbean) to the new reality of a uni-polar world in terms of the projection of military power; globalization, and the emergence of new economic blocs, and the promotion, spread and enforcement of Trade Liberalisation via the authority of the WTO; the emergence of the Asian Tigers, and now the BRIC's (Brazil, Russia, India and China) as potential new global economic powerhouses – in particular the transformation of China and Brazil and their emergence as major forces in the world economy, with a commensurate growing political weight; the dramatic re-design of the criteria for superpower status; the geometric improvements in computer engineering and ICT; genetic engineering and its implications for agriculture and health; and I could go on and on.

What has become crystal clear however, is that we, the current generation of the leadership of the OECS are faced with a challenge historically similar to that faced by the Founding Fathers in 1981, and that is: **How to ensure, in the face of a dramatically continually changing global reality, that the Member States and the Organisation of which they are constituent parts, will be able to maintain relevance and the capacity to deliver on the goals and aspirations of their citizens well into the future!** This is the essence of the challenge which history has placed before us. So how are we to respond?

Seizing the Moment

Some five years ago, it became clear to the leadership of our Organisation that the Member States and the Organisation itself were at a particular historical juncture where decisions needed to be made which would determine whether we move forward in keeping with the demands of our time, or whether we remain at rest, in a state of stasis.

As in 1981, the leaders of our Organisation had come to the conclusion that there was a necessity for the design of a totally new organisational construct if it (the Organisation) was to remain relevant and capable of responding to new and emerging challenges at the national, regional, and international levels. As with their forbears twenty- four years before, they became convinced that there remained no other meaningful or realistic option available to them, but to further

deepen the level of integration among the Member States. This deepening pointed in only one direction – the logical next step in the integration process, that of Economic Union. And so, on the occasion of the 25th Anniversary of the Organisation, the OECS Authority decided with great resolve, to seize the moment, and agreed formally to proceed toward the establishment of an Economic Union of the OECS, through the signing of an Agreement of Intent.

Lessons from a Crisis

Events since then, at the national, regional and international levels have proven not only the timeliness of that decision, but its correctness as well. Within the last two to three years for example, our region has had to endure the devastating effects of the global financial and economic crisis. During that period, we witnessed an already complex international financial landscape being rendered even more complicated and dangerous by a financial and economic crisis of a kind never experienced since the Great Depression. Our experience of the collapse of the international capital markets (including, on the home front, the triple trauma of the CLICO, Stanford and British American failures) confirmed very forcefully, the role of the OECS and its institutional machinery in securing the fortunes of Member States.

One shudders to contemplate what would have become of Antigua and Barbuda after the Stanford debacle, had there been no OECS! And even then, mere membership of an integration grouping would have been insufficient. In the final analysis, what saved the day was the **quality** of the institutional machinery and arrangements which are at the heart of the OECS enterprise, and the speed with which they were mobilized in response to the crisis. One recalls the resolve and decisiveness with which the Monetary Council through the ECCB intervened to restore stability, credibility and respectability to the OECS financial sector in the wake of these failures. That resolve was also matched by the OECS Secretariat who for the past four years or so – at the behest of the Authority - had embarked in a process of representing the region's strategic interests through the development of relationships, at the regional level, with nontraditional partners in different parts of the world – a move which has brought dividends by way of mobilization of unprecedented levels of developmental resources. Today it is absolutely clear, that in the absence of the OECS and its associated institutional arrangements, the fate of the countries which make up the Organisation would have already been sealed, in a negative and most deleterious manner.

Designing the Economic Union – Lessons from a Process

The process of designing the mechanisms for the OECS Economic Union is one which holds important lessons for us. A major lesson speaks to the wisdom of ensuring that popular consultation and engagement was a central feature of the process. Throughout the length and breadth of each of the Member States of the OECS, organisational structures were established across sectors, demographic groups, and other relevant categories. These structures facilitated consultations of various kinds including interactive town hall meetings, formal and informal lectures, seminars and workshops to explain the meaning and significance of the Economic Union concept and the benefits to be derived. Most importantly however, the consultations sought to obtain from members of the public their own views on the Economic Union concept, its desirability and applicability in their current circumstances, and in particular, ideas for incorporation in the design of the institutions and arrangements to underpin them.

The process has allowed not only a greater understanding of the Economic Union by the people of the OECS, but also a popular identification with it. A feature of the Economic Union arrangements which has fired the popular imagination relates to the provisions for the movement of persons. Unlike the Free Movement provisions of the CARICOM Single Market and Economy, the provisions for the Movement of Persons in the OECS Economic Union Protocol make no distinction. Instead, it secures the free movement of citizens of Protocol Member States within the Economic Union area, and requires that such movement “entail the abolition of any discrimination based on nationality between citizens of the Protocol Member States as regards employment, remuneration, and other conditions of work and employment”. While these are certainly bold provisions, they are a necessary element of the new construct, and their popular appeal facilitates acceptance at the political level. This reflects the well entrenched sense of community that is so evident among OECS citizens.

