

Caribbean 3.0

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Caribbean 3.0

Transforming Small Island
Developing States

Dr. Miguel Goede

June 2013

Uitgeverij Eigen Boek B.V. | Hoofddorp

Dedicated to my parents

Contents

Start 3.0 right away	11
1. Introduction	13
Talk show	13
Why CSIDS 3.0?	14
What's in a name?	16
Christmas 2012	17
5 May 2013	20
2. 3.0	22
The principles of 3.0	25
Generation 3.0	30
Democracy 3.0	33
3. Capitalism 3.0: The End of Capitalism 2.0 (As We Knew It)	36
The history of capitalism	40
A brief account of the recent history	40
A more philosophical approach	44
Analysis	49
Possible solutions to the crisis	52
Concluding remarks	53
4. Storytelling	54
Story Curaçao	54
5. The CSIDS	59
Anguilla	65
Antigua and Barbuda	65
Aruba	66
Bahamas	66
Barbados	67
Belize	68
British Virgin Island	69

	Cuba	69
	Dominica	70
	Dominican Republic	71
	Grenada	72
	Guyana	72
	Haiti	72
	Jamaica	73
	Montserrat	73
	Netherlands Antilles	73
	Puerto Rico	75
	St. Kitts and Nevis	75
	St. Lucia	76
	St. Vincent and the Grenadines	76
	Suriname	76
	Trinidad and Tobago	77
	Unites States Virgin Island	77
	Supranational Caribbean organizations	78
6.	CSIDS 2.0	81
	Spiral Dynamics	81
	Caracas 2.0	84
	The CSIDS 2.0 crisis	86
	Curaçao 2.0 in crisis	98
7.	The basis on which CSIDS 3.0 must be built	114
	Talent	114
	Governance	117
8.	Governance and Climate change	130
	Climate change	130
	Conceptual framework for Governance for Sustainable Development	132
	Climate Change, migration and governance	142
	Conclusions	142

9. Vision CSIDS 3.0	145
The Best Practices of Barbados and Anguilla	146
Cayman's Special Economic Zone Announces International Outreach Campaigns Cayman Enterprise City	147
Agriculture in the Caribbean 3.0	150
Nevis and St. Kitts Best Practice on school 3.0	152
Medical Tourism	154
Aruba 3.0	154
Curaçao 3.0	156
Even Cuba gets 3.0	200
10. Conclusions and what is next?	205
The author	208
References	209

Start 3.0 right away

This is an interactive book:

While you are reading it, I encourage you to join the private Community of Caribbean professionals, business owners and public sector officials designing a new Caribbean.

Join my facebook “Caribbean 3.0” Community group for professionals, business owners and public sector officials. Search on Facebook for “Caribbean 3.0”.

You send a request to subscribe and my team will let you in.

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1. Introduction

On 30 March 2013, I published my book “Curaçao 3.0” in Dutch. It was the collection of my blogs of 2012 on the developments in Curaçao. The book was remarkably well received and brought the discussion of transforming Curaçao to a whole new level. In the meantime, I started on 1 December 2012 with my new series of blogs on Caribbean SIDS 3.0, in English because I wanted to communicate with the region. My blogs are published daily on my website: www.miguelgoede.com.

The United Nations classifies 52 countries as Small Island Development States (SIDS). The focus of this book is on the 23 Caribbean SIDS, the biggest of the three groups of SIDS. The two other groups are: Pacific and AIMS (Africa, Indian Ocean, Mediterranean and South China Sea).

Small Island Developing States (SIDS) share similar characteristics. They are all vulnerable because of their small scale and the effects of climate change. Their objective is sustainable development. They are looking for sustainable solutions. They can learn and support each other. Curaçao has a UNESCO university chair on Caribbean SIDS.

Talk show

On January 26, 2013 I started to work as a talk show host and producer to share my vision on Curaçao 2.0 to 3.0. I present a program called “2121”, on radio station Z86 the oldest and one of the largest radio stations in Curaçao. The name is derived from the phone number to call: (5999) 462-2121. The show starts at 15:00 and ends at 17:00. I usually have a guest, if they accept the invitation. Preparing the show takes a lot of time. Hosting it costs a lot of energy. That is why I will do it

for one season and after that I will evaluate. But I really enjoy the show. Because I can explain the vision of Curaçao 3.0 to laymen, ordinary people, housewives, young professionals. I have listeners via the Internet all over the world joining the radio show and commenting on it. Bringing Curaçao 3.0 in the homes of the Curaçao people is really enjoyable.

My passions are blogging and writing publications as a scholar in Management and Organization, Public Administration and Political Science in SIDS. That is also why I have decided to use my blogs to prepare my talk show.

Why CSIDS 3.0?

One of the first persons to read Curaçao 3.0 was the journalist Dick Drayer. One of his questions was why I did not write a peer reviewed article on the subject. Part of my answer was that I wanted to reach a much broader audience than only my peers.

Another reason is that I am not in a position to concentrate on such a publication at this moment, but I still want to get my message out there. This publication is based on the same philosophy, but I also address my peers. In CSIDS 3.0 I want to reach the Caribbean. The islands have much to learn from each other. There are similarities and differences. There are Best Practices and lessons to be learned, even from failures. The fact is that the islands are inward-looking or looking primarily within their cultural groups and the former centers of government in Europe and in some cases the United States. I paraphrase President Obama: There are NO Anglo Caribbean, Spanish Caribbean, French Caribbean or Dutch Caribbean. There is only THE Caribbean.

Societies of Caribbean SIDS are shaped by the geography, small scale, colonialism, slavery, the abolishment of slavery

and the decolonization process. What has developed is at least four versions of a multicultural society: Anglo-Saxon, Spanish, French and Dutch. There are also islands that are mainly influenced by the United States of America. There are many similarities and differences. The SIDS can learn from each other. This does not happen enough because they are not only separated by sea but also by culture. Mainly by culture though. For example, France and the Netherlands share the island of Sint Maarten, but the two societies know only little of each other. In Hispaniola, we have the same situation. Haiti and The Dominican Republic share the same island, but the two societies have little in common. The objective of this book is to explore the lessons learned by different SIDS, focusing on sustainable development and governance. It is only the beginning.

This book is a compilation of my blogs published on my website www.miguelgoede.com and three other papers that have not been published before. The blogs have been only slightly edited for this book. The content is generated by my reading, the 3.0 talks I have with people, and the reactions I receive on my blogs and my daily radio talk shows “2121” on the subject and the interaction with the audience.

Another aspect of my methodology is my conference presentations and the conferences I have organized. Last but not least is the content of my master class at the Curaçao School of Management¹. The point is that I am not following the traditional scientific method. This book is the result of the same creative process that gave birth to the Curaçao 3.0 community. It is a first step in the dialogue between the Caribbean SIDS.

¹ <http://www.curacaoschoolofmanagement.org/>

What's in a name?

One of the reasons I started the Curaçao 3.0 project is the fact that Curaçao, after 10 October 2010, definitely set out on a course to Curaçao 1.0, instead of 3.0. Living in Curaçao our world became smaller. The territory and the territorial waters became smaller. On many lists Curaçao was downgraded. Intellectuals who expanded mentally and spiritually were persecuted and removed and replaced by small minds.

And now, unique in the world, the name of the university was changed and named after a founding father of the island, who is only locally known by the older generation.

In the past universities were named after their founders, Harvard is the best example and Venezuela created the Simón Bolívar University, instead of the University of Caracas. In 1966 the name the University of Rotterdam, one of the fourteen universities in the Netherlands, was named Erasmus. This case is often used to justify the naming of a university after a person. Those who hold that point of view, want to forget that the Netherlands does not have one but fourteen universities. That this happened in the 1960s and that Erasmus is a well-known European figure and not a founding father.

When in 2004 Catholic University of Nijmegen wanted to get rid of the religious label, it adopted the name of its institute of medicine and was renamed Radboud University Nijmegen. Catholic University of Brabant did the same in 2001 and is now called University of Tilburg. In 2010 it became Tilburg University to express its global orientation.

