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Ideas for a New Politics in Barbados: Governance and Truth

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Public Lecture delivered at The Grande Salle, Tom Adams Financial Centre,
Bridgetown, Barbados²

1. Introduction

I believe that at no point in a country's history, should a single generation be faced with the decisions my generation will have to take to restore the fortunes of Barbados, but there can be no hiding. We are at a point in our history where the next generation to come may have less than the one before. That should simply never be, but again there can be no hiding. There is something resoundingly sobering - and frightening - about this as I speak this evening. Equally, sobering is that I am speaking of governance and truth. Truth is, they should be one and the same. But in Barbados today, elsewhere too, in both developed and developing countries, there has been a vicious divorce of the two principles.

Without truth, there really is no governance. If it is of any comfort, this evening's reflections and conclusions are not something that I have come to lightly. The process for me has been punishing. Perhaps what I will say will not rest easily with you. At some point in the not too distant future, my generation will be called upon to come to terms with the raw truth of our current economic and political situation. It will be entirely up to us to make changes to the very public services that we have benefited from, changes which may not allow us to extend those same services to our own children, at least not in the same way we received them. There can be no hiding for my generation, for none of us.

Often truth and politics make strange partners. The lies in politics worry me. But that is not what worries me most. What worries me most is our collective political indifference and acceptance of the lies. That is a problem for our democracy, politics and governance. This is Barbados' scariest predicament. On the eve of the next election in Barbados, we parrot the ridiculous phrase "fake news" and laugh as we wage a war on facts. All of these campaigns –

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the recent US election, Brexit in the UK and the last Democratic Labour Party campaign in Barbados, were successful. Driven on empty slogans, lies, digging into a deep mistrust for government and a hyper nationalist anti-globalist tone, they have yet to show how the very voter who supported them will actually benefit now or in the future. As we know, in Barbados thousands supposedly benefitted directly by being retrenched. The rest of us are supposedly benefitting from a failing society. The gap is widening between truth and politics.

The traditional lie in politics, and I quote (Hannah Arendt) “was never meant to deceive literally everybody; it was directed at the enemy and was meant to deceive only him.” What is perhaps “most disturbing is that modern political lies are so big that they require a complete rearrangement of the whole factual texture – the making of another reality, as it were, into which [these lies] will fit without seam, crack, or fissure, exactly as the facts fitted into their own original”. It is, firstly, too simple to dismiss these people as liars. That is an easy label. They are worse. They are destroyers of dreams, of hope, of our lives, and of our democracy. Secondly, this sort of engagement in producing alternative facts should not be taken lightly or as some joke. There is no such thing. As the NBC host of Meet the Press, Chuck Todd, told Trump's former campaign manager, now counsellor to the White House, Kellyanne Conway, an alternative fact is a falsehood. It is a lie. Such behaviour can be destabilising for our governance in the long term. It is sinisterly clever in that there is a denial not of the truth or facts as such, but a denial that the truth even matters in politics and public discourse in the first place.

So, if there is no fact or truth, there is no baseline to measure the action of the government or hold it accountable. The government can simply move that baseline whenever and to wherever it wants, because the truth becomes whatever the government says it is, when the government says it is, and how it says it. Gary Kasparov, who is a chess grandmaster and Russian dissident, tellingly assessed the current state of politics and truth in a tweet in December 2016 that, “The point of modern propaganda isn’t only to misinform or push agenda. It is to exhaust your critical thinking, to annihilate truth.” What is an exhausted voter, consumer, citizen likely to do? Not bothering to engage and so the lie passes into history. We become more divorced from our government, the very government, ironically, that we want to provide for us, to protect us.

It begs a question that will be central to this lecture: what role do we want the government to play in our lives and how should government respond to our current crisis to craft a new model of governance.

2. Traditional Responses to Crisis of Governance

The responses and public debate in relation to Barbados’ governance have been telling for one reason. The responses are the same ones that have been proposed to address every major economic crisis after Independence. Broadly, there are three components in the Barbados crisis response tool kit.

