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### **‘Out with the old and in with the new’: Caribbean relations with Britain and China**

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#### **Abstract**

The geo-political priorities of the Caribbean are undergoing significant change. Long-held relationships with traditional allies are weakening, while new ties with non-traditional partners are gaining in strength. This is transforming the international outlook of the Caribbean by providing a wider canvas for the region to develop new political, economic and strategic interests. Within this context the paper considers the weakening relationship between the Caribbean and Britain on the one hand, and the strengthening relationship between the Caribbean and China on the other. The paper compares the recent respective records of the two relationships, and explains how in many ways Caribbean countries are being forced to realign their foreign policies to secure their international political, economic and strategic survival. The examples of Britain and China illustrate well the changing nature of Caribbean foreign relations, and although not mutually exclusive certainly indicate a shift from long-held relationships with traditional allies towards new ties with non-traditional partners.

#### **Introduction**

Since the end of the Cold War the Caribbean’s position within the international system has become increasingly marginalised, both politically and economically. The linked processes of globalisation and economic liberalisation have weakened the coherence and stability of many

Caribbean states, and as a consequence the focus on external support has become an issue of increasing importance for them. However, within this context the geo-political priorities of the Caribbean are undergoing significant change. Long-held relationships with traditional allies are weakening, while new ties with non-traditional partners are gaining in strength. This is transforming the international outlook of the Caribbean by providing a wider canvas for the region to develop new political, economic and strategic interests. Although by no means a comprehensive overview of the Caribbean's changing foreign relations, the paper provides an indication of the trends that are taking place by focusing on the weakening relationship between the Caribbean and Britain on the one hand, and the strengthening relationship between the Caribbean and China on the other.

### **Caribbean relations with Britain**

#### **Disengagement, then partial reengagement: 1962-1997**

After the collapse of the Federation of the West Indies in the early 1960s a number of Caribbean colonies were granted full independence from Britain. The process began with Jamaica and Trinidad and Tobago in 1962 and ended with the small countries of the Eastern Caribbean in the 1970s and early 1980s. Sutton argues the process was 'largely [*ad hoc*] and represented the Caribbean expression of the wider policy of liquidation of Empire. It was not fed by any special interest or concern with the Caribbean *per se* and had no particular distinguishing features except one: that decolonisation should be compatible with US interests in the region' (Sutton, 2001, p. 43). Britain's policy of decolonisation was juxtaposed by its desire to join the European Economic Community (EEC) to secure an improvement to its poorly performing economy and to facilitate a change in foreign policy away from the Commonwealth and towards Europe. The effect of EEC membership led Britain's Caribbean policy to become more associated with a single European approach, which partially compensated for London's downgrading of the bilateral link<sup>1</sup>.

The Foreign Affairs Committee of the House of Commons starkly highlighted the reality of Britain's diminishing presence in the Commonwealth Caribbean in a 1982 report. The Committee took the view that Britain had withdrawn too abruptly from the region and that the government should re-establish its influence (Foreign Affairs Committee, 1982). Indeed, soon after the report, two developments forced the British government to reconsider its attitude towards the Caribbean. Firstly, the US-led invasion of Grenada in 1983 highlighted the dangers of Britain neglecting security problems in the region. Secondly the growing threat posed by drugs and their trafficking through the Caribbean forced the UK to re-engage with the region.

Britain's re-engagement was based on a new conceptual approach that was defined in a UK ministerial speech in 1988. Tim Eggar, who had ministerial responsibility for the Caribbean, stressed that although the traditional ties of history and sentiment were important, mutual interest should now come to define British-Caribbean relations (Payne, 1991, p. 33). Eggar argued that the Caribbean could now offer a weakened post-imperial Britain a number of benefits: a market for British goods and investment, a larger number of potential votes at the United Nations (UN) for causes of importance to Britain, a base from which to fight the international drug menace and a force for the preservation of democracy in the world. Despite the expectations, however, the re-engagement on the part of the UK in the Caribbean was rather limited. Indeed, the decade following Eggar's speech passed without further major British initiatives to foster relations, and Sutton suggests that UK interests in the region were once again in decline (Sutton, 2001). The only issues that engaged the British on a regular basis were the perennial problems of drugs and bananas, both of which consumed enormous amounts of time across Whitehall.

### **New Labour and the development of a new approach**

During the course of 1997 the newly elected Labour government began to reassess Britain's relationship with the Caribbean. However, it is claimed that 'the new government did not take office with a vision or a policy for the Caribbean, but rather evolved one in its first eighteen months or so in power in response to several concerns' (Sutton, 2001, p. 50). One concern came at the Commonwealth Heads of Government meeting in Edinburgh in November 1997, when the new UK Prime Minister Tony Blair and Foreign Secretary Robin Cook failed to meet Caribbean leaders as a group away from the main conference gathering. The Caribbean leaders were not pleased with such a perceived snub and as a consequence vented their displeasure with the British government (Clegg, 2004). The Caribbean was also upset after Tony Blair did not make time to see Prime Minister Patterson of Jamaica when he visited the UK, and this heightened concern amongst Caribbean leaders that the region was of little interest to the new government (Sutton, 2001). Further, events in the UK's Caribbean Dependent Territories<sup>2</sup> also had a bearing on the new government's ties with the Commonwealth Caribbean. During the 1990s, a number of scandals in the Territories and a volcanic disaster in Montserrat forced the UK government to re-engage with these countries and to reform the administrative links between London and the Caribbean more generally (Clegg, 2005). In 1998 the longstanding West Indian and Atlantic Department, which had overseen relations with the Commonwealth

Caribbean and the Dependent Territories was closed and two separate departments were established in its place. These developments helped to shape New Labour's policy towards the Commonwealth Caribbean and the first tangible outcome was the creation of the UK/Caribbean Forum.