You just do not change a name of a university like that. Constitutional change is not a good reason. The University of the West Indies did not change its name after independence. This decision will make it impossible for the University of Curaçao to expand internationally. After the 1960s the world does

name universities after persons. Aruba, which is as proud as Curaçao, has not named the university after the founding father Betico Croes. Only Suriname renamed the national university after an activist named Anton de Kom. This was done by a military regime for populist reasons. Today Suriname regrets this decision. Big scientists like Einstein and Plato have no universities named after them. It is much more appropriate to name a building after a person. Why not name the aula after a founding father? Only Curaçao is big enough to have its name tied to the national university. The founding fathers did it for the glory of the country, not to have their names written on the wall of the national university. Curaçao is becoming a very small contracting place. "*Nos ku nos*", meaning: we for us.

Christmas 2012

Christmas has changed. A friend sends me a Facebook message from New York. My daughter and I decorate the tree via Skype. She studies in Europe and we live in Curaçao. I have received a soundcard from a friend. I receive a lot of emails from people telling me when they will start working again next year. I will post a message on Facebook.

My nieces, who came over from Brussels to the island to visit their grandparents, play Christmas songs from their iPod connected to small speakers. I write a blog on how Christmas has changed, Email a few friends and Skype with a few others. Maybe I will have a guest via Skype at the table. You can look at things two ways. It all has become high tech and low touch. On the other hand, it brings people who are far away a little bit closer.

But let me be honest, it cannot replace having a loved one present at Christmas.

Christmas 2012 was the Christmas of crisis. It was silent.

Many stayed home. No traffic jams. Not many lights in the streets. Many did not even have a smile on their face. 2012 was not a good year. Not globally, and certainly not locally. We are in the middle of an economic, social and political crisis and 2013 will be the year of the implementation of an adjustment program. The good thing about Christmas 2012 is that we all went back to basics. We celebrated the birth of Jesus with family and friends. We prayed for peace and comforted each other. We all had soul food and a few drinks. Politics was not discussed and nobody was in a hurry to get to the New Year of 2013.

My notes for the interview on 2012 were the following: There were many elections in 2012: The Netherlands, Venezuela, United States, and Curaçao. It was also the year of the world financial crisis. It was also the year of social media. Times have changed. 2.0 is not sustainable, we must create 3.0. The trust in politics and democracy is very low.

What is the cause of this change? The system crashed as a consequence of human behavior based on a set of selfish values. This crisis is illustrated by the Euro crisis and especially by the situation in Greece and the 25% unemployment in Spain. The most dramatic change is not the financial and economic crisis, but the climate change. This is illustrated by the super storm Sandy that hit the west coast of the United States.

Best moments of the year? Time spent with my wife and kids. How will you remember 2012? It was a turbulent year. I am afraid that the London Olympics were not that special. Maybe this had to do with the fact that our Curaçao flag was not allowed by the IOC. But we had some great sprinters like Shurandy Martina, born and brought up in Curaçao.

Man of the year for better or for worse: Gerrit Schotte. He

left the country in pretty bad shape. The public finances are in shambles after two years (of the Schotte Cabinet), while we started 2010 with a substantially reduced debt. The economy is in a bad shape. All institutions, even Parliament, have been weakened.

Another incident that will not be forgotten very soon is the oil spill affecting the conservation area near Jan Kok.

Hero of 2012? I am still looking for the hero. Some suggest Governor Goedgedrag, others suggest Mr. Cleopa and Mr. Rozier. In case you're not familiar with our local politics, the latter two members of parliament toppled the Schotte Cabinet by joining the opposition. Happens a lot nowadays in the Caribbean. Also on our sister island of Sint Maarten. For me they were all a little too late. I have a lot of respect for the Governor for the way he handled the constitutional crisis. Yet others are in favor of Mr. Betrian, the Prime Minister of the Interim Government.

A memorable event was the third Curaçao North Sea Jazz Festival.

The villain of 2012? The leader of the PS political party and the former leader of a union, who now is a board member at a State Owned Company. They looked the other way when politicians and others were destroying the country. They were fighting corruption, but not the corruption in their midst. They divided the country into black and white, the haves and the have nots, the Makambas and the *Yu di Korsou*, instead of uniting it and wasted people's time and money. A lot of money, if you consider the increase of the debt per capita. But some people still don't get it, that while they have no money and are poor, a higher debt per capita (because of creating more deficits) is just a higher burden on the next generation, on their kids.

Expectations for 2013? It can only get better. What are the

business opportunities? People need to develop new concepts, new models, new mindsets and new markets. Make use of the Internet to reach other markets and other clients.

What are my plans for the future? Consult people and organizations to get to level 3.0, the Information Age. The Industrial Age 2.0 is gone. Especially for people in the Caribbean.

What are you not looking forward to? The movie of slave revolt leader Tula. Why? Tula is misused to enslave people mentally. On the island we ignore the real problems by reinterpreting and reliving history.

What is my wish for 2013? That all our dreams may come true.

There were great moments, but overall 2012 was not a successful year. The Curaçao nation was born in 2010 and we were all hopeful. But two years later most people are disillusioned, and we will have to take it from here. 2013 will be a tough year because of the adjustment program that a new government will have to implement. Let us try to forget all the willful wrong-doings by many who should have known better. Let us try to forgive them all the harm and suffering they caused to citizens and the country.

5 May 2013

On 17 April 2013 I decided that this book should go to the editor on 1 May 2013, the birthdays of our daughter and son. (They are not twins.) I did not meet the deadline because of other commitments. On 5 May 2013 the assassination of the Member of Parliament, Mr. Helmin Wiels, the leader of the largest political party of the island of Curaçao, changed everything. Although political violence had been increasing the last couple of years and one might have expected this to happen one day, still it came as a total surprise because such a thing

had never happened before on the island. This tragedy underlines my point in this book that systems are broken and cannot be fixed and that they need to be upgraded from 2.0 to 3.0.

2. 3.0

The industrial age (2.0) has made man part of the big industrial machine. Things were standardized. People needed to do certain tasks, in a certain sequence, and at a certain time. People were expected to be on time. To be reliable, and so on. The question is if this was human nature. This was best portrayed by Charles Chaplin in his movie “Modern Times” in 1936. The industrial age was abruptly implemented upon the post slavery society with the arrival of multinationals like Shell, Exxon, and Alcoa. The population has always accepted it as something external and never internalized it. With the arrival of the Internet in the 1990s (around 1995) things changed. The hierarchical, triangular, pyramid shaped organization and society exploded into a network society. A society in which small autonomous units are interconnected and collaborate with each other. The information age (3.0) got to the next level, in the process that started in the 1950s. Processes in society and organizations became 24/7 and location became less relevant. The web freed the individual from physical movement. But still you had to be trustworthy. For example: in e-business, you must deliver as soon as a product or service is ordered and paid for. This development is described by Manuel Castells².

3.0 is the Information or Internet era: the world is dominated by the Internet. The creative class is the driving force of society. Curaçao 2.0 is over. It is bankrupt. 3.0 is all about the creative economy driven by the creative class. “The creative industries refer to a range of economic activities which are con-

² <http://tegenlicht.vpro.nl/nieuws/2011/september/castells.html>
(Accessed on 23 April 2013)

cerned with the generation or exploitation of knowledge and information. They may also be referred to as the cultural industries (especially in Europe (Hesmondhalgh, 2002, p. 14)) or the creative economy (Howkins, 2001).

Creative economy comprises advertising, architecture, art, crafts, design, fashion, film, music, performing arts, publishing, R&D, software, toys and games, TV and radio, and video games. Some researchers consider that the education industry, including public and private services, is part of the creative industry as well. Consequently, there are different definitions of the sector. The creative industries have become increasingly important to economic well-being. Advocates suggest that human creativity is the ultimate economic resource. The businesses of the twenty-first century will depend increasingly on the creation of knowledge through creativity and innovation.

It is also about experience economy. Pine and Gilmore argue that businesses must create unforgettable events for their customers, and that memory itself becomes the product. The strategy is to develop and attract the creative class. They are the driver of the post-industrial economy. To do this we need the three T's: Talent, Technology, and Tolerance.

The future will not be about jobs but about employability. Employability is a person's capability for gaining and maintaining employment. For individuals, employability depends on the knowledge, skills and abilities they possess, the way they present those assets to employers, and the context within which they seek work. This employability concept is affected by both supply-side and demand-side factors, which are often beyond an individual's control. People need to develop skills continuously to stay employable.