2.1 Structural Adjustment

The first part of the tool kit usually consists of a structural adjustment or austerity programme. This programme is either home-grown, via the International Monetary Fund or a mixture. The results are salary cuts or freezes and a decapitation of public sector workers in an attempt to realise an immediate decrease in government spending. However, what has also actually happened is an increase in government debt and quantitative easing (printing money), to account for the shortfall between what the government earns and what it spends. The Central Bank's holdings of Government debt expanded 53% year on year in November 2016 to BDS\$1.85 billion dollars, accounting for 65% of Central Bank's total assets.

2.2 Privatisation

The second part of the crisis response tool kit is privatisation of a major government asset. This is done in an effort to control public spending and pay down some of the growing government debt. It is also a signal to investors that the government is serious about business and getting the debt under control. The government announced its intention to sell the Barbados National Oil Company Limited in the 2014 Budget. It has only now captured the public imagination as the deal is before the Fair-Trading Commission. The sale of the only oil storage facility in Barbados would instantly create a private monopoly that threatens the continued existence of other competitors in the provision of energy and puts the consumer under the heel of the private monopoly.

It should be clear that even if the deal is approved, at BD\$200 million dollars, with a gross public-sector debt estimated by some professionals to be BD\$11 billion dollars, the math is simply stacked against privatisation of this sort being a credible way to reduce long term debt.

2.3 Foreign Capital

The third part of the tool kit is to try to get injections of foreign capital, either by a stimulation of tourism and its ancillary services in high-end real estate or by borrowing from the international market. On the foreign buyers' side of the property market, prices have fallen by 30%. It would also come as no surprise that the average spending per tourist to Barbados is also going down. Though it is estimated that in the UK, our largest tourist market, real incomes have returned to levels before the financial crisis of 2008, such gains may be short-lived as inflation is at a high level, meaning a rise in the price of food, transport and household items as a weak Pound Sterling is fairly flat against the US dollar. UK households therefore will have less discretionary money. Further, as the Barbados dollar, is pegged to the US dollar, the weak Pound Sterling makes Barbados more expensive for UK tourist and investors.

2.4 The traditional tool kit is not working

As discussed, the traditional tool kit and the levers that were once available to us as responses to crisis of economic governance, simply do not work or are not available to us because of a combination of factors. These include a changing market due to the 2008 global financial

crisis, Brexit, which is perhaps the single largest foreign policy challenge we will face in this generation and technology, which has opened up consumer choice and competition, meaning consumers can be more discerning about how they part with cash from their over-extended budgets for the products and services that drive our economy. The purpose of my lecture this evening is to reflect on the hard truths of where we are at in this moment in our development, to determine our new model of governance and what we must do to promote prosperity for all Barbadians. This must be understood within the context of the so-called post-factual age I have just described and its effects, particularly those of Brexit.

3. Brexit and Implications for Barbados and the Caribbean

In a democratic system, a government can inherit problems of the previous government or perhaps complicatedly as in the United Kingdom (UK) because of a referendum, it must negotiate the fall out of something it neither wanted, nor campaigned for. This is part of the price of democracy. It is impossible to have a democracy free from this type of anomaly. The UK, having decided to leave the European Union because of a referendum, has now triggered its official divorce as of 29 March this year. The only certainty of Brexit is that there will be uncertainty. Over the next 2 years while the UK negotiates with the European Union members to agree the terms of the divorce, Barbados, as part of the Caribbean Community (CARICOM), should use this window to devise a structured approach and common strategy to prepare for the period that lies ahead. The UK will have to renegotiate all trade agreements it has been a signatory to as a member of the European Union. Three of its main priorities will include negotiating the terms of its trade and economic relationship with the European Union, reapplying to join the World Trade Organisation, and negotiating new trading relationships with the US. Given that the UK, as part of the European Union since 1973, has not had to renegotiate any trading agreements, the UK's limited negotiating capacity in this area is well acknowledged.

We can assume that the Caribbean and Barbados will be further down the pecking order when it comes to the UK prioritising its negotiations when there is also the risk of the UK as a union itself of England, Scotland, Wales and Northern Ireland imploding because of Brexit. Brexit is not likely to affect the Economic Partnership Agreement between the Caribbean and European Union, as these agreements should remain legally binding with the European Union. The economic and trading value of the Economic Partnership Agreement will however decrease because the UK is the main trading and diplomatic partner of the Caribbean, for obvious historical reasons of colonialism. The UK is likely to see Africa and India's larger markets as more attractive for investment than the Caribbean. The relationship between the UK and the Caribbean will depend therefore on how much relevance the UK gives to its historical relationships with the Caribbean. The Caribbean should not be overwhelmed by pessimism. Or be underwhelmed by optimism. Action and pragmatism should be the order of the day.