### **The UK/Caribbean Forum**

The UK/Caribbean Forum, made up of Ministers from the UK and the Caribbean is now at the heart of the relationship and the key point of contact between governments. The Forum was established to strengthen and institutionalise the relationship and is based around biennial meetings held alternately in the UK and the Caribbean. The first meeting was held in the Bahamas in 1998, with the Forum meeting subsequently in London in 2000, Guyana in 2002, and London again in 2004. At the outset the Forum recognised that the relationship needed greater central supervision in order to develop stronger connections beyond the traditional agricultural trade links. Contacts at ministerial level are now more regular and Blair has also agreed to meet Caribbean leaders at the Commonwealth Heads of Government summits held every two years.

The most recent Forum held in Barbados during April 2006 took place in three distinct parts. The first session considered medium and long-term developments in the Caribbean, including global climate change, transnational crime and economic challenges. The second session focused solely on issues of security, while the third considered preparations for the 2007 Cricket World Cup, which also included a security dimension. As with previous Forums the discussions were held in a fairly open and forthright manner. However, there are criticisms over the quality and depth of the discussions. It was noted that (in regard to the 2004 Forum held in London) 'the exchanges lacked dynamism' and that too much time was spent on formal speeches that often failed to recognise the changed realities for the Caribbean, particularly in regard to trade (Jessop, 2004). Also some Caribbean officials question whether anything truly substantive comes from the meetings, as prime ministers are not involved in the deliberations. Nevertheless, the UK/Caribbean Forum does provide a unique opportunity to discuss issues of common concern.

### **The Caribbean Board**

Another initiative taken by the New Labour government to reassure the Commonwealth Caribbean of its commitment to the region was the creation of the Caribbean Advisory Group

(CAG), now reconstituted as the Caribbean Board. The CAG held its first meeting in July 1998, and was re-launched as the Caribbean Board in 2002.<sup>3</sup> Its term was subsequently renewed after the 2005 British general election. The Board's membership is drawn from high profile members from the UK's Caribbean community and others with a particular expertise in the region. The group receives briefings from officials in the Foreign and Commonwealth Office (FCO) and other ministries that have an interest in the region, and lobbies the UK government on issues of importance to the Caribbean. The Board has raised a number of topics, including the sustaining of business links with and business development in the region, maintaining educational links between Britain and the Caribbean, and improving the media coverage of the Caribbean in Britain. The Board has also gone beyond lobbying and has undertaken a number of small projects in its own right. One particularly successful project was the organisation of a partnership scheme to fortify sporting links between the UK and the Caribbean.

The Board has been fairly successful in meeting its objectives. However, its operation has been hindered by its small size, informality and the frequent changes in FCO personnel, which has meant there has not been a coherent attitude on the part of the Ministry towards the Board as to its role and value. Nevertheless, the Caribbean Board is unique within the FCO (there is no other region specific advisory group), and together with the UK/Caribbean Forum there has been an attempt by New Labour to reinvigorate the bureaucratic structures underpinning the UK's relationship with the Commonwealth Caribbean. In establishing these formal bodies the British government recognised the need for more coherent management of a relationship, which had become markedly less important over the recent past. If nothing more, a strong and stable institutional framework supporting the relationship allows issues of policy to be discussed in a more structured manner. However, even though the institutional nature of the relationship has improved, there are concerns that the scope of policy engagement is shrinking.

### **The FCO ten-year strategy paper**

In assessing the overall pattern of UK-Caribbean relations at the present time, it can be argued that concerns over security in the Caribbean are paramount, while other aspects of the relationship that were important in the past are now less of a priority. A number of international and regional factors have led to the change in emphasis, such as the developing influence of globalisation, the profound effects of the terrorist attacks of 9/11 on security, and the ever insidious role of drugs and violence in many societies. In order to respond to these

changes and challenges, the FCO instituted a wide-ranging policy review in the aftermath of 9/11, the results of which were published in December 2003. The document *UK International Priorities: A Strategy for the FCO* highlighted a number of key concerns including security, weapons proliferation, terrorism, drug trafficking, and the guaranteeing of UK energy supplies. In order to tackle these a number of geographical regions were prioritised, in particular the Middle East and Africa. Further, the FCO paper called for the UK to strengthen a number of key relationships including with the UN, the US and the European Union (EU), as well as to develop stronger links with countries such as Russia, China, Japan and India. The Caribbean region was almost completely ignored within the sixty-six-page document, with the only specific references being made to Jamaica and the eastern Caribbean, and the need to address the problem of drug smuggling (FCO, 2003a, p. 33). Further the FCO strategy document indicated that there would be a general downgrading of geographical concerns and a greater concentration on cross cutting issues.<sup>4</sup> Therefore the Caribbean can no longer depend on the UK government to maintain a specific interest in the region. The region must now attempt to influence UK government thinking on cross cutting issues such as security and law enforcement in order for its voice to be heard.