An interesting question is if a society can move from 1.0 to 3.0. Singapore did it. But they had a hard working population and culture of obedience to their advantage. But in general, a society must have learned to submit or be part of a complex system to evolve to an information society. Caribbean societies have not accepted the regime of the industrial age. In a way they have remained humane, in spite of the cruel psychological mistreatment of people during slavery, which is also part of their daily life. On the other hand the Caribbean people have certain advantages in the information age. They are very creative. But they need the organization to make it a creative industry. Many creative people make it, but many others do not. We need to merge creative people with management talent to create value.

Caribbean societies are trying to hold up a dysfunctional 1.0 and 2.0 system and do not embrace the 3.0 society. In a way this is natural, because the 2.0 stage has not been completed. But 2.0 has become a totality of broken subsystems that cannot be patched anymore: healthcare, pension, education, justice, government, social welfare, utility companies, and public transportation. You can continue adding to the list. The only option is to upgrade the system to 3.0 level.

What does this mean? Come up with Internet based smart solutions and use them in a smart way. What I mean is that a laptop is not a typewriter; it is a totally new device. Too often we see this analogy. To get the maximum benefit out of the Internet a totally different 3.0 mindset is required. To trigger this mindset, a new educational system must be implemented. Kids should have access to the Internet the first day they enter school. They will introduce the Internet at home to their parents and grandparents and we will create an information society.

1.0 Is the feudal era: a whole of legal and military customs in medieval Europe that blossomed between the 9th and 15th centuries, which, broadly defined, was a scheme for structuring society around relationships derived from the holding of land in exchange for service or labor.

2.0 Is the industrial era: the era after the industrial revolution, the conversion of manually made goods to machine made goods. The capitalist class and the working class are created.

3.0 Is the information or Internet era: the world dominated by the Internet. The creative class is the driving force of society.

The principles of 3.0

“Greed” is the most important norm in the 2.0 Society. Greed is the inordinate desire to possess wealth, goods, or objects of abstract value with the intention to keep it for one’s self, far beyond the dictates of basic survival and comfort. It is applied to a markedly high desire for and pursuit of wealth, status, and power.

It is typically used to criticize those who seek excessive material wealth, although it may apply to the need to feel more excessively moral, social, or otherwise better than someone else.

Caribbean 2.0 is over. It is bankrupt. Exit. It is a dead-end street. A different society will rise based on different principles for ourselves, for the next generation in Curaçao, the Einstein generation of my children but also for the younger generation of children who are at elementary schools, like the Prince Bernard School in Curaçao. They deserve a way to the future.

The principles of 3.0 are:

Sharing

The way forward is based on “sharing”, the transmission of unnecessary stuff, of stuff one no longer uses. It is very straightforward. A Curaçao family of four should not have four iPads, but must share with each other. We won’t go and buy a GPS for a week driving around in Florida, right? We borrow or rent it from a Facebook friend. Through WhatsApp or Messenger we say: “Hey, I’m going to America next week, do you have a Tom Tom I can borrow? “. Almost immediately follows the answer: “Yes, you can get it.” Or: “No, but my friend has one. Wait, I will ping him for you “. Two minutes later: “It’s settled. What will you do in Florida? Look at my Facebook photos for tips where you should stay. I got some good tips for you. I will send you the link.”

We call this “The Mesh”³. We will create more collective goods and services, and preferably without political and government intervention. The basis of Caribbean 3.0 is the web, social media and GPS. Let’s stay close to the islands. We need not look far to explain public goods. The simplest examples are the beautiful public beaches we all use. One goes with the family every weekend to the beach. Perhaps one does enter a diving course to explore the underwater world of Curacao A beautiful experience. It has worked like this for hundreds of years.

We shared these collective good for so long, but together we must keep the beaches cleaner than is currently the case. In the 3.0 society it is all about sharing. People will give away what they do not need any more and they will do more vol-

³ http://www.ted.com/talks/lisa_gansky_the_future_of_business_is_the_mesh.html (Accessed on 23 April 2013)

unteer work. It is no longer about what you have that defines you. You define yourself by meaning something for others. If we look at the CNN Heroes they all are heroes because they help others. They solve problems and help others to better their lives.

Corporate Social Responsibility (CSR)

CSR 3.0 is more than social entrepreneurship. A second principle is the social responsibility (CSR). Corporate social responsibility, sustainable business or social enterprise is a form of business aimed at economic performance (profit), with respect for the social aspect (people), within ecological constraints (planet): the triple P approach. That is not enough. It involves solving a social problem, or something to contribute and to earn. An example is the Curaçao based company Ecoversum. This company places rain gutters and water containers.

Virtual

It does not matter where you are and when. Virtually one is always at the right time in the right place. This is essential to enable all the talent that lives in Europe and the United States of America or elsewhere in the world to study or any other reason to participate in any other activity that adds to the human experience.

Immaterial

It's no longer about what you have, but who you are and what you stand for. One sees this already in the youth of the Z generation. They have a smart phone. Furthermore, they and their friends tell their story with text, picture and sound on social media. One hears less and less about the status symbols of the past.

Faith

Faith in the truth, value, or trustworthiness, or a person, idea, or thing; a belief that does not rest on logical proof or material evidence.

Confidence

It is confidence that ultimately provides stability in relationships. It is the base to be open and co-create.

If trust is present, one will succeed in surpassing all obstacles.

Functional

It's not about the objects, but the function. For example, it is not a car, but a means of transportation. A bus is just as good, as long as one arrives on time at one's destination.

Transparent

Matters should be traceable. Trust and transparency make collaboration possible.

It is about working together. One asks for help. One offers to help.

Everything suddenly became transparent. The cyclist Lance Armstrong admitted that he had used performance enhancing drugs. It became clear that matches were fixed in European soccer.

There are some indications that the upcoming World Soccer Championship was bought by Qatar. Scandals in the Catholic Church are exposed. Many cases of political corruption came to light.

What is happening? It looks like a party where all lights were off for a while and suddenly went on again. Now suddenly we see people in a weird position. What happened? After thinking a lot about these events, I came up with the following

interpretation. First of all, because of the development of technology and social media, the technology is available to expose corruption and other unethical behavior. The “success” of Wikileaks also stimulates this. This might explain why so many people were caught in a wrong position when the lights went on again.

Why were they in a bad position in the first place? I believe that this is because in the years of neo-liberalism people like Alan Greenspan believed that the market would govern itself. This was not the case. There was not enough control and supervision. This led to excesses and greed, leading to the global financial crisis in 2008. I believe that after that, there came an increasing demand for transparency. Those who are caught in the wrong place in the wrong position are guilty but also the victims of a permissive climate of those days.

Now is the time for a moral revival. Those who are in the wrong spot but still have not been exposed are in an uncomfortable position.

I can understand that some organizations adopt a policy that forces people to confess and come clean. The world demands more ethical leadership.

Open source

Open source describes practices in production and development that provides free access to the source materials of the final product.

Internet

These are some of the principles on which systems 3.0 are based on. The Internet is the driver of 3.0.

This involves the creation of social networks, knowledge, ideas and sharing emotions. We want to share experiences. Experiences have become content.

Generation 3.0

3.0 is related to generations.

Baby boomers: are those born between (roughly) 1945 and 1955. This generation has some common experiences. They were introduced to the rising postwar prosperity and went to study in the turbulent period between 1965 and 1975.

Generation X: this group comprises roughly the people who were born between 1961 and 1981. This generation is in Belgium and the Netherlands the Generation Nix or Lost Generation, since this group, during the period of economic decay after the second oil crisis, experienced difficulties to enter the labor market. They had recently graduated (in many cases at one of the universities) and had a hard time finding work, because companies limited recruiting personnel and proceeded to cut (went pruning through) in an efficient wage policy. By this change in business management university graduates acquired the reputation of being too expensive compared to graduates at high school or undergraduate level.

Generation Y: born between 1982 and 2001. Generation Y excels in other competencies and has different values than the previous generations. Generation Y's competencies are and they excel in entrepreneurship, customer focus, decisiveness, environmental awareness, and initiative.

Generation Z: the new Generation Z,, born between 1990 and the beginning of the current millennium, is coming of age and enter the job market in the 2020's. Jos Ahlers and René C.W. Boender (2011) describe in their controversial book the rise of this unstoppable, digital generation. Based on new research, they adhere to a prediction of the behavior of the whole new generation. A generation that is online all the time. For whom social media is not a discovery, but a necessity. What are the consequences of this development on a so-

cial level? The result of their research is a pioneering and overall insight of how Generation Z thinks about faith, sports, parents, elders, care, lust and love, birth control, extremism, tolerance, etcetera.