It should be remembered that the UK is the 5th largest economy in the world, and having been freed from the regulations of the European Union, there will be space for exploration of the UK's trading and economic ties with the Caribbean. The region will need to negotiate a free trade agreement with UK. Barbados should take a lead in any preparatory exercise to canvas positions within the Caribbean as to what a UK free trade agreement would look like. It is painful to point out that Caribbean countries, including Barbados for sure, have largely lost out on the Economic Partnership Agreement because of inaction and, despite posturing, a seeming inability to move to exploit the areas in culture, for instance, that have rich potential for rewards with the Economic Partnership Agreement. The free trade agreement with the UK can be similar to the Economic Partnership Agreement to ensure fast and conclusive negotiations. However, we would need to be clear not only as a country but as part of the Caribbean, of the problems of the Economic Partnership Agreement.

All of this can only happen once we have clarity on our own governance, so we know what our developmental priorities are, and how these priorities can be furthered through any free trade agreement.

4. Accountability and Transparency in Governance

The failures to adhere to governance and truth are well documented in the last Auditor General Report (2015) for Barbados. The Report paints a damning picture of the state of government finances and critically suggests that poorly thought out priorities, and the lack of accountability and transparency have led to an increase in the costs of government. It must be also questioned who the government is serving when over BD \$1 billion dollars is spent on over 70 statutory corporations. This excludes ministries and government departments. Some of the largest statutory corporations have not been submitting information to the Auditor General to allow for a proper assessment of the financial health of each institution. This is hardly an example of transparency.

4.1 Mismanagement of Public Money and Lack of Transparency

The Report only gets worse. For example, at the time of the Report the Barbados Tourism Investment Inc. had made no repayments on a loan made to that institution by the Government of Barbados. The Government was owed over BD\$141 million dollars with accrued interest of over BD\$19 million dollars. In fact, there is no formal contract for this loan and also in 2011, the amount owed was reduced to just under BD\$100 million dollar, but the Auditor General had no information to verify the accuracy of this amount. There is no clear information about how or why the loan was reduced.

The Report goes on to list more of the same for other statutory corporations. One of the standout tragedies has been the building of the Barbados Water Authority headquarters, which shows that the priorities of government are skewed to favouring businesses over public need, all the while using public money. In the bidding process for the contract, the Barbados Water Authority bound itself, as the Report stated, "into an arrangement with the sole bidder

before substantial negotiations were completed.” Further, the Government does not actually own the Barbados Water Authority building as it is leased for 13 years, with the contractor being allowed to complete repayment of an initial mobilisation fee of BDS \$5 million dollar for the construction over 15 years while the Barbados Water Authority is scheduled to make lease payments of BD\$65 million dollar for 13 years. This is disadvantageous to the Barbados Water Authority and people of Barbados. This information is public information. It is not secret.

Yet as a country we would be told there is no money for spending in areas that should be a priority for government, such as education, healthcare and housing. This obviously reflects a lack of transparency and a blatant disregard for due process and the people of Barbados, since it is taxpayer money being used to pay the lease, and taxpayer money that was used to fund the construction of the Barbados Water Authority building. Interestingly and more frighteningly still, the Auditor General’s Report does not include a review of the procurement of the National Housing High Rise Apartments at Grotto and Valerie, for which the Auditor General has issued a special report. That report is also a catalogue of gross mismanagement and a lack of accountability, for which we would need a completely separate lecture to discuss.

Both reports should be mandatory reading for all Barbadians, because the catalogue of wastage, mismanagement and lack of transparency due to large unaccounted uses of public money are fine examples of poor governance.

4.2 No Real Hard Consequences

How has Barbados gotten to a place where there is such a brazen lack of accountability, responsibility and let us be candid, dishonesty within our systems of government? By not submitting to the public scrutiny of the Auditor General, not only do these taxpayer-funded statutory corporations treat us with a sense of contempt, but also doing so seemingly knowing that there are no real hard consequences. Our culture has rewarded poor governance. National Hero, The Right Excellent Errol Barrow famously said, “Government can only treat us with contempt when we hold contempt for ourselves.” Government needs to believe that it is going to be answerable to voters whom they respect, and the voters needs to respect themselves enough to demand these answers.