The strategy also led to changes in the FCO's structure. Indeed, the FCO has undergone quite radical reform so that the organisation can best meet the new policy priorities. The formerly autonomous Caribbean Team has been merged with the Latin America Department, with a halving of the number of officials dealing with the region in London, and a downgrading of UK diplomatic representation in the Caribbean itself. The High Commission in Bahamas was closed in 2005, and less senior diplomatic representation is now present in Trinidad and Tobago and Guyana. In addition, the funds available within the FCO budget specifically for the Commonwealth Caribbean have been reduced from £350,000 to £250,000, with more money now available for the cross cutting issues mentioned above. Publication of the FCO strategy document and the bureaucratic changes that followed has led to significant practical effects on policy.

### **UK-Caribbean security cooperation**

An issue that has drawn a great deal of attention since New Labour came to power is security cooperation with the Caribbean – a concern reinforced in the aftermath of the 11 September 2001 terrorist attacks, and formally prioritised in *UK International Priorities: A Strategy for the FCO*. Cooperation between the Caribbean and Britain is particularly extensive in the area

of combating drug trafficking and drug related crime. It is estimated that 65 percent of all cocaine reaching Europe transits the Caribbean (FCO, 2003b). The EU and a number of member states are engaged with the UK in these activities, such as the EU-Caribbean Drugs Initiative that came to an end in 2001, and more general drug enforcement cooperation involving France, the Netherlands and Spain. However, with the Commonwealth Caribbean the UK has the lead role in providing bilateral counter-drug assistance, a position strongly supported by the UK Prime Minister's own Strategy Unit (Cabinet Office, 2005). One initiative in Jamaica is a joint venture against drug smuggling, codenamed Operation Airbridge. The operation involves British law enforcement officers at Jamaican airports screening passengers for drugs who are travelling to the UK. This is part of a programme to create a 'customs strike force' that will help train Jamaican police officers to operate machines at airports that will identify anyone who has had recent contact with cocaine (*Caribbean Insight*, 24 May 2002). The agreement has since been extended to allow Jamaican narcotics police to be posted at UK airports to assist in restricting the flow of drugs to the UK. Evidence suggests that measures are having an effect with the number of 'drug mules' travelling from Jamaica to Britain falling by 90 percent between 2002 and 2004 (*Caribbean Times*, 2004). This has led in turn to a reduction in the number of Jamaican 'drug mules' imprisoned in the UK. Such a decline is welcome as the size of the Jamaican prison population in the UK totals 1400, meaning there are more Jamaicans in British prisons today than any other group of foreign nationals.

Further, in October 2004 the Jamaican government announced a new crackdown on organised crime referred to as Operation Kingfish, which includes significant UK support. Since the plan's inception UK police officers have visited Jamaica and been involved in joint operations with local police (*Weekly Jamaica Gleaner*, 2004). Indeed, the initiative proved so successful that it was announced in September 2005 that Scotland Yard would be extending its assistance to enable Operation Kingfish to become a fully-fledged Jamaican operation (Caribbean Media Corporation, 2005). To improve the capacity of Jamaica's police to deal with crime a number of UK supported projects related to police training and improving operational activity have been enacted. One such example is DFID's Jamaica Constabulary Reform and Modernisation project (DFID, 2001). Alongside DFID's work the FCO has provided support to improve respect for human rights in the police, in particular to reduce the number of deaths caused by shooting (Stone et al., 2005). Britain's High Commission in Kingston also plays an active role in coordinating security matters. The mission is the UK's second largest in the Americas and most of its 125 staff has at least some crime-related duties (*The Economist*, 2005).

Complementing the country specific initiatives a UK/Caribbean Community (CARICOM) Security Cooperation Plan was adopted in October 2004. The plan includes training of law enforcement and security officials, establishing a regional information and intelligence-sharing network, border security and maritime cooperation. Examples of early practical cooperation were a pilot leadership course for law enforcement officers in Trinidad and Tobago, the establishment of the Caribbean Coordinating Information Management Authority that will act as a collection centre for security information between all CARICOM states, and a UK and CARICOM Secretariat organised first meeting of the Technical Working Group for Maritime Counter Drug Cooperation in Barbados (FCO, 2004). On a sub regional level the UK works closely with the Eastern Caribbean Regional Security System (RSS), which was created in 1982 to provide mutual assistance to member countries facing threats to their security. The UK Security Advisory Team based in Barbados and the UK High Commission in Bridgetown liaise closely with the RSS, while a UK funded programme delivers training to the Air Wing of the RSS and to the region's coastguards.

The British Royal Navy also plays an active role in the Caribbean. A Royal Navy ship is allocated to the Atlantic Patrol Task (North) and undertakes approximately eight Caribbean patrols each year. The ship provides a tangible presence in the region and has made a contribution to the UK government's counter-drugs strategy. Away from drug interdiction the British Army undertakes annual exercises with Caribbean defence forces in Jamaica, while a number of Jamaican soldiers travel to the UK to undertake reciprocal training with the British Army. Further, the UK government has two defence advisers in the region, one in Barbados and the other in Jamaica. The issue of security is one that has become increasingly important since New Labour came to office. The terrorist attacks of 11 September 2001 certainly sharpened the focus on the issue, and the Caribbean-specific concern of drug trafficking also played a role. The convergence of these two events reinforced the importance for both the UK and the Caribbean of maintaining security and law and order in the region.