Predicting the future is difficult but not impossible. Part of my approach is to watch the youth. They shape the future. Look at their trends and you will be able to say something about the future. As I said before, I am proud of all of my students. Let me introduce you to a few of them.

Gwensley Paula is a professional dancer in Europe and travels a lot. He is very smart but was not motivated and happy. One day I saw him dance in a talent reality show CuraStars on television. Then I knew why he was not happy. He went on to win the overall show. Soon after that he was in my office. He told me that he had two offers to study dance in the Netherlands. He asked me for advice. It was a no-brainer. Now he is always happy and dancing all over the globe.

Axel Pikero was disciplined student, always present and very quiet. I did not really know him, until he won the biggest music festival on the island: "*Festival di Tumba*". Soon after that he told me that he was leaving to study music in the Netherlands. Now he is back and is the leader of one of the best bands on the island: "Dreams".

Johanna Curiel was always looking for something extra to do. Suddenly she presented in the local theatre a real movie called "*Perla maldita*": a very good movie on the topic of drugs trafficking. After many years I found out she was working as a consultant for an international consulting firm also based in Curaçao.

Tamara Nivillac was a student who had a lot of fun, but was not happy. Suddenly she won the first edition of the reality show Curaçao Talents in 2003. Now she has a successful career as a singer and sings with Izaline Calister. She is based in the Netherlands and often visits the island.

What is the message these students tell us? That there is a lot of musical talent among our youth. That there is no infrastructure on the island of Curaçao to develop these talents and that they are forced to study something that is not their calling. And also because their parents and society prefer that they become accountants or something like that. And that they need to leave the island to pursue their dream and become successful. We must create the conditions to develop these talents here. It is a good thing that we have a music school at Emmastad and a theatre school in the K-Zone Otrabanda, run by Mr. Segni Bernadina.

These young people are part of the Gen Y and soon Z. Some are older and are part of the Gen X.

Your kids are 3.0 and you are 2.0

Our kids are in the information age. You are in the industrial age. Your kids are 3.0 and you are 2.0. And that is the problem. You do not get it. And 3.0 will be there before your pension. So that leaves you no option: you must upgrade to 3.0. You educate your kids about a world you barely know, the knowledge society. You talk about the cultural identity of the people and the independence of the nation.

Our schools are based on the industrial age. Technology is being introduced too slowly. Your kid holds more technology in his hands than the whole classroom. And you expect him to show an interest and concentrate too. The problem is that

the people in positions to make the decisions do not know what they are talking about and do not know that they do not know. They are 2.0 people from the industrial age. They think that because they use email, they are in the information age. That is why the educational system and innovations are lagging behind. And so does ICT in government: e-government. And that is why we still have conservative telecommunication policies.

The consequences are: high prices and low Internet speed. Point is: 3.0 is here to stay. The faster you upgrade the better. The first step is to know that you do not know. Communicate with the next generation: generation Y and Z. Give all schools access to the Internet and give all kids a smart device. Many believe that teachers should be prepared first. But practice and studies have proven that the kids will teach the teachers. We will learn together. What I present here will happen, even if you try to stop it. Look at China. China tried to control the Internet. So my advice to you all: embrace ICT. Learn with your kids: it is the knowledge age.

Democracy 3.0

We discuss democracy, especially the electoral system. From time to time societies complain about their system. But what is democracy? Democracy is a system and a way of life. In politics it is about setting the agenda and deciding who gets what. It is about checks and balances.

We identify five powers:

- Government
- Parliament
- Court
- Civil service
- Media

There is a global consensus on democracy. See the Arab Spring. But China, Cuba and Singapore have an alternative. There are two models: consensus model versus the representative democracy. It is about deciding rationally.

Voter's democracy, direct democracy: the voter decides directly. Winner takes all. Voting is fun. It is about emotion. It is permanent political campaigning.

It is also associated with terms like pendulum democracy and participatory democracy.

The consensus model is empirically a very successful model. This model is the best fit to deal with the very complex problems societies face. But the consensus model has a negative image. Voters do not trust politicians anymore. Representation is based on trust. Why this distrust? It is the world of and and and. In Dutch it is called *Poldermodel*.

The objective of a democratic system is to select the best to rule and take the best possible decision. This process starts within the political parties. They pre-select the best. They create (train) an elite of rulers.

There must be a fit between society and electoral system. There are challenges in the area with funding and the role of the (social) media. There is a new paradigm: it is based on emotions and risks (kicks), emotions and populism.

Curaçao was one of the first to introduce e-voting. It was abolished by paranoid politicians. We must go back to e-voting in Curaçao. The *Tumba* Music Festival 2013 with SMS voting illustrates the point that the culture has changed.

The case of Switzerland. Switzerland combines the two systems: consensus and swing. What are the perceived weak-

nesses of our systems of representation and coalition? The lack of continuity. Voters do not recognize their will in the consensus that comes out of the political system. What must change? My point of view: if it is not broken, do not fix it. We are not good in implementing bold change. See for example the implementation of the new organization of the civil service in 2010. There is room for incremental change. I suggest that we make some changes of the existing system and improve it continuously. Reintroduce e-voting. Apply the law on political organization. This law has been in existence since 2010 but is not enforced. Adapt the law on elections stating that candidates who receive the most votes get elected. Currently the seats are allocated by order on the list. The formatrice is directly appointed by politicians and not by the governor.

I do not understand the issue politicians have with the commission supervising financial budget and other matters (Cft). I do not see the benefits of replacing this institution by a local institution. Experience has shown that locals have ties and cannot stand the pressure related to the small community. On the other hand we should introduce a constitutional court to supervise constitutional matters. Developments in the recent past have shown that this is a necessity because politicians have opportunistic interpretations of the laws. We should fix the civil service. This is currently not working. A culture of accountability should be nurtured. Currently everybody gets away with anything. And I mean even big time corruption. The judicial system is too slow and contributes to a feeling that there is no justice.

3. Capitalism 3.0: The End of Capitalism 2.0 (As We Knew It)

Capitalism and marxism are the two extremes of a continuum of economic systems. None of them exists in their pure form. All systems are mixed systems, with elements of capitalism and marxism. The CSIDS are predominantly capitalistic, with the exception of Cuba, but even Cuba is transforming.

The title of this chapter is not original. It was used by Gibson and Graham (1996) as the title of their book *The End of Capitalism (As We Knew It): A Feminist Critique of Political Economy*. They too were looking for alternatives to the current form of capitalism from a feminist perspective. The title has often been used, especially after 2008, when the global financial crisis was apparent. This in attempts to understand events like the Arab Spring that started in December 2010. These events are considered by some as the continuation of Iran's Twitter revolution 2009, when millions of citizens took to the streets to protest the outcome of the presidential elections. Other factors that are mentioned are: lack of freedom, violation of human rights, government corruption, Wikileaks, economic decline, unemployment, extreme poverty, large number of young, well-educated, internet savvy people, but dissatisfied with rising expectations; the concentration of wealth in the hand of the old autocratic elite; increasing food prices and food scarcity.

The protest in London, in August 2011. The peaceful demonstration after the funeral of a citizen killed by the police, turned into widespread rioting, arson and looting. The causes sprang from socio-economic issues, focusing on unemployment and government spending cuts, as well as social media, gang culture, and criminal opportunism.

The Occupy Wall Street protest movement that started in September 2011 against social and economic inequality, high unemployment, greed and corruption, and excessive influence of corporations on government, especially from the financial sector, spread all over the world. Take the Indian anti-corruption movement of 2011 for example. Here factors like poverty, social media and Wikileaks are also mentioned. In June 2013 the people of Brazil take the streets during the Confederations cup to protest against their government. It is about the high cost of the World Championship Soccer in 2014, the Olympics of 2016 and corruption associate with these. These movements have many factors in common: the desire for more freedom, the abuse of power by the ruling political and economic elites, the growing difference in income between the rich and the poor, the dissatisfied internet savvy youth struggling with employment and inflation.