In not holding the government accountable, the government becomes a deviant subculture, which lacks transparency and appears unaccountable to anyone other than itself. What we realise from the Auditor General’s Report is that matters of governance and truth are not just administrative and legal issues. Governance and truth can have real life consequences because valuable resources that should be allocated for the priorities of healthcare, education and housing are squandered. A report released this week by the World Bank stated that rather than spending more, the Caribbean should spend better. There can be no effective governance until we dismantle the current model and replace it with individual responsibility, accountability and transparency.

To support these principles will require institutional and legal changes such as the establishment of a Ministerial Code of Conduct and Ethics for Government Ministers, Freedom of Information Act, Integrity laws, Campaign Finance laws, strengthening the Public Accounts Committee of Parliament and I could list *ad nauseam*. But any approach that relies merely on such a basket of new rules and institutions as a cure for poor governance will fail because the approach does not account for the paradigm shift needed in our culture. The office of Auditor General has existed for 160 years. It is a well-established institution but cannot serve us if it does not have the requisite information to grasp the true picture of the state of government finances. Clearly, even now Barbados has bodies in place to assist in transparency, but we all must come to terms with the influence that culture has on governance and truth and on any governance model we decide to build.

5. Models of Governance

When deciding on a model to follow for governance, Singapore was often held up as the model for Barbados. None other than The Right Excellent Barrow suggested in the now famous and often quoted but also misunderstood “Mirror Image” speech on May 13, 1986. If there was an injustice Barrow committed it was probably to compare Barbados to Singapore. Generations of Barbadians could easily rattle off the comparisons about being of similar size, but Singapore was outperforming Barbados economically and developmentally. We never became Singapore for the simple fact we could not be Singapore.

That is not to say that our own development has not been transformative. It has been nothing sheer of a remarkable story, given that in the 1930s infant mortality was one of the highest in the region with about 220 deaths per 1000 live births, in the 1940s life expectancy was an average of 50 years, and poverty was still a pressing concern for most Barbadians as emancipation a hundred years earlier had done nothing to transform the country. Fast-forward to the present, infant mortality is now only 13 deaths per 1000 births, and life expectancy is now 75 years. Equally, the social and physical development of Barbados has been nothing short of spectacular, leading to the often-quoted statement by former United Nations head Kofi Annan that Barbados “punched above its weight”. Our amazing development has been a fact until now. Somebody will likely get up and say that I am being political. I will merely say, remember our subject - Truth and Governance. This is simply the truth.

5.1 The Nordic Model

Given the current pressure on the government to continue to provide public services with a strained public purse, some commentators have held up the Nordic countries as a model of a welfare state, social mobility, productivity, transparency and prosperity. Like Singapore, the success of the Nordic model is down to their culture, which is often ignored. The Nordic countries did not have a history of a plantation society and economy as we did. In fact, unlike most countries in Europe, the Nordic countries did not develop full-scale feudalism where there was a dominant landowner, and peasants working and living on the land for the benefit of the owner. The Nordic countries exercised egalitarianism and transparency long before

modern Western Europe and most developed countries. For example, from the 1840s, Sweden ended rules around aristocrats being able to hand out government jobs and instead created a meritocratic and corruption-free civil service.

This is far removed from the reality today in Barbados where according to the Global Competitive Index (2016-2017) out of a rank of 138 countries, with 138 being the worst, Barbados is ranked 90 for favouritism in decisions of government officials. This is an example of anything but egalitarianism or transparency, central to the culture of the Nordic model. However, like every other model of governance the Nordic model contains its own problems in relation to income distribution as no model will ever be perfect. It is not the problems but how a country responds to them. Recent studies show that Nordic countries may not offer any more social mobility than other Western countries. Additionally, the share of wealth by those at the top in Norway for example is higher than in the United Kingdom and some other European countries. The Nordic countries have done well when driven by open markets and entrepreneurship. They have performed below par when taxes and government have become overly burdensome to the market, as in Barbados now.