### **Trade and investment**

The issues of security and law enforcement are high priorities for both the Caribbean and the UK in their relationship. However, the importance of trade and investment particularly on the part of the UK is less than in the past. This is due to the increasing level of trade cooperation amongst EU member states, the changing nature of international trade away from preferences

and towards free markets, and the very small size of the Caribbean economies. With the creation of the European Single Market on 31 December 1992, EU member states internal frontier trade controls were eliminated, and in their place came common rules to govern trading relations with third countries. In essence, member states are no longer able to unilaterally decide whether to place restrictions on or provide preferential treatment for goods that originate outside of the Union. Thus in order for member states to maintain particular trade policies they have to persuade fellow members to adopt European-wide measures, that satisfy their requirements. It was difficult enough for Britain to advance Caribbean interests in a EU of 12 members in 1993, but now with 25 members, many of whom have no links with region, the EU's policy-making environment has become even less sympathetic.

A second issue relates to the intellectual and legal paradigms shaping international trade that have undergone significant change over the last decade with the result that Caribbean trade interests have been marginalised dramatically. The period from the early 1990s to the present has consisted of a series of challenges against the concept and application of preferential access for Caribbean agricultural commodities into the EU market. The institutional nature of the present international trade environment, underpinned by the World Trade Organisation, now supersedes national and regional commitments to retain long term trading relationships. As a consequence, the UK both on in its own and within the context of the EU has been forced to weaken its support for non-reciprocal preferences for bananas, sugar and rice, and embrace free trade. The shift in trade policy has placed the Caribbean's commodity export industries under such strain that their survival is now in doubt. Therefore commodities such as sugar and bananas, which have for so long underpinned UK-Caribbean trade relations, are now losing their importance. In 1937, for example, 267,000 tonnes of bananas were exported from Jamaica to the UK; by 2000 that figure was just 41,000 tonnes (Clegg, 2002, pp. 186 and 189).

The third issue concerns the small size of the Caribbean economies, in relation to the UK's other trading partners. The UK's largest export market in the Commonwealth Caribbean is Trinidad and Tobago with exports amounting to £97 million in 2004. The second is Jamaica, with exports worth £54 million. For the smaller countries in the Eastern Caribbean UK exports range from seven to sixteen million pounds (Department for Trade and Industry statistics). Major exports include plastics, chemicals, machinery and manufactured goods. In terms of investment the UK is the largest EU investor in the Caribbean and major UK companies such as Barclays (banking), De La Rue (manufacturer of bank notes and security documents),

Diageo (beverages) and Cable and Wireless (communications) all have investments in the region. In relation to UK imports from the Commonwealth Caribbean, Jamaica is the largest importer with £94 million worth of goods in 2004. Other significant importers to the UK are Trinidad and Tobago (£72 million) and Belize (£45 million) (Department for Trade and Industry statistics). Significant imports include sugar, chemicals, metalliferous ores, and bananas.

Despite the fact that plenty of business takes place between the UK and the Caribbean, the links are more important for the Caribbean than for the UK. For the UK trade with the Caribbean constitutes only a tiny share of its total trade, with exports amounting to 0.5 percent and imports to 0.2 percent. Therefore, the UK government does not believe that strong trade links with the Caribbean are a priority. In part this is explained by the weakening of the British lobby that traditionally defended Caribbean interests, with many UK companies moving out of the region and establishing themselves in larger and less fragmented markets. As David Jessop, director of the Caribbean Council, argues ‘the days when 30 or 40 blue-chip British companies had significant interests [in the Caribbean] are over’ (*Financial Times*, 2005a). Further, a majority of British companies that do retain an interest in the Caribbean have their regional offices in the US or Latin America, with relatively little oversight remaining in the UK. This means that there is little direct contact between the UK and the Caribbean, even though British companies are operating in the region. The dwindling British commitment is illustrated by the changing priorities on the part of the UK Department of Trade and Industry (DTI) and the government’s trade promotion agency, UK Trade and Investment (UKTI).

In 2004 the DTI published a White Paper, *Making globalisation a force for good* while the outcome of the government’s Spending Review was also announced. The result was a reduction in resources for UKTI and a change in the way the agency operates in overseas markets. In particular, UKTI now prioritises larger markets and key sectors within those markets. As a result, support for trade promotion in the small and diversified Caribbean market has been reduced. UKTI representation in the Caribbean has been rationalised and many representatives withdrawn (UKTI, 2005). This means that FCO officials in the region have now largely taken over the task of dealing with trade and investment matters. However, as the article has already suggested, the FCO has reduced spending on the Caribbean, which means its smaller budget has further to go. Under these circumstances, it is unlikely that any shortfall in financial support for commercial work created by the withdrawal of the UKTI will be met by

the FCO. In addition, the UKTI has withdrawn its Outward Mission Scheme that previously supported multi-sector small and medium sized enterprises (SMEs) searching for investment opportunities in the Caribbean and elsewhere. In its place has come the Market Visit Scheme, which supports only small groups of companies with an interest in a specific sector. The Caribbean does not easily lend itself to such an approach, and therefore will likely receive few if any UKTI supported commercial visitors. Private trade groups remain, such as the Caribbean-Britain Business Council, but despite their best efforts to promote trade links results are relatively modest.

