



**Brief Remarks by H.E. Camillo M. Gonsalves**

Permanent Representative of St. Vincent and the Grenadines to the United Nations

**To the Economic Commission for Latin America and the Caribbean  
(ECLAC) Committee of the Whole, Twenty-fifth session**

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Mr. Chairman,

The delegation of Saint Vincent and the Grenadines thanks the Executive Secretary for her comprehensive report on the “Outlook and prospects for Latin America and the Caribbean in light of the crisis of 2008-2009” – with the caveats suggested by St. Lucia regarding the lack of proposed solutions and the absence of sufficient Caribbean-specific data.

The countries of the Caribbean, as you know, are by and large middle-income, with improving human development indicators, good governance, and strengthening macroeconomic fundamentals. However, in light of the extreme vulnerabilities, related to our size and reliance on other economies, I fear that our macroeconomic advances will be of small comfort in an extended global downturn.

It is true to say, as you have indicated, that our region as a bloc consists of exporting countries. However, many States from the Caribbean sub region are net commodity *importers*. As importers, we will welcome any resultant decrease in commodity prices, but those price reductions will not in any overarching way alleviate the pressures placed upon our economies by a global slowdown or contraction.

Countercyclical policies are not only difficult for Central America, as you indicated, but also for the Caribbean – particularly economies heavily dependent on Foreign Direct Investment through tourism and remittances. Our middle-income status masks deep and intractable pockets of poverty, and also an inability to enact economic stimuli of the size and scope appropriate to offset the global slowdown.

Saint Vincent and the Grenadines would like to echo and stress the idea, mooted by the President of the World Bank, to devote 0.7% of the developed world’s stimulus packages to development financing and credit. We urge that ECLAC not only mention this idea, but

advance it actively. Also, fundamentally, we must seek ways to address this crisis through greater inter- and intra-regional cooperation and development. In that context, Saint Vincent and the Grenadines would like to applaud the Bolivarian Republic of Venezuela for both her creativity in suggesting regional alternatives to the challenges that face us, as well as recognizing the peculiar needs and vulnerabilities of the Caribbean sub-region.

We must also recognise that the measures being discussed and enacted today are in the context of merely stabilizing a broken system, rather than its significant reform or reinvention. Such an approach will merely forestall another race to the regulatory bottom, and future economic crises. In that regard, it is fundamental that comprehensive reform of the financial system must be a demand that we make now, and not in the ensuing post-stimulus recovery.

I would like to echo the concerns of my brother from Bolivia, particularly his caution to avoid a one-size-fits-all philosophy regarding sectoral protection in the developing countries of our region. Indeed, in many ways, it is precisely this sort of one-size-fits-all incongruity that helped bring us to our current point of global economic crisis. Going forward, our macro- and microeconomic policies must be specifically tailored and people-centered.

I would also look forward to English-language translations of some of the data to which you referred in your presentation, and to analysis of GINI coefficients and the general socioeconomic health of the bottom quintiles of our respective States.

Finally, I would appreciate some insight into your thinking regarding the timing and duration of the crisis, in terms of slow, stagnant or negative growth, and whether you think our own regional recovery will lag behind that of the developed economies to the North. Of course, I would hope that you also share with my delegation what you consider the critical factors and variables that inform your analysis.

Thank you again for your presentation.