5.2 Culture

There is a danger in promoting the Nordic model, as with the Singaporean model, as a model Barbados can aspire to, without coming to terms with the reality of what drives the Nordic model, its culture. The Nordic culture is driven by a sense of individual responsibility, hard work and truth. These countries are highly taxed. But underpinning the culture of governance in Nordic states is that there is a culture of government delivery of exceptional social and other services for the taxes paid. So even with high taxes, these countries are always at the top as the best places to live and in terms of the Happiness Index. Taxes *from* the people. Delivery *for* the people. Ingredients that are sorely missing in Barbados' present governance. It is the cultural attributes of the Nordic model that are rarely discussed which enable the Nordic countries to score highly in terms of the ease of doing business, transparency, accountability and productivity. The cultural attributes of individual responsibility, hard work and truth are not easy matters to discuss as they are often considered taboo. In our so-called post-fact, post-truth age, it has become harder because such qualities may seem downright basic or old-fashioned.

However, some things cannot be created by technology or innovation. I read something recently that struck me, "*culture eats strategy for breakfast*". For any governance model to work in Barbados as elsewhere, there must be not only an organisational reform, which has been tried for decades in the public sector with marginal success, but also a shift in the national culture and attitudes to work; and transparency in government and also the private sector, as they tend to be recipients of government largess and failure, so well documented in the Auditor General's Report.

Currently, according to the Global Competitiveness Index, Barbados is only ranked 55 for public trust in politicians and 54 for transparency of government policy making. (Again, these rankings are out of and with 138 being the lowest rank among countries). With numbers

like these, there must be nothing short of a cultural revolution in the way our political, economic and social institutions function. To have a functioning model of economic governance will also require a pragmatic culture. Another quality that enabled the Nordic countries to take advantage of whatever economic situation they faced.

We must learn to quickly drop failing policy and to *innovate, innovate, and innovate*. For example, when Sweden's growth rate significantly fell in the early 1990s after their large welfare state became burdensome and threatened economic growth, they were pragmatic and refocused by reforming markets, reducing taxes and public spending. We need to make cultural changes. We must put discipline and trust back into our governance because not only do international funding agencies and investors make these demands, but more importantly for us, so that we can trust our government and political class not to extract money from us, except to build excellent public services for our benefit. This will require leadership. I am in no doubt that Barbadians have the skills and energy to build a new Barbados. But we will fail if we do not adopt an approach steeped in the truth and deal in the facts. The question is whether we are prepared to face the hard truths of Barbados today and to consciously, collectively and quickly make the decision to change the way Barbados functions in all aspects.

6. The Problems of the Current Model of Governance

The current model of development for Barbados, which has been accepted by both the Barbados Labour Party and the Democratic Labour Party, as governing political parties, has been an imported capital model, with tourism growing to dominate the economy and providing perhaps the only area that Barbados could claim it was globally competitive.

6.1 The Gift and Curse of Tourism

Sugar in 1956, some five years after universal adult suffrage was introduced, accounted for just over 25 percent of all the products and services Barbados produced every year. By 1971, sugar accounted for less than 8 percent of the production of the country and tourism accounted for around 18 percent. Today tourism accounts for almost over half of all the country's foreign exchange. Tourist receipts increased from BD\$14 million dollars in 1960 to BD\$81 million by 1970. In 1965 just before Independence, unemployment was 15 percent and by 1971, it was 9 percent. The visitor numbers increased from 22,000 in 1966 to 680,000 in 2016.

However, as stated earlier, Barbados faces a decline in the average spending per visitor and Brexit has triggered decrease in the value of the Pound Sterling. According to recent research by the insurer Columbus Direct, 41% of Britons will be changing their holiday plans this year with 16% – 8 million people – planning a staycation rather than holidaying abroad. Tourism over time became dominant supported by the policies of successive governments to see it as a cash cow. But you cannot continue to milk the same cow forever, especially if the cow has been tied in the same place. Or you give away the milk even before the cow starts producing.

While exploiting Barbados' natural endowments of sea, sun and sand, tourism did not demand technological integration and innovation in the broader economy.