### **Aid programmes**

As with UK engagement in the area of trade the UK's aid programmes for the Caribbean have been both rationalised and downgraded, while the EU has increased its role in overseeing funds. The UK's bilateral relationship with the countries of the Commonwealth Caribbean is based on the understanding that they themselves are largely responsible for their own economic development. For example, Barbados, Trinidad and Tobago and the Bahamas have graduated from development assistance. However, Guyana and Jamaica still receive bilateral aid. In 2003/04 Guyana received £17.2 million from DFID, while Jamaica was given £7.8 million. The two countries obtained over 75 percent of DFID's entire allocation for the Commonwealth Caribbean incorporating both bilateral and regional assistance. Meanwhile, Belize and the small Eastern Caribbean states benefit from regional programmes. *Country Plans* for Guyana and Jamaica and a *Regional Assistance Plan for the Caribbean* define the framework for aid disbursement.

The regional and country strategies presented by DFID draw on the Labour government's White Papers on International Development and Globalisation, and DFID's Middle Income Countries Strategy. These documents were focussed on meeting the Millennium Development Goals by 2015, and the requirement to target the majority of assistance on the poorest countries of sub-Saharan Africa and Asia. The UK's goal was to devote 90 percent of its aid to those most in need. As a consequence, DFID funding for the Caribbean has been cut back in recent years. According to DFID's 2004 Development Statistics, in 2003/04 it spent 1.7 percent (or £32.6 million) out of its total bilateral spending of £1970 million on the Commonwealth Caribbean. In relative terms this represents a cut from the 1999/2000 figure of 2.2 percent or (29.2 million out of its total bilateral spending of £1323 million) (DFID 2004a). It is expected that the reductions in funding will quicken in pace over the coming years. DFID estimates that

it will provide financial resources worth only approximately £36 million to the Caribbean over the three-year period ending 2006/07 (DFID, 2004b). These latest reductions have been caused in part by the UK's reconstruction and humanitarian aid efforts in Iraq and Afghanistan.<sup>5</sup>

The reduction in financial aid has been mitigated somewhat by the British government's Commonwealth Debt Initiative (CDI). Under the scheme a number of Caribbean countries benefit from the cancellation of debt. For example, DFID wrote off £39.2 million of Jamaica's debt between 1998 and 2004. While at the multilateral level, the UK provides about 13 percent of total EU contributions to the region, worth about £35 million over the period 2004/05 – 2006/07 (DFID, 2004b). However, the trends affecting UK aid policy are also impacting on the EU. In particular, there has been a re-focusing of aid away from the Caribbean and towards sub-Saharan Africa (European Union Committee, 2004, p. 137). Further, there is a concern that the EU is beginning to link poverty reduction with particular security objectives. It has been argued that 'development (aid) will become a tool of foreign policy' (European Union Committee, 2004, p. 28). This perception was confirmed in a strategy paper produced in 2003 by Javier Solana, the EU's High Representative for the Common Foreign and Security Policy. The paper, *A Secure Europe in a Better World*, suggested that external assistance should support the EU's security agenda, in the priority areas of terrorism, failed states, proliferation of weapons of mass destruction and organised crime (Solana, 2003). For the Commonwealth Caribbean, only the last issue has some resonance, and even then it is likely that other regions will be prioritised. Therefore, the re-focusing of aid priorities by both the UK and the EU has adversely affected the Caribbean. This means that the role of aid in sustaining links between the UK and the Caribbean, either bilaterally or multilaterally, is less significant than in the past.

## **Caribbean relations with China**

### **Early development of the relationship, 1960-1989**

Although the Caribbean's relationship with the People's Republic of China has gained much publicity in recent years, the origins of the relationship go back much further, to 1960 in fact. It was in that year that Cuba established diplomatic relations with China. In the aftermath of the Cuban Revolution, Fidel Castro believed that full diplomatic ties with China would assist Cuba in consolidating the new regime. Indeed, Chinese Premier Zhou Enlai committed China to assist Cuba in its fight for freedom and to resist US imperialism. However, despite early expectations that the relationship between the two socialist countries would go from strength to strength, bilateral contacts fell away due to Cuba's growing links with the Soviet Union on the

one hand, and growing tensions between China and the Soviet Union on the other. Indeed, it was not until 1989 that there was a full resumption of Sino-Cuban relations. Despite the hiatus it was through Cuba that China first entered the Caribbean, but it took over a decade before China extended its ties in the region.

After China's re-entry into the United Nations in 1971, its international profile became more prominent and China set out to extend its diplomatic reach. As a consequence in 1972 China established diplomatic relations with Guyana and Jamaica, and over the next 13 years links were also established with Trinidad and Tobago (1974), Suriname (1976), Barbados (1977), Antigua and Barbuda (1983) and Grenada (1985). Notwithstanding the growing presence of China in the Caribbean, a setback occurred in 1989 when Grenada switched its diplomatic recognition from China to Taiwan (also known as the Republic of China or Chinese Taipei). Due to the long-standing tensions between China and Taiwan in relation to their quest for legitimacy in the international system, the need for recognition by other states became all-important. As a consequence, China's relationship with the Caribbean over the last decade has been defined in large measure by its attempts to extend diplomatic links across the region, whilst marginalising the position of Taiwan.

