

FOX HILL P.L.P BRANCH MEETING
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A CALL FOR A NEW BAHAMIAN DEVELOPMENT STRATEGY

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The crisis facing The Bahamas today is due in part the global recession. However, the crisis of our civil society is as much a failure of the political directorate to craft a bipartisan sustainable national development strategy which draws on the collective talents of the Bahamian society.

Stafford Sands Economic Model of Development

The current model of development of The Bahamas, comprising tourism and financial services, was developed in the late 1950s and early 1960s when The Bahamas was transformed from a semi-agricultural and fishing economy with seasonal tourism to a modern year round tourism destination and financial services centre. Both of these sectors have been driven by foreign direct investment, facilitated by very generous incentives and concessions provided by the Government, such as the Hotel Encouragement Act exempting imports from custom duties and stamp tax, business licence, the use of Crown Land (acres in Hawksbill Creek Agreement in Freeport and acres to Baha Mar in Cable Beach in Nassau), provision of public infrastructure of roads, utilities, annual cash promotion grants and now the granting of massive number of work permits for foreign labour for the construction phase of projects. The strategy was based on foreign direct investment owning the enterprises, using Bahamian labour.

Bipartisan Consensus

It is not generally known that during the launch and promotion of this new development strategy in the early 1960s, under the leadership of Sir Stafford Sands, had the active bipartisan support of the leader of the Progressive Liberal Party, Sir Henry Milton Taylor, who, of course, paid a costly political price for that support. According to Sir Henry, as he relates in **My Political Memoirs**, who then was the Chairman of the Progressive Liberal Party and a member of the Development Board, he traveled in October 1961 as part of a delegation including Sir Stafford Sands to the United Kingdom to promote tourism and again in May 1962

the delegation traveled to Europe to promote tourism to the Bahamas, as a part of this new development strategy.

After forty (40) years of operation, the Stafford Sands Model of Development, which commenced in an environment where the political franchise was limited to propertied white male merchants, social segregation of the races, limited social services, provides the blue print for the current economic model for The Bahamas.

The P.L.P., the instrument for majority rule, began a social revolution from 1967 by providing universal access to high school, scholarships for tertiary education, access to managerial positions in the hospitality and financial services industries, the creation of national institutions such as COB, BTVI, NIB, Defence Force, opening opportunities for Bahamian workers and entrepreneurs, produced an impressive growth rates, recorded unprecedented tourism arrival numbers, massive foreign direct investment. The Bahamian middle class and black professional class are the product of this social revolution.

However, in the midst of impressive economic growth, The Bahamas today reflects all of the characteristics of a plantation economy: almost total foreign ownership of the tourism and financial services sector; monocultural development with 70% of the economy comprising tourism related activities; a national debt of over \$4 billion; unemployment of almost 20%; a dysfunctional educational system; alienation of many young black males from the educational system and formal economy; rampant teen pregnancies; growing disenchantment with the political process.

I suggest that the Stafford Sands Model of Economic Development cannot facilitate the economic revolution which is the economic ownership of the Bahamian economy by Bahamians. We can now assess the performance of the present economic strategy in relation to the Objectives of the P.L.P. From 1953 to the present, successive Constitutions of the P.L.P. have stated that the Objectives of the organization include:

“To maintain the political independence of The Bahamas and strive for the economic independence of the people of The Bahamas.

To maintain and promote a political, economic and social order which provides equal rights and opportunities for all the

citizens of the Commonwealth of The Bahamas within the framework of the Party's philosophy and Constitution.

To obtain and maintain for the Bahamian people, a fairer and more equitable distribution of the wealth of The Bahamas so as to provide more security and dignity for the less fortunate.

To promote internationally, the concept of human rights, self-determination and majority rule for all the peoples of the world'

In spite of the incredible accomplishments of the political and social revolutions led by the P.L.P. I submit that these objectives remain unfulfilled. Under the Stafford Sands Model of Economic Development: the Bahamian people have less economic independence; the system does not provide equal rights and opportunities for all of the citizens and does not ensure a fairer and more equitable distribution of the wealth of The Bahamas so as to provide more security and dignity for the less fortunate.