Therefore, it is no surprise in the Global Competitiveness Index (138 as the worst performing) Barbados ranks 57 for production process sophistication, 63 for availability of scientists and engineers, 76 for quality of scientific research institutions, 83 for industry [private sector] collaboration in research, 85th for capacity and innovation and development and get this, 93 for company [private sector] spending on research and development. Critically, while tourism has played an important part in our economic growth and will continue to do so, it has structurally skewed the country's development. There can obviously be no return to King Sugar, the tourism dominance of the 1970s/1980s or the ascendancy of international business sector in the 2000s, as powering the economy.

6.2 New Industries

We must look to new industries. Two areas that are ripe with potential are solar technology and culture. Barbados was a pioneer in the 1980s in solar technology, in the form of the solar water heater, but since the 1980s we have made no significant progress. Culture is another area for significant development and though Crop-Over (carnival) is a major economic contributor, we have yet to fully develop cultural industries as a potential export. Barbados must face up to where it is and where it wants to go. Barbados has to retain its talent, which requires having the economic market that is receptive towards talent and in tandem, the talent to foster the market. This will require, and in parallel could drive, an increase in exports from Barbados to the Caribbean to gain economies of scale that are unlikely in our small local market of a quarter million. If you spot the case for the Caribbean single market and economy, then you would not be alone.

Retaining talent also requires a serious case to be made for the development of small industries in Barbados. I am not talking about a repeat of post-independence policies of industrialisation by invitation and exclusive economic zones that were located on Harbour Road and Spring Garden. During the 1970s and 1980s these zones, like tourism, contributed significantly to economic growth, but did not contribute to economic development because there was no technological transfer and innovation. I am talking about a serious case to be made for manufacturing and production that matches the country's talent. If Barbados is going to create new products or services that can be sold locally and exported to a regional and international market, this will require technology, machinery, industry and, importantly, our talent.

However, the Global Competitiveness Index report ranked Barbados 22 as to the quality of its education system and 20 as to the quality of mathematics and science education. These numbers show a decline from 2013-2014 when Barbados ranked 6 as to the quality of its education and 9th as to the quality of its mathematics and science education. Barbados was in the top 10 in the world.

6.3 The Brain Drain

Despite the recent decline in educational standards, the very human capital Barbados is good at producing and needs to develop to become more competitive, Barbados is not retaining as the economy is structurally imbalanced. There is an evident and worrying “brain drain”. Barbados without a more developed, larger and diversified economic and job market is losing on its investment in education and health to developed countries. Studies show that over 80% of tertiary educated Barbadians lived in a developed country such as the US or UK. The latest Estimates for the Government of Barbados indicate that the government will spend over half a billion dollars on education. Not only are Barbadian taxpayers producing talent for other countries, the Barbados treasury will lose out on being able to fully tax that talent when it goes overseas.

Discussing a “brain drain” requires a nuanced approach. Barbadian talents overseas continue to provide valuable remittances to Barbadian families at home and to the economy. Another consideration is whether an expanded Barbadian economy can absorb all the talents we produce. At the moment, we are obviously retaining too little which threatens economic expansion. A balance has to be struck. Perhaps, Barbados should also consider a US style approach to tax, where all Barbados citizens pay tax whether they are in Barbados or residing in another country. The considerations would include; whether this reduces remittances directly to families or whether the task of tax collection would outweigh the amount of tax collectable. Further, because there can be no taxation without representation, we would have to facilitate non-resident Barbadians in the voting process. The other and main challenge will be to retain the talent of Barbadians in the first place to get a return on the government investment in and the social good of education. It will require government to be seen and to operate as Business and Social Enterprise.

7. Government as Business and Social Enterprise

The fact is that nationalism and the welfare state in Barbados were linked. From the outset in the 1940s, during the political period of National Hero the Right Excellent Sir Grantley Adams’ and the start of self-government, the government assumed a central role in providing education, health and housing services to alleviate high levels of poverty and illiteracy period. We should be reminded that the government at the time was the only agent willing and able to provide these public services following the downfall of the plantation economy, which exposed a private sector that was dependent on protected trading markets, local monopoly dominance and government support.

This is still basically the case.

7.1 What of privatisation?

We also should be mindful that privatisation could endanger the very progress we have made over the last fifty years. A key consideration is not whether the entity is public or private but whether it will function in the interest and for the benefit of Barbadians and the economy.