## **Reasons for Chinese engagement in the contemporary Caribbean**

### **1. The issue of Taiwan**

As argued above, a key concern for China has been to challenge Taiwan's advance in the region, which has been facilitated in large measure by dollar diplomacy. In short, Taiwan has attempted to gain favour among friendly states by providing technical and medical assistance in response to humanitarian and natural disasters in the region (Watson in Jubany and Poon, 2006). However, since Grenada's recognition of Taiwan in 1989 China has tried actively to marginalise Taiwan diplomatically in order to secure reunification and the adoption of a one-China policy. Its first success came in 1997 when the Bahamas recognised China and in return received substantial trade and aid assistance (CNN, 2005)<sup>6</sup>. Further diplomatic links were established with St Lucia in 1997, Dominica in 2004, and Grenada returned to the fold in 2005. On making the change Grenada's foreign minister, Elvin Nimrod, stated 'the Grenadian government recognises that there is only one China in the world' and that 'the government of the People's Republic of China is the sole legal government to represent the whole China. Taiwan is an inalienable part of China' (*Caribbean Insight*, 2005a). Despite the efforts on the part of the Chinese, five Caribbean countries – Belize, Dominican Republic, Haiti, St Kitts and

Nevis and St Vincent and the Grenadines – still recognise Taiwan.<sup>7</sup> Nevertheless, China's own dollar diplomacy in the Caribbean vis-à-vis the Taiwan question is very important, and is perhaps the only political condition dictating the parameters of Chinese foreign policy in the region.

## **2. To facilitate China's access to natural resources**

Although the Taiwan issue is central to China's engagement in the Caribbean, economic and trade issues are becoming increasingly important. Since initiating the economic reform process in the late 1970s, China's economy has grown rapidly. However, emerging resource bottlenecks have hindered China's development, with a scarcity of resources in relation to its very large and still growing population. Therefore, China requires supplementary sources of minerals, metals, oil and other raw materials to maintain its economic trajectory. Indeed, when considering the balance of trade the majority of exports from the Caribbean to China are raw materials, for example nickel from Cuba, bauxite from Jamaica and asphalt from Trinidad. In return Caribbean countries welcome Chinese imports and investment as a way of generating much needed economic growth. The main Chinese exports to the Caribbean are machinery, electronics, textiles, light industrial products and pharmaceuticals. At the present time China's largest trade partners are Cuba, Jamaica, Dominican Republic, the Bahamas and Trinidad and Tobago. For Cuba, bilateral trade with China amounts to approximately US\$780 million, making China Cuba's second-largest trading partner after Venezuela. Overall, Chinese trade with the Caribbean totalled US\$2 billion in 2004, an increase of more than 40 percent over the previous year (Erikson, 2005). More generally China hopes that by establishing economic links with the Caribbean (and Latin America) the region can act as a springboard for accessing the US market. Further, close ties allow China to pay attention to the developments in the hemisphere, particularly in relation to the planned Free Trade Area of the Americas (FTAA).

### **Third World solidarity and the securing of Chinese interests**

A further reason for Chinese engagement in the Caribbean is its commitment to solidarity with other developing countries, and the benefits that might bring to China. In 2004, for example, Chinese President Hu Jintao stated that China 'would forever stay on the side of developing countries' (Lam in Jubany and Poon, 2006, p. 4). More recently Cheng Siwei, chairman of the standing committee of China's National People's Congress and President of the China- Latin America Friendship Association, set out the basis of China's involvement in the Western hemisphere: 'China pursues a relationship of mutual political support and mutual trust with

Latin American and the Caribbean countries, by which the two sides can further strengthen communications, coordination and cooperation in major issues bearing on world peace and development, democratization of international relations, and protection of the legitimate rights and interests of developing countries' (Jubany and Poon, 2006, p. 4). The actual record of Chinese involvement in supporting the agenda of the developing world has been patchy, however there are some examples of where cooperation has been apparent. One example is China's support for the G-22 group of developing nations in the WTO Doha round of trade negotiations (the first coalition in which China has played a leading and committed role since it became a member of the WTO) (Narlikar and Tussie, 2004). The G-22 called for a reduction in agricultural subsidies by the US, EU and Japan. By showing support in this way, China hopes to win the backing of Caribbean countries on particular issues close to its heart in such forums as the United Nations (UN), where most decisions are made on a one country – one vote basis. Indeed, it has been suggested that China has some common ground on issues such as human rights because Caribbean countries are generally against the weakening of national sovereignty, and in favour of the doctrine of non-intervention (Jubany and Poon, 2006).

### **3. To assist Cuba, one of the five 'golden flowers' of socialism**

As referred to earlier, the entry point for China into the Caribbean was through Cuba, and today the relationship continues to be centrally important in shaping Caribbean-Chinese affairs. Primarily this is because Cuba remains a socialist country, and is one of only five 'golden flowers' of socialism still present in the international state system (the others being China itself, North Korea, Vietnam and Laos). As a consequence there are substantial trade links (see above); regular bilateral visits of politicians and officials, for example, Castro visited China in 2003 and Hu visited Cuba in 2004; and significant Chinese investments in Cuba, such as the proposed US\$500 million investment in the Cuban nickel sector, which already provides half of China's nickel imports. Further, China's state oil company Sinopec signed a joint exploration agreement with state-owned Cubapetróleo in January 2005. Thus to a large extent, wider Chinese-Caribbean relations are embedded within the 'special' bond that links two 'flowers' of socialism.