Scholars, analysts and professionals state that neoliberalism is unraveling. The free market, without regulation, leads to speculation and monopoly. The free market does not lead to efficiency and wise management. The ratio of investment to speculative capital has risen. It has been estimated that the value of all traded paper instruments exceeds the underlying value of the assets on which they are written by 3:1. This level of speculation is encouraged by the high concentration of wealth that has increased since 1973. It is the beginning of monopolizing the control of large amounts of assets. The rich get richer and the poor get poorer. In the 1980s, for every \$100 of world growth, the poorest 20 percent received \$2.20. By the 2001 the poorest 20 percent received just \$0.60. Real wage increases in the top countries of the Organization for Economic Co-operation and Development (OECD) have been below the rate of inflation since 1970s. Since the 1970s wage

earners have been getting poorer and asset owners richer (Blond, 2008). The hands-off brand of capitalism has failed. According to the IMF the crisis comes from a failure of regulation and supervision. The stage is set, at least temporarily, for a restrained model of free enterprise, particularly in financial markets. However, some parts of the world are progressing relatively well. This might lead to a push back in globalization in the financial markets (Faiola, 2008).

Stiglitz (2010) is the recipient of the Nobel Prize in Economics in 2001. He is also the former Vice-President and Chief Economist of the World Bank and is known for his critical view of “free market fundamentalism”, the International Monetary Fund and the World Bank. Stiglitz states that the Great Recession, the world’s biggest in 75 years, began in 2008 in the USA and turned global. This was not expected, according to the “faith” in free markets and globalization. Even Alan Greenspan, former Chairman of the Federal Reserve of the United States from 1987 to 2006, had to admit that there were imperfections in the reasoning that had supported the extension of free markets and that he had made a mistake (de Swaan, 2010). It is no wonder that the State of the Union of President Obama⁴ and the World Economic Forum of January 2012 addressed among others the widening gap between the rich and the poor.

The question answered in this chapter is: what is the future of capitalism? The aspiration is only to explore the question and the possible answers. Much more further thinking is required. To answer the question, literature on the history of capitalism

⁴ <http://www.whitehouse.gov/the-press-office/2012/01/24/remarks-president-state-union-address> (Accessed on 5 February 2012)

is reviewed and critical thinking is applied. “Critical thinking is the intellectually disciplined process of actively and skillfully conceptualizing, applying, analyzing, synthesizing, and/or evaluating information gathered from, or generated by, observation, experience, reflection, reasoning, or communication, as a guide to belief and action. In its exemplary form, it is based on universal intellectual values that transcend subject matter divisions: clarity, accuracy, precision, consistency, relevance, sound evidence, good reasons, depth, breadth, and fairness.”⁵ (also: Facione, 1990, p. 2).

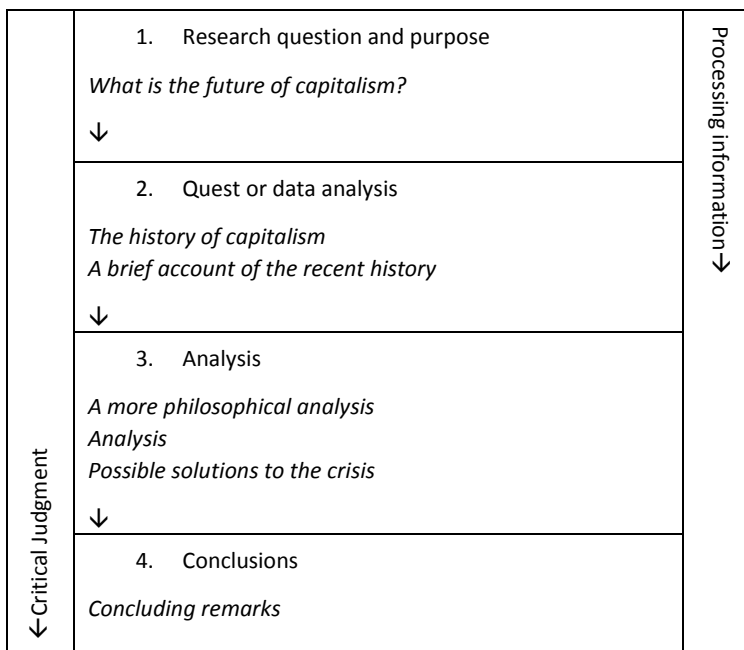


Figure 1: Schematic representation of the methodology of critical thinking, including the outline of this chapter.

⁵ <http://www.criticalthinking.org/pages/defining-critical-thinking/766>

The history of capitalism

Capitalism is not a given as some still think: it started in the 16th century and has been around for four centuries. Prior to that, 80% of the people in England lived on farms. The American economist Deirdre McCloskey (2010) states that around 1700, a new way of speaking about commerce gave birth to the modern world. It is about the emergence of the dignity of the bourgeoisie (Shaffer, 2011). The theory is somewhat related to the theory of the father of sociology, the German Max Weber. He attributes the emergence of capitalism to the protestant working ethics (Weber, 2011).

European imperialism was important for further development of capitalism. Among other things the “*corporation*” was born. Today, the corporation is one of the main actors in globalization (Parramore, 2010; Bakan, 2004). The industrial revolution that started in the late 18th century also contributed to the development of capitalism and the latest development is the Internet, leading to the information or network society and globalization (Castells, 1996; Friedman, 2006). Capitalism holds the essence of impertinent dynamism of “more”. In other words: greed. Capitalism is competition, meaning innovation and constant change.

The question is whether capitalism today is dead in the water? Or, what is the future of capitalism? (Parramore, 2010; Schumpeter, 1942)

A brief account of the recent history

The period from 1914 to 1945 is the era of *private monopoly capitalism* or *small government capitalism* (Li, 2010). The corporation is the dominant institution applying technological mass production. There were fundamental social transformations in urbanization, transportation and communication. A growing part of the labor force became proletarianized.

The capitalist system was challenged in the center, in the rich western countries, as well as in the non-independent countries. This situation led to revolutions in Russia (1905 and 1917) and China (1912-1917). The British Empire was in decline and there was a competition between the United States and Germany. Eventually this conflict led to war. The Great Depression, caused by multiple factors among others by systemic failures of banks, started in 1929 and lasted till the late 1930s.

The second half of the twentieth century started after the Second World War, in 1945. The Second World War resulted in the hegemony of the United States. *State monopoly capitalism* or *big government capitalism* was established (Li, 2010). Government expanded both in size and in economic function. Especially in Western Europe the welfare state, where the states play a key role in providing socially and economically for the wellbeing of citizens, was born from a partnership between capitalism and labor. The seeds for this partnership were visible right after the Russian Revolution. The Marshall Plan of the United States to rebuild Europe and recover its economy after the Second World War provided the funds needed to support this system. The United States pushed for decolonization. It looks like the welfare state was a way to take away the drive for revolution by labor.

From 1968 to 1989 state monopoly capitalism went through a crisis. In 1968 all advanced capitalist countries were challenged by workers and students. Great cultural transformations took place. New values and norms emerged to replace existing ones. The West secularized and the church lost a lot of its influence. Demographic growth was another important factor. The population grew due to the improved

health system and social conditions. Many migrated from the Third World to the First World. It was about keeping and expanding the welfare state. The global capitalists were able to isolate and defeat the revolutionary challenges and the political initiative passed into the hands of the ruling elite.

The world experienced the Oil Crisis in 1973. This crisis, in a way, was artificial because oil was widely available. The crisis was the consequence of the ending of the Bretton Woods Accord, which governed monetary relations among independent nation-states, the Organization of the Petroleum Exporting Countries (OPEC) imposing higher prices on crude oil while the Yom Kippur War between Arabs and Israel led to an oil boycott by Arab oil producing countries of countries supporting Israel.

In 1973 the *Chicago boys* went to work in Chile. They were a group of young Chilean economists. Most of them had been trained by the American Milton Friedman, the 1976 Nobel Prize winner for Economics, who by some is considered the father of neoliberalism, and Arnold Harberger from the University of Chicago.

In 1971 the counter-revolution in China, led by Deng Xiaoping, eventually opened China to the global capitalist economy. Margaret Thatcher came to power in Britain (1979 – 1990) and Ronald Reagan in the United States (1981 – 1989). And so Neoliberalism became the mantra of American global hegemony.