A. GOVERNANCE

1. Campaign Finance Reform. The payment of secret to our political leaders by investors has been a source of critical comment by the Commissions of Enquiry in 1967 on the Operation of Business of Casinos in Freeport and Nassau; in 1984 Into the Illegal Use of The Bahamas for the Transshipment of Dangerous Drugs into the U.S. The integrity of the electoral process and the governance process is placed under suspicion when powerful Bahamian and foreigner vested interest can make secret campaign contributions to political parties and politicians and their operatives, without any public accountability. This practice gives the appearance of a government for sale. There should therefore be a law prohibiting secret financial campaign contributions and public funding of election campaigns, limiting the size of private contributions, the total amount spent on elections campaigns and the reporting of all contributions and expenditures.

2. Fixed Date for General Elections

3. Office of Ombudsman.

4. Cabinet. The number of Parliamentarians appointed to the Cabinet should be limited to about 35% of the House

membership and 20% of the Senate membership

5. Independent Electoral Commission

6. Republic

7. Limit Power of Prime Minister

B. ECONOMIC TRANSFORMATION

1. **Tax.** The current customs duty regime is unfair, ineffective and inadequate. We should introduce either a Value Added Tax or Sales Tax to cover services as well as goods. National economic policy, both fiscal and monetary, should be to ensure that Bahamian entrepreneurs own the majority of the Bahamian economy.
2. **Bahamian Entrepreneurship.** The Government should, through instruments such as Guarantee, Crown Land, Venture Capital and Advisory Services, create a national environment to encourage savings and investment by Bahamians in all areas of the Bahamian economy. Just as the Government facilitated John Issa and Butch Stewart in the purchase of the Royal Bahamia and the Sonesta Hotels respectively, encouragement and facilitation should be given to Bahamian entrepreneurs especially in the tourism and financial services sector.
3. **Redesign Tourism Product.** The large scale Las Vegas style touristic resort is not sustainable on the long term. We need to encourage the development of more eco friendly small and medium size touristic resorts, promoting Bahamian heritage, experience and culture. This would enable more Bahamian ownership in this sector and the use of culture to generate social progress and act as a launching pad for economic development.
4. **Linkages.** The Government should seek to increase the contribution of agriculture, fisheries, craft production to the

Gross Domestic Product over the next five (5) years to lessen the national dependence on tourism and increase the percentage of tourism remaining in The Bahamas.

EDUCATION

- 1. University of The Bahamas.** This institution, with the main campus on the Island of Andros, should become an active intellectual centre, based on intellectual freedom, for excellent teaching to develop in students independent thought, social responsibility and critical analysis and research seeking to meet the critical needs of The Bahamas. The aim should be to provide Bahamians with high quality academic programmes to build strong individual, national and regional capacities to meet the challenges and opportunities of globalization. The research should explore solutions to national challenges, create new knowledge, provide a sound basis for public policy formulation and provide technical advisory services to national, regional and international clients.
- 2. National Polytechnic.** This institution, incorporating BTVI, should have a national presence to provide courses in electrical, building and engineering trades, commerce, agriculture and garment studies.
- 3. (Sidney Poitier, Joseph Spence, Tony McKay, Winston Saunders, Brent Malone, Kayla Lockhart Edwards, Freddie Munnings) College of Visual and Performing Arts.** Similar to the Edna Manley College in Jamaica, this institution will provide professional and technical training in the Arts, at the Bachelor, Diploma and certificate levels. This institution should be the repository of the rich cultural heritage of the Bahamian experience of the wider Caribbean history. Recognizing the transformative nature of the arts and the commitment to life-

long learning, the institution will create a centre of excellence in the arts and culture to promote the highest quality of study, research, scholarship and the pursuit of academic excellence in the arts. A major goal of the institution will be to bring new and innovative ideas in pedagogy, artistic styles and create new knowledge in the visual and performing arts. The areas of study should include music, dance, visual arts, drama, recording arts, arts management and continuing education.

4. **National skills Training Programme.** Using public high school facilities throughout the archipelago to provide short, intensive community based instruction for young people in or near the place where they live and where they may use the skills. Programmes should include auto-mechanics, Electrical Installation; Horticulture, Key Punch Operation, Leather Work, Masonry, Needlecraft, Plumbing, Steel-bending, Upholstery and Woodwork. The Programme can serve as a feeder apprenticeship programmes at Atlantis, Baha Mar and other major resort and industrial enterprises in The Bahamas.