## **The practical impact of Chinese policies in the region**

### **Security cooperation**

One of the most important actions taken by China was the deployment of 125 peacekeepers in Haiti in October 2004, which was part of the 6000-strong UN Stabilisation Mission for Haiti

(MINUSTAH) led by Brazil. The involvement of China was significant because it was the first time the country had participated in peacekeeping in the Americas and the first time anywhere that China had sent combat troops as peacekeepers. An official from the Chinese Ministry of Public Security said, 'This is our country's obligation in safeguarding world peace. China, a responsible major country in the world, should play such a role' (*China Daily*, 2004). Since the initial deployment a further three units have been dispatched, and overall approximately 700 Chinese police peacekeepers have served the UN peacekeeping mission. Further, in January 2005, Chinese peacekeepers in Haiti were awarded UN peace medals for their outstanding performance, the highest honour granted by the UN to peacekeeping missions (*China Daily*, 2006). Although China's contribution to MINUSTAH is an international rather than a Caribbean-specific undertaking, the Taiwan issue does play a role here as Haiti recognises Taiwan. China hopes that its peacekeeping intervention might help to improve its relationship with Haiti.

Although the Chinese government has stated that it has no military interest in the region, despite peacekeepers being stationed in Haiti, there is nevertheless some apprehension over China's role in the region. Over the last few years there have been efforts on the part of China to increase its military diplomacy in the region. In 2004, for example, Chinese military officials visited the Latin American and Caribbean (LAC) region on 20 different occasions. Activities included joint military exercises, bilateral and multilateral security information sessions, combined seminars on defence and security, and field trips (Jubany and Poon, 2006). It is argued that 'with a growing number of LAC military officers going to China instead of the US, there is concern that China is taking advantage of weakening US-LAC military links resulting from US moves to cut military aid to countries that refuse to sign agreements exempting US service personnel from International Criminal Court jurisdiction' (Jubany and Poon, 2006, p. 7). Further, the Chinese government has donated military equipment to some of the region's defence forces. For example, in February 2006, a donation of military equipment was made to the Jamaica Defence Force (BBC Monitoring, 2006). With growing military links between China and the Caribbean there are some indications that officials from the US and indeed other countries are becoming worried about the shift in military cooperation from the US and Europe to China. In particular, that 'China's poor democratic credentials and lack of respect for the rule may reawaken 'bad habits' [in the region] such as authoritarianism and cause an erosion of efforts to improve human rights and stem corruption' (Jubany and Poon, 2006, p. 6).

### **The institutional dimension**

Chinese engagement in the Caribbean has been formalised to an extent by its involvement in a number of multilateral organisations in the region. In 1998, for example, China joined the Caribbean Development Bank, taking a six percent capital stake, and in 2002 it provided the Bank with US\$1 million to establish a fund for bilateral cooperation. In addition, China became a permanent observer of the Organisation of American States in 2004 and the Inter-American Development Bank in 2005. Further, China has ties with the Caribbean Community (CARICOM). China believes that such institutional links are important in consolidating its relationship with the Caribbean, while illustrating its commitment to the region. China's participation in a number of regional organisations also highlights the country's widening and deepening engagement with the Caribbean.

### **China-Caribbean Economic and Trade Cooperation Forum**

Beyond China's membership of a number of existing institutions within the Americas, an important development came in February 2005 with the first Ministerial Meeting of the China-Caribbean Economic and Trade and Cooperation Forum in Jamaica. Almost one thousand government officials and businessmen from the Caribbean and China, led by Jamaican Prime Minister P.J. Paterson and Chinese Vice President Zeng Qinghong, were present at the Forum's opening. The Forum was initiated by China in 2004 after economic links had been strengthened via two meetings in the previous year. In early 2003 State Councillor Wu Yi visited eight Caribbean countries and signed ten agreements of cooperation in areas such as agriculture, energy and technology transfer. Then in September a special day was dedicated to the Caribbean at a meeting to promote investment and trade held in Xiamen, China. Around forty government officials and business people from the Caribbean attended the meeting.

At the Forum in 2005 Zeng in his opening remarks entitled 'Working together to write a new chapter in China-Caribbean cooperation', stated that the establishment of the Forum was a landmark in the development history of China-Caribbean relations and it would serve as a platform to deepen friendship and cooperation between them (Ministry of Commerce of the People's Republic of China). Zeng also made five proposals on how to promote China-Caribbean friendly cooperation in the future. The proposals were to maintain exchanges of high-level visits and cement political relations; to create new forms and explore areas of cooperation; to give full play to the government's role in providing quality services; to promote

cultural exchanges and enhance mutual friendship; and to enhance consultation and cooperation to safeguard common interests (People's Daily Online).

In response Patterson also described the Forum as 'a major milestone' that opens 'a new chapter' in bilateral relations. He continued 'the time has come to explore and exploit new avenues for economic and trade cooperation between China and our region'. Patterson noted further that 'an increasing number of Caribbean countries have now become committed to the one China policy and are actively participants in our mutually beneficial cooperation programmes' (*Caribbean Insight*, 2005b).