This trend is also manifest in the *Washington Consensus*, first coined in 1989. It points to a set of policy tools promoted by the IMF and the World Bank to encourage the free market concept in the developing countries (Williamson, 2004). In 1989 the Berlin Wall came down and marked the end of the Cold War between East and West, but also the end of big government capitalism.

The international financial world changed in 1988 by the agreement called Basel One. This required banks to hold 8% of their risk-weighted assets. Russia and OPEC started to deposit their oil dollars in Europe. This made capital available for emerging markets like Latin America, which was one of the factors that led to the debt crisis of the Third World (Stiglitz, 2006). Globalization took off with the awakening of the BRIC countries, Brazil, Russia, India and China. The balance between the North and the South was altered. The Davos Forum, the World Economic Forum (WEF), founded in 1971, shifted the focus from Europe to the globe. Globally corporate governance became an issue, especially after scandals like Enron (McLean, B. and Elkind, 2004) and WorldCom. Globally the rich became richer. There is a huge pool of money in the *clouds*. There is this strange paradox: the globe has become more democratic but the rich have become richer. Capitalism erodes old cultures and civilizations. Some use the term “McDonaldization” of societies.

The period from 2001 to 2025 is the crisis of neoliberal capitalism. Stiglitz (2011) states that the United States did not see this crisis coming, because they did much better than the “enemy”, the Soviet bloc. The Asian Financial crisis in 1997 was caused, among other things, by the lack of supervision of financial institutions (Karunatileka, 1999). Some believe this was the beginning of the current financial crisis. In 2001, the stock market bubble in the United States started to burst. This was hidden by the aftermath of 9/11 and the wars in Iraq and Afghanistan. That same year the economy in Argentina collapsed. Some attribute the Argentina crisis to the application of the Washington Consensus. Neoliberalism lost credibility in Latin America and made way for socialist-oriented and populist governments. After 2001 the BRIC countries

were the drivers of global capitalism (Prestowitz, 2005) by exploiting cheap labor (Klein, 2000). The laborers in those countries were deprived of purchasing power. The extra purchasing power was created through increasingly higher levels of debt-financed consumption in the advanced capitalist countries. Given the challenge of the emerging economies, especially China, the United States is reintroducing import barriers. The neoliberal strategy is economically and environmentally unsustainable. Inequality has also increased in Europe and the next recession is just around the corner (Van Duijn, 2011, p. 193). One of the problems is the real-estate market. The second problem is the loans to the state. The third problem is that some institutions are “too-big-to-fail”. Eventually all this led to the global financial crisis that started in 2007, the disturbances during the Arab Spring, London, the Indian anti-corruption movement and the *Occupy Wall Street* movement. This led to the message of the WEF 2012 that the global inequity is of great concern⁶.

A more philosophical approach

We humans shape our tools and our tools shape us. This also goes for our values and morals. Human beings are social beings who need a group to survive and have a sense of belonging (Robertson, 2009). Humans are interdependent and cannot be self-sufficient. In groups, a division of tasks emerges. In the beginning this was organized by the tribe and its chief. The laws were divine and received through the chief. Over time the exchange economy developed and gold came to play an important role in this exchange economy. Gradually the money economy emerged. Rules nowadays are determined

⁶ http://www.huffingtonpost.com/2012/01/29/davos-2012-income-inequality_n_1240158.html

through the political process. Often this is a democratic political process. Rules are no longer based on religious principles. This is the effect of the industrial revolution and decreasing role of religion and the church. In the beginning this led to great progress.

Adam Smith (1776), the Scottish social philosopher and a pioneer in political economy, described the invisible hand that organized the market. And he saw how the structure was being manipulated to favor a small group. He developed the concept *self-interest well understood*. This concept was never well understood and greed continued to grow. Eventually money became digitalized. The creation of money happens digitally. Money is created without gold or the production of goods or services.

The current global crisis is still underestimated. Increasing inequality is a big issue. Not only are economic flaws exposed, but also flaws in society. Too many people have been taking advantage of others. Stiglitz's book *Freefall* is a call to reflect on what kind of society we want to have. We have gone too far on the materialistic path. The growth is not environmentally and socially sustainable (Schweickart, 2009). We do not tackle common goals, because market fundamentalism and individualism have eroded the sense of community. Economics led to lack of moral responsibility. This can be attributed to a misinterpretation of Adams Smith's work.

Extreme individualism and market fundamentalism have led to an undermining of trust and lack of empathy. And trust is what makes every society function and can hardly be substituted by legal enforcement. Even legal enforcement is based on trust. We trust the system will treat us all equally, punish each and every one in the same way. In the current crisis, trust, especially in bankers, has been lost (Stiglitz, 2011; in 't Veld, 2006).

Adam Smith wanted to create a system that would lead to efficient production. This would mean meeting the biggest possible demand, meaning that the price, including the profit, must be as low as possible. This is totally different from striving for the highest profit per unit. It means meeting the demand and keeping the profit as low as possible. Everything else is greed and inefficiency. The objective must be the lowest possible profit per production unit. The regulation of the market must stop speculation and encourage real long-term investment. This is not what hedge funds do.

“We are not greedy to the core; greed is not the origin of capitalism, but to a large part its effect. People are placed in structures in which greed and selfishness are rewarded. Hedge fund operators have walked away with tens of millions, sometimes hundreds of millions of dollars, and then successfully used their wealth to lobby Washington for low taxes.

Meanwhile, teachers, who are dedicated to helping everyone achieve their full potential, must struggle to get by. Artists who want to make our world more beautiful, and us happier in the process, must struggle to get by. Hard-working maids and janitors must struggle to get by. People who do not like to compete but just want to do a good job must struggle to get by. But those who are only dedicated to money and themselves can indulge in every imaginable luxury.” (Robertson, 2009)

The focus of a corporation should shift more in the direction of the interest of consumers and employees. Supervisory boards should look after this behavior on the part of corporations. The wages of the CEOs should be in accordance with these principles.

In 1999⁷ Pope John Paul II criticized the neo-liberal system. This was remarkably early and from an institution that is not well known for its stand on economic and social issues. Fact is that the Roman Catholic Church is one of the largest and oldest organizations in the world with the potential to influence a large number of human beings and also governments, which it does..

“More and more, in many countries of America, a system known as ‘neoliberalism’ prevails. Based on a purely economic conception of man, this system considers profit and the law of the market as its only parameters to the detriment of dignity and respect due to both individuals and peoples. At times this system has become the ideological justification for certain attitudes and behavior in the social and political spheres leading to the neglect of the weaker members of society. Indeed, the poor are becoming ever more numerous, victims of specific policies and structures which are often unjust.”

Pope Benedict (2007)⁸ stated that globalization unites people, but he criticized both neoliberalism and marxism. In theory they both promise a solution, but the reality is different. Neoliberalism increases the differences between rich and poor and degrades people, while marxism destroys the human spirit. The role of the Church is to teach values.

The World Economic Forum (2010) also refers to these early expressions of the Pope’s warning to us about the excesses of neoliberalism. They also refer to the same type of expression by another global spiritual leader, the Dalai Lama, who stated in 2009 that the current crisis is a crisis in values. The explana-

⁷ <http://www.ewtn.com/library/papaldoc/jp2amer.htm> (Accessed 1 November 2011)

⁸ <http://en.mercopress.com/2007/05/14/pope-ends-visit-criticizing-marxism-and-neo-liberalism-policies> (Accessed on 1 November 2011)

tions for the current crisis by the Sunni Muslim scholar Yusuf al-Qaradawi and leaders of other religions go in the same direction.

To solve today's problems, eroded values must be re-established. Values that are suggested are recognition of interdependence, self-determination, diversity and tolerance, compassion for others, upholding the principle of equity, recognition of the rights and interests of non-humans, respect for the integrity of natural systems, and respect for interests of future generations (Porritt, 2007). The objective must be to meet the biggest possible demand by the biggest possible offer.

The balance between *Me* and *We* must be re-established. It is not about maximizing profits but about maximizing the satisfaction of needs in society. This will lead to sustainable development. Is this the balance that Bottom of the Pyramid (BoP) is trying to reach? BoP advocates an approach to eradicate poverty while making a profit (Prahalad, 2010). This is a kind of social entrepreneurship.

Some argue that there is a relationship between the pyramid of wealth and the pyramid of Maslow. Self-realization can only be reached by those at the top of the pyramid. And this top can only be reached by greed and thus by enslaving the people at the bottom of the pyramid. These persons remain sceptical (Porritt, 2007). (What 'persons'?)