The sale of government assets undeniably would see an immediate decrease in government debt but may fail to contribute fully to the government's earnings, or, even more critical, the country's development in the long term. In addition, the positive effects of privatisation are not guaranteed. It can result in moving the inefficiencies from the public to the private space. The approach towards privatisation must be nuanced and bold. Offering the workers of the statutory corporations the opportunity to buy shares in what would become private corporations is not enough. Share ownership is too simple and lets any government off the hook to claim they did their due diligence, especially considering government debt.

7.2 Thinking about government differently

We need to start thinking about government differently as Business and Social Enterprise. This will require that government, or rather politicians, get out of the way, so that the statutory corporations which government decides to keep, can function and make money. This is instead of being used for short-term non-economic ends such as employment maximisation, which, ironically, damages the statutory corporations and places the very jobs that were handed out at risk. Statutory corporations with money making potential should make money by opening themselves as a space for young entrepreneurs and for innovation through arrangements to contract out public services to various competitors. Government must be innovative and responsive to technology, not simply by computerizing offices, but in using technology in the actual delivery of public services. Private companies should be allowed to compete with government for public contracts to provide public services.

The operative word is, compete.

All too often, private sector voices call for governance, but those strident calls appear to be nothing more than hollow, self-serving noises for the government to provide more contracts and incentives for more of the same services that currently skew our economic development. In this construct of Governance and truth, and government as Business and Social Enterprise, the private sector must become exactly that - and not a parasite on the government and people under the false premise that they employ people. Employment is necessary for any business. Barbados must move to a stage where the private sector takes risks, in the Culture industry for instance, and not just sit around the table playing musical chairs to see who gets a slice of the government cake, that is, taxpayers' money. The cycle in which two or three people become fantastically rich in Barbados under whichever government must end.

In this approach, government as Business and Social Enterprise, Government can use its procurement and purchasing power to drive innovation in the local market with a view to encourage exports of the innovative product or service. It is without a doubt that controlling the public purse is a difficult and an unenviable job. Without seeing government as Business and Social Enterprise, it is hard to imagine how Barbados will meet the challenges of constrained spending, in the delivery of public services.

We need to make business out of the some of the things that a government does for political and social reasons, while recognising there are social priorities such as education, healthcare

and housing that should be funded for the on-going development of Barbados. We must evolve a system of governance, starting with the economy, in which we stop the lurch from government provision of public services and then divestment simply because government needs to close a fiscal gap, at which point in the economic cycle, we are back in the same place. Again, I say that privatisation does not necessarily mean better. In fact, many services came to be provided by government because they were inadequately delivered by the private sector in the first place.

Transport is one. We have the semi-privatisation of this sector with the introduction of mini-buses and ZRs. Are the people in Boscobelle any better off? No. The woes are the same as when I was a little boy living there. A national conversation is needed, and fast - not political theatre, a real conversation, and maybe through referendum - to decide the three or whatever priorities that are so intrinsic to Barbados and from which we will not deviate. If, for instance, free tertiary education is deemed one, then let us protect it and not sacrifice the future of our children under the exigencies of economic failure because of a failure to adhere to truth and governance.

I believe that the three priorities for continued funding from government should be the public services of education, healthcare and housing and not simply as for the poorest but as social goods that will benefit the whole of the country. Government operating as Business and Social Enterprise must come up with new ways to fund these public services, deliver these services more efficiently, improve these services, and reorder its priorities and current funding to other areas and statutory corporations.

8. Conclusion: The Shining City Upon the Hill

Reclaiming truth in our governance is the new fight of our times. These concerns are not just concerns facing Barbados, but in the US, UK and everywhere in the world. This is a time to speak the truth and nothing but the truth. We cannot hide from our duty. The very existence of our country will depend on it. The future of our children will depend on it. We can overcome the conditions facing Barbados but only if we are courageous enough to change the way our country is governed. We must decide what our new governance model will look like and that it be fully clothed in and of truth. This will not be easy, especially given the claims that we live in a post-factual age, which should be truthfully called the age of lies. What appears to matter for those engaging in this practice is to spread mistrust by not what they do or say, but what they make us believe they have done or said. In this way, leaders could operate under the radar of accountability and transparency of governance. Not only will our democracy be immeasurably poorer if these practices continue but we all too become poorer as public money is wasted in a system rife with favouritism and unaccountability.