After the speeches and the opening ceremony were concluded, representatives from China and the Caribbean signed the Guiding Framework for Economic and Trade Cooperation, and then more specifically a range of country-specific cooperation agreements in areas such as energy, economic cooperation, transport and telecommunications (*Caribbean Insight*, 2005b). Also, Antigua and Barbuda, Barbados, the Bahamas, Dominica, Grenada, Guyana, St Lucia, Suriname and Trinidad and Tobago were given Approved Destination Status, which allowed Chinese tourists to obtain visas more easily (Collins, 2005). The agreement was welcomed by Antigua and Barbuda's Tourism Minister, Harold Lovell, 'because it opens up a vast new market. It's an opportunity for all those in the tourism sector to get an opportunity to reap greater benefits and rewards from this industry' (*Caribbean Insight*, 2005b).

The China-Caribbean Economic and Trade and Cooperation Forum (the next meeting of which will be held in China in 2008 or 2009), the associated cooperation and tourism agreements, and the broader trade, aid and investment assistance provided by China (see above) means that China has now a significant economic and political stake in the Caribbean. And as Grenada's Prime Minister, Keith Mitchell, has argued on behalf of the Caribbean, 'I cannot see that the Caribbean has any other choice but to develop a relationship with China' (Erikson, 2005, p. 1).

Significant benefits are accruing to the Caribbean, but there are one or two concerns regarding China's possible influence on the region's trade performance. First of all, there is some anxiety mainly on the part of the larger Caribbean countries that Chinese exports, chiefly textiles, might undermine Caribbean access to the US market. This is a particular worry after the end of the Multi-Fibre Agreement's quota system on textile and clothing sectors in January 2005 (BBC News, 2005). Secondly, and in a related point, there are fears that the Caribbean might

undergo a process of de-industrialisation and concentrate on raw materials because of the strength of the Chinese manufacturing sector on the one hand, and China's strong demand for raw materials on the other. However, at the present time these two inter-linked reservations are of seemingly limited importance, and therefore do not substantially offset the positive results of the broader China-Caribbean relationship.

## **Conclusion**

Although not comprehensive in detailing the changing nature of Caribbean foreign relations, for example no mention is made of the growing influence of Japan, India, Brazil or Venezuela, the paper does illustrate how Caribbean countries are being forced to realign their foreign policies to secure their international political, economic and strategic survival. The examples of Britain and China demonstrate well the changing nature of Caribbean foreign relations, and although not mutually exclusive certainly indicate a shift from long-held relationships with traditional allies towards new ties with non-traditional partners.

The relationship between Britain and the Caribbean has largely been defined by growing disinterest and disengagement since the process of decolonisation began in 1962. Occasionally, Britain was obliged to re-engage with the region when its interests were challenged, but in general the process of withdrawal was maintained. Nevertheless, it was hoped by many that a new chapter in British-Caribbean relations would come with the election of Tony Blair's New Labour government in 1997. At first Labour attempted to re-energise the relationship and undertook a number of institutional reforms in relation to the Caribbean. But the terrorist attacks of 11 September 2001, the subsequent 'war on terror', and the increasing pace of trade liberalisation changed the priorities guiding UK foreign policy. The result was a stronger focus on Caribbean security, but a downgrading of other aspects of the relationship. The paper suggests that the nature of Britain's links with the Caribbean at present, with a particular focus on security, barely sustains what was once referred to as a 'special relationship'.

Meanwhile, the Caribbean's relationship with China has become increasingly important. Although China established diplomatic relations with Cuba as early as 1960, China's interest in the wider region is more recent. In 1998, for example, China took a capital stake in the Caribbean Development Bank. Further, and perhaps most importantly was the convening of the first Ministerial Meeting of the China-Caribbean Economic and Trade Cooperation Forum in February 2005. These events are indicative of China's growing interest in the region. The paper

considered the reasons why such interest is evident, including: to challenge Taiwan's dollar diplomacy in the Caribbean, the need for a rapidly growing China to access natural resources in the region, and the belief on the part of China in the commonality of the third world in sharing experiences and in furthering cooperation. The benefits for the Caribbean more than outweigh the costs at the present time, and the relationship with China can be seen as necessary in light of Britain's declining interest. In short, Caribbean countries must make the most of any opportunities available to them in order to secure their short to medium-term survival in an increasingly hostile and uncertain world.

## Notes

1. It is important to recognise that although aspects of Britain's relationship with the Commonwealth Caribbean have been reassigned to the EU, the non-Commonwealth Caribbean countries (e.g. Cuba, Dominican Republic and Haiti) have never really been in Britain's field of interest. To a very large extent Britain follows the EU-line on these countries. As a consequence, this section considers purely the Commonwealth Caribbean.
2. The Dependent Territories (now known as Overseas Territories) are Anguilla, British Virgin Islands, Cayman Islands, Montserrat, and Turks and Caicos Islands.
3. I have been a member of the Caribbean Board since its inception. I would like to emphasise that the views I am expressing in this article are mine alone and do not necessarily reflect the views of the other members of the Board.
4. The priorities of the December 2003 HMG White Paper were updated with the publication of a second White Paper in March 2006. The new document entitled *Active Diplomacy for a Changing World: The UK's International Priorities*, however, confirms the marginalisation of the Commonwealth Caribbean in UK foreign policy with no direct mention of the region in the main document, and only one brief citation in the Foreign Secretary's Forward.
5. In 1999/2000 DFID provided Iraq and Afghanistan with bilateral aid worth £6.6 million and £5.3 million respectively. By 2003/04 the equivalent amounts were £209 million and £80 million.
6. The Bahamas opened an embassy in Beijing in January 2006.
7. China has commercial missions in the Dominican Republic and Haiti.

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