The process also provided us with a lesson which points to the value and power of compromise and accommodation. Over the last four years, representatives of OECS Member States have been engaged in negotiations at a number of levels. At the political level of Heads of Government in particular, we have been meeting, working long and hard, quietly and without fanfare, to iron out problems, and to work around or to remove obstacles to progress. Inspired by the goal of Economic Union, and guided by the objectives established in relation to the process, many compromises were made. Indeed the OECS could not have

arrived at this juncture were it not for the tremendous spirit of compromise which prevailed, and which was exhibited by all. We were all motivated by that sense of a common purpose, the continued integration of our people and our efforts to improve welfare. We allowed nothing to distract our eyes from that ball, and we were always prepared to do what needed to be done to move the process forever forward.

Acknowledgements

Colleagues, Ladies and gentlemen, the journey has been long and hard, but never once have we questioned the goal. Our confidence and our resolve are resolute.

There are many who deserve our thanks and our commendations for their contribution to the success of our enterprise thus far. I must thank my colleague Heads of Government, past and present, for staying the course through all the difficult moments, and providing inspiration to all those others toiling in the vineyard. I trust that Sir James Mitchell, former Prime Minister of St. Vincent and the Grenadines, will see this generation of Leaders as those providing an answer to the question he posed in Tortola, Virgin Islands in 1987, "To be, or not to be...?"

But I wish to single out for special mention two of my colleagues who have given so much to this venture. Dr Ralph Gonzalves, Prime Minister of St Vincent and the Grenadines is one of those persons who has played a leading role throughout this process. From the earliest days he served with distinction as Prime Ministerial Spokesperson, and has been providing intellectual and political direction to the process down to the very end. In similar manner, at the start of this exercise, Dr Kenny Anthony, former Prime Minister of St Lucia had been a tower of strength. It was under his Chairmanship that this project started in earnest. He too provided intellectual and political guidance to the process, ensuring that it was charted through the complexities of constitutional consistency. These two gentlemen have been true champions of this cause, and are truly deserving of our recognition and our thanks.

I must also thank the Members of the OECS Economic Union Task Force under the Chairmanship of Sir Dwight Venner for their tireless efforts in support of this process, particularly in respect of the design of the Revised Treaty. The Secretariat of our Organization, soon to be transformed into a Commission itself

also a member of the Task Force, under the leadership of its indefatigable Director General Dr Len Ishmael, has been most faithful to the process, providing every necessary logistical and technical support continuously, to the process, to ensure that we have attained our goal by the deadline which we had set ourselves. As Chairman of the OECS, I convey to all of these persons and bodies the Authority's deepest appreciation.

Finally, the people of this OECS region – they are the most deserving. They are the ones who have been clamouring over the years for closer union; they are the ones who have provided the inspiration and the motivation. They are the ones who deserve and should receive our greatest praise. On behalf of my colleague Heads of Government I say Thank You, over and over again.

Stepping Forward, Boldly

Colleagues, Ladies and Gentlemen, certain simple truths are learnt from the circumstances which life throws upon us. Some, the old fables and stock of folk wisdom taught to us in our youth by our parents and teachers never leave us – such truths as, for example, **“time and tide waits for no man.”** I am reminded of a famous quote from Shakespeare's political classic Julius Caesar which speaks so eloquently to our current circumstances, and which I beg you to ponder. It goes thus:

**“There is a tide in the affairs of men,
Which, taken at the flood leads on to fortune;
Omitted, all the voyage of their life
Is bound in shallows and in miseries.
On such a full sea are we now afloat;
And we must take the current when it serves,
Or lose our ventures.”**

I leave you these simple, yet profound lines from the master of the word, whose vast reservoir holds for us so many of the lessons of life.

History has taught us that we, as Caribbean people, have the capacity for greatness. Indeed, in this land of two Nobel Laureates I can assert with the greatest confidence that we can accomplish **anything**, once we set our minds to it. It befalls us therefore, to prove to the world, which is watching and waiting, that we are indeed capable of meeting the demands that history is making of us. In

meeting that great responsibility we can also provide leadership to those among us in the wider region, who hesitate, unsure of the course, being not yet convinced that **the demands of history are non-negotiable**, and that **“...we must take the current when it serves, or lose our ventures.”**

I see our achievement here today as one in keeping with the Divine guidance, “Behold, how good it is for brethren to dwell together in Unity”. In this vein, the inspiring words of a son of the OECS, Patrick Prescod of St. Vincent and the Grenadines come to mind.

“The Right Hand of God, is pointing in our land,
Pointing the way we must go.....

In these many-peopled lands
Let his Children all join hands,
And be one with the Right Hand of God.”

And so, in the full knowledge that I speak to the converted, I say **“come, let us step forward boldly, to meet the demands of history”**.

End.