There is no fake news. Only news. There is no alternative fact. Only the fact. The very terms “fact” and “news” implies truth. How can news be fake, or a fact alternative? That is unless, supporters of a political party, group or agenda rationalise and believe the lie, with statements

such as “he meant to say this”, or “what he did mean was this”. Every voter must be discerning of the information that is presented to them from all political parties to ensure we are the watchdogs of governance, because no matter how many laws or institutions we can have to provide for accountability, transparency, if we do not act as agents of change and truth within the system of governance, then the legal and institutional changes will account for very little.

The last election was based on a fantasy about the perils of privatisation and we lost the chance to have a grown up public debate about the state of the country’s finances. Let us endeavour that the next election is not based on a fantasy. So how do we build a new model of governance for Barbados? I think we need to make five main considerations. This is not to say these are the only considerations, but these are the five that I make, premised on this wide-ranging lecture on governance and truth.

First, government must be understood as, and act as Business and Social Enterprise. It means that we approach privatisation of government assets in a nuanced way. Entities that can make money can do so, as politicians step back from daily interference such as trying to hand out jobs to constituents. Instead both could be winners if entities can function to their full potential and create sustainable long-term employment and profits to pay down the national debt.

Second, in reforming the way government functions as Business and Social Enterprise, we have to recognize to stem the loss of Barbadian talent to more developed countries. At the moment Barbados is essentially subsidising the UK and US economy to the amount of roughly half a billion dollars a year we spend in education. For the economy to develop on the basis of new industries, Barbados will require talent. But for talent to be able to grow those new industries, it will require an economy that is receptive, open and competitive.

Third, government can change and must change. But that change will only happen when there is a paradigm shift in the attitudes people have towards work. The success of the Nordic countries was driven by their culture, of hard work, honesty and transparency. These are not principles unique to the Nordic countries and are in fact universal principles.

These are the principles that allowed the phenomenal transformation of Barbados from the 1940s and the formation from the first political party, the Barbados Labour Party of Grantley Adams right down to the Democratic Labour Party of Errol Barrow. We must work hard to build Barbados. It is that simple. Work ethics as taboo as they are must be addressed head on. Also, there must be facilitation and engagement for those who want to work hard, but no unnecessary pandering to non-productive elements, including so called blocks in our society. Hard work and productivity should be rewarded.

Fourth, there must be prudence in the way we fund public services and innovation in the way we deliver public services. We have to demand that government spends public money more wisely. This requires that we decide as a nation, whether via referendum, with all its inherent

flaws, what the priorities of the country are, and devise programmes for innovation and funding. Social goods such as education, healthcare and housing should be key, because they are social goods from which as a country we all benefit.

Fifth, the country is in need of direction as to what it should look like and how it should be governed. By leadership I do not only mean that of government and those at the “top”, but all of us, who can be agents of change and leadership. One of the best things now for Barbados is that people hold the government accountable. Barbados needs some public formed watchdogs and the implementation of a system where politicians, as in the US and UK, must go if they lie. No new governance model, as I have discussed here, or in fact any other proposals for governance, can survive unless we invest in being change agents.

The political battles of the twentieth century are over, despite Russia’s resurgences, which often appears as an echo from a different time, even if with disturbing results. No longer are the fights between a right believing in unfettered markets and a left believing in unfettered welfare state. The new political battle that presents itself from which Barbados and the Caribbean will not be immune is between a nationalist and a globalist. At the core of this is also the battle between truth and falsehoods, which divorce us from our government and divide us from each other. This is a battle not only for the present but also for history because of the ease in which lies can pass into history as truths.

In this battle, let us create a new model of governance, inseparable from truth and in doing so let us make Barbados that shining city upon the hill.

Matthew, Chapter 5, Verses 14 – 16 tells us:

“You are the light of the world. A town built on a hill cannot be hidden.”

“Neither do people light a lamp and put it under a bowl. Instead they put it on its stand, and it gives light to everyone in the house.”

“In the same way, let your light shine before others, that they may see your good deeds and glorify your Father in heaven.”

God Bless Barbados.

And may you have a blessed Easter.