In 2012 it is becoming clear that we need to move from *rationalizing* to *acting meaningfully*, from *mastering* to *stewardship*. More than ever individuals are interdependent. According to Adam Smith the market is the way to structure this interdependency. Price is cost plus profit. If profit goes up price also goes up or efficiency has to be increased. If the price is too high, some cannot satisfy their needs in society. Production is meaningful as long as buyers can pay the pro-

duction cost, including profit. Profit is a condition for the continuity of production. Profit is kept low only if the value and the norm of the corporation are to serve *We* and not *Me*.

Analysis

The neoliberal phase of capitalism is in a crisis (Li, 2010). The current crisis is likely to be followed by a prolonged period of global instability that could last many years. And the question is, 'What is next?' The current crisis is different from the crisis in 1945. The hegemony of the United States is in decline. This time, the new *New Deal* will have to include the laborers of the third world, including Africa, and it is not probable that capitalism can pay for that. Last but not least, there are no cheap commodities anymore. The oil reserves are depleted and the demand for fossil fuel in the BRIC countries is still rising (Prestowitz, 2005). This situation is called *Peak Oil*. The outcome will be innovation in exploration and new uses or reuse technologies of commodities. This scarcity might also lead to war. The response through massive increase in government deficits is not working. By 2015 even China will be confronted by the crisis. It is a matter of time before workers in China learn to get organized and challenge the system. The advanced capitalist countries will be confronted with a long-term fiscal crisis resulting from the arrangements of the welfare state, such as pensions and healthcare programs. This will lead to confrontations between workers and the system. Climate change is the most important symptom of the global environmental crisis.

Nuclear and renewable energies are subject to many technical and economic limits. We are reminded by the dangers of nuclear power plants by the 2011 earthquake in Japan. To avoid major climate catastrophes like Katrina in 2005, a massive coordinated transformation of the entire economic infra-

structure is required. These issues will be addressed during the United Nations summit Rio+20.

Innovation shifts the demand for commodities from scarce commodities towards more available commodities and is a disincentive to recycle. The Internet makes information accessible to everyone, including the poor at the bottom of the pyramid. This information feeds the feeling of discontent. The masses do not only get their information from the Internet; they use it to express their discontent and to organize their protests and even their revolutions. Governments and other institutions try to control the Internet. There is a pressure towards more democratization. But the popular solution is not always the best one.

American capitalism has been offered as a solution around the world from the 1960s onwards. But it does not work. The bail-out of banks in the United States is effectively the nationalization of banks. After the financial crisis in the 1930s, the Europeans moved towards a system of *democratic socialism*, which is still in place. The US never went that far and retreated from that direction in the 1980s and 1990s. Many blame this move for the current crisis. In the 1930s and 1940s Keynes came to the rescue. Today Keynes' solution is no longer an alternative in the global economy that connects all economies and links all currencies. All G20 countries have become too-big-to-fail. The ten-year economic cycles from 1970 to 2000 were predictable, but the future cycles seem to be less predictable.

The outcome is that the rich became richer. Unions and left wing political parties are incorporated in this economic model. Corporate governance legislation gave more power to the rich. Hedge funds emerged. Investors become speculators.

The senior managers of corporations earn huge salaries and bonuses. There is peer pressure to increase profits. Accountants and consultants become part of the system.

These developments are based on the theories of the Chicago School of Friedman. In her book *The Shock Doctrine* (2007), Naomi Klein exposes how corrupt this system is. There is no alternative school today. Perhaps we should look at China and India for a new intellectual lead. Some see two flavors of capitalism emerge: *democratic socialism* and *communist capitalism* (Treder, 2008).

Minsky (1992) introduces the Financial Instability Hypothesis: “The financial instability hypothesis is a model of a capitalist economy that does not rely upon exogenous shocks to generate business cycles of varying severity. The hypothesis holds that business cycles of history are compounded out of (1) the internal dynamics of capitalist economies, and (2) the system of interventions and regulations that are designed to keep the economy operating within reasonable bounds.” In other words, instability and crisis are inherent to capitalism.

Golob *et. al.* (2009, p. 628) refer to Rugina and summarizes why current neoliberal capitalism is unsustainable:

- The system is constantly facing a crisis.
- The unjust distribution of wealth.
- The abnormal concentration of financial and economic power.
- The stock market is full of speculation and adds to the instability.
- The welfare state is ineffective in capitalism.

The conclusion is that the current capitalist system is under great stress.

Possible solutions to the crisis

There are three different scenarios for the outcome of the current crisis.

1. The successful restructuring of capitalism and production for profit and wealth accumulation will continue.
2. The overthrow of the capitalist system will come about, but no alternative is able to develop. This will lead to chaos and barbarism.
3. The rise of a new global system based on ecological sustainability and production characterized by a higher level of economic, social and political democracy.

The third scenario is an acceptable outcome (Li, 2010). These three scenarios are not only possible outcomes but are also possible stages towards the third scenario.

Stiglitz (2011) states that the markets will remain at the heart of every successful economy, but governments need to play a role. This role is not to rescue markets but to regulate them. There must be a balance between the role of government, the role of markets and non-governmental organizations. The question is whether the dangers will allow us to see the opportunity to restore the balance between market and state, the balance between individualism (*Me*) and community (*We*), and between man and nature (Stiglitz, 2011). The solution is the rebalancing of the three Ps (people, planet, profit) in the three domains: Public, NGOs, and Market. This new balance will transform the knowledge economy to the sage society (Goede, 2011), a society seeking a balance between a social, environmental and economic agenda. There is a consensus that during the period of neoliberalism too much was claimed by the market. There is a consensus today that government should regulate more and NGOs have shown them-

selves to be responsible actors that demand a new balance between public and private domain. Some use the term “the third sector” (Golob *et al.*, 2007, p. 632). Given globalization, this balance will also be looked for on a global level in and between Intergovernmental Organizations, International Non-Governmental Organizations, and Global Corporations (Stiglitz, 2006). This is the quest for trans-governance or meta-governance (in ‘t Veld, 2011).

Concluding remarks

Capitalism based on neoliberalism is coming to an end. The remedy is to balance the three Ps (people, planet, profit) at the bottom line. A new social system based on social ownership of the means of production, democratic planning and global cooperation is required. There are three scenarios. The successful restructuring of capitalism and production for profit and wealth accumulation will continue. The overthrow of the capitalist system will take place, but no alternative is able to emerge. This will give rise to chaos and barbarism. The last scenario is the rise of a new global system based on ecological sustainability and production characterized by a higher level of economic, social and political democracy: 3.0 (Li, 2010). The three scenarios may be stages leading to the last scenario. If history is our guide, the most likely outcome is a new structure of capitalism led by the BRICs at the expense of the populations in other countries. Or might the Rio+20 United Nations summit provide an alternative direction? Time will tell.

4. Storytelling

The most important tool to shape the Caribbean future is storytelling. We should tell the story of the Caribbean future. What is the story that time will tell? I am the storyteller of Caribbean 3.0. I am telling about 2.0. Why we will have to leave this phase. How we are going to do this, and where we are heading: 3.0.

Storytelling is important because in stories we explain what is happening and how this will end. We are on a journey. We are exploring new frontiers. Yes, we come from a feudal slave society. We went through the industrial age. And now we are creating our information society. We are creating and telling our own new story. Enough with the old story about slavery! We have liberated ourselves through education and ICT technology. And this is only the beginning. We are focused on the horizon and the new frontiers. We are innovative and creative. The talent and potential are present. Bright young people are getting ready by studying at the best universities in the world. We are already building data centers and a Space Port. A new state-of-the-art hospital. This island has always been innovative: look at the bridges, our desalination of water process and our financial services. We are a front-runner in promoting integrity.

Story Curaçao

On the second day of Christmas 2012 I saw the movie “Lincoln”. It made me think a lot, just like the movie “Marley”. It made me regret that I missed the movies: Teacher, Nixon and the movie on Hoover. But I will catch up. One of the things that strikes me immediately is the fact that the United States was new, young, and divided in the North and the South. It

makes you reflect on the division in our society today. I admire the conviction and perseverance of President Lincoln to stop slavery and unite the nation. The movie makes clear that black and white fought to abolish slavery. I wonder why he was murdered. There is a storyline starting with the Founding Documents, continuing with President Lincoln, Martin Luther King Jr. and President Kennedy and for now ending with President Obama. It is the story of liberty and unity. I ask myself, who or what is going to unite our community. I took another look at the Gettysburg Address by Lincoln and remained quiet for a long while. I never saw such a short speech that felt like a very long speech.

“The Gettysburg Address

Four score and seven years ago our fathers brought forth on this continent, a new nation, conceived in Liberty, and dedicated to the proposition that all men are created equal.

Now we are engaged in a great civil war, testing whether that nation or any nation so conceived and so dedicated, can long endure. We are met on a great battlefield of that war. We have come to dedicate a portion of that field, as a final resting place for those who here gave their lives that that nation might live. It is altogether fitting and proper that we should do this.

But, in a larger sense, we cannot dedicate—we cannot consecrate—we cannot hallow—this ground.

The brave men, living and dead, who struggled here, have consecrated it, far above our poor power to add or detract.

The world will little note, nor long remember what we say here, but it can never forget what they did here. It is for us the living, rather, to be dedicated here to the unfinished work which they who fought here have thus far so nobly advanced. It is rather for us to be here dedicated to the great task remaining before us—that from these honored dead we take increased devotion to that cause for which they gave the last full measure of devotion—that we here highly resolve that these dead shall not have died in vain—that this nation, under God, shall have a new birth of freedom— and that government of the people, by the people, for the people, shall not perish from the earth.”⁹

31 December 2012

It is the last day of the year, the day that the new government of Curaçao is sworn in. But also the day that Mariano Heyden invited me in his talk show “*Perspektiva*” to review the year 2012. I foresaw such a moment at the beginning of the month. So let me have a look at my notes of 5 December 2012. It has been a long year. A lot has happened. I am not truly reflecting. And looking at the events ahead I do not think we will find the time to reflect. So let us do the best we can. So it was the year of the elections. The biggest uncertainty is Venezuela.

We are still dealing with the global financial crisis. Part of it is the Euro crisis.

We are dealing with our local crisis.

We are totally out of touch with the world.

The Olympics were lost in all the stress caused by the crisis. But we will remember Churandy running for the Netherlands.

⁹http://www.eldrbarry.net/roos/st_defn.htm

We lost Whitney Houston to the stars. There will never be a voice like hers.

December was slow. The people have changed. This is the effect of years of being beaten by populists.

Mariano and I ended up talking about the topic of my blog on anti-intellectualism and the fact that many intellectuals are being put aside.

In the evening of 31 December 2012 the new Prime-Minister of Curaçao, Mr. Hodge, gave his first speech. He spoke of the challenges and difficult times ahead. It is time to reunite and to work together to solve the big problems on the island, especially the government budget problems. A good speech, but the story was not told.

At its core, storytelling is the art of using language, vocalization, and/or physical movement and gesture to reveal the elements and images of a story to a specific, live audience. A central, unique aspect of storytelling is its reliance on the audience to develop specific visual imagery and detail to complete and co-create the story.

Storytelling is, by design, a co-creative process. Storytelling audiences do not passively receive a story from the teller, as the viewer receives and records the content of a television program or motion picture. The teller provides no visual images, no stage set, and generally, no costumes related to story characters or historic period. Listeners create these images based on the performer's telling and on their own experiences and beliefs.

Storytelling is, by its nature, personal, interpretive, and unique. Storytelling passes on the essence of who we are. Stories are a primary vehicle for assessing and interpreting events, experiences, and concepts from minor moments of

daily life to the grand nature of human condition. It is an intrinsic and basic form of human communication. More than any other form of communication, the telling of stories is an integral and essential part of human experience.

Storytelling is a process, a medium for sharing, interpreting, and offering the content and meaning of a story to an audience. Because storytelling is spontaneous and experiential, and thus a dynamic interaction between teller and listener, it is far more difficult to describe than the script and camera directions of a movie, or the lines and stage direction notes of a play. Storytelling emerges from the interaction and cooperative, coordinated efforts of teller and audience.

2013

We are expected to be optimistic and positive. In Curaçao new government took office on 31 December 2012. We know that we are in a middle of a crisis and that policies will affect us and that the economy is in a bad shape. On top of that the death of President Chavez is of great concern. This makes the future even more uncertain.

5. The CSIDS

The SIDS were first recognized as a distinct group of developing countries at the United Nations Conference on Environment and Development in June 1992.¹⁰ The Caribbean Sea is the second largest sea and has the largest number of SIDS: a total of 23. Small Island Developing States (SIDS) are low-lying coastal countries that share similar sustainable development challenges, including small but growing populations, limited resources, remoteness, susceptibility to natural disasters, vulnerability to external shocks, excessive dependence on international trade, and fragile environments. Their growth and development are also held back by high communication, energy and transportation costs, irregular international transport volumes, disproportionately expensive public administration and infrastructure due to their small size, and little to no opportunity to create economies of scale.

The Caribbean is the most tourism dependent region on the globe. Tourism is the largest contributor to gross domestic product for (GDP) many Caribbean SIDS, but still accounts for less than 5% of global tourism. With a few exceptions they are doing relatively well. However, this development is often at the expense of their ecosystems. And now climate change has become a major threat. The Caribbean SIDS are very diverse in history, geography and development. But still they have similarities. First of all they share a limited and fragile resource base and they are extremely open and sensitive to shocks. Also, because of their small size, coastal planning is synonymous with national planning. There is a big variation in development in the group of SIDS, with Barbados on top and

¹⁰http://en.wikipedia.org/wiki/Small_Island_Developing_States
(Accessed on 22 March 2013)

Haiti at the bottom. In part this difference is explained by the availability of fossil energy sources. But all SIDS have access to green energy sources: solar, wind and waves (Pulwarty, Nurse, Trotz, 2010; Goede, 2011).

Nationalism is a factor in the Caribbean. The islands treasure their independence and self-governance. This makes creating alliances difficult despite the similarities. There are similarities in the educational systems and there are regional universities. Communication is difficult because of the geography, language and other cultural differences. Physical communication, transportation, between the islands is difficult. The level of ICT varies per island (Pulwarty, Nurse, Trotz, 2010).

The SIDS are diverse in size and cultural background. Traditionally there was some prejudice between areas and islands. In some cases there was even competition and rivalry. But over time and thanks to ICT and the process of globalization, these islands have grown closer to each other and are sharing knowledge. One of the very interesting areas of cooperation is the area of capacity building in the area of good governance. All the islands try to improve governance.

When we compare the Caribbean SIDS in terms of economic growth, we notice that Aruba and the poorer countries like Dominican Republic, Haiti and Guyana are doing well too. And so is Suriname. The SIDS group has maintained a reasonable rate of real GDP growth in recent decades. Aid and private remittances play an important role in the economy, but do not result from economic activity. Direct Foreign Investments (DFI) is another important factor. These three factors are beyond the control of SIDS. But there are also significant differences between SIDS.

	Island	Unemployment ¹¹	Growth ¹²	Literacy ¹³	TI ¹⁴	HDI	Land area (km ²) ¹⁵	Population	GDP (PPP) Millions USD	GDP Per Capita USD
1	Anguilla	7.8%		95%			91	13,600	108.9	8,800
2	Antigua and Barbuda	11%	1.6%	85.8%		60	440	81,799	1.5176	18,026
3	Aruba	5.7%	8.9%	97.3%			180	106,000	2.400	21,800
4	Bahamas	14.7%	2.0%	95.6%	22	53	13,878	347,176	11.055	31,300
5	Barbados	9.4%	0.4%	99.7%	15	38	431	287,733	7.091	25,500
6	Belize	14.4%	2.0%	76.9%		78	22,966	312,698	2.999	8,753
7	British Virgin Island	4%		97.8%		59	153	27,800	853.4	43,366
8	Cuba	1.6%	2.7%	99.8%	58	51	109,884	11,163,934	68.715	6,106
9	Dominica	23%		94%	41	82	751	73,126	1.035	14,600
10	Dominican Republic	14.7%	3.9%	87%	118	96	48,442	9,523,209	100.4	9,800
11	Grenada	24.5%		96%		69	344	110,000	1.471	14,100
12	Guyana	9%	5.4%	91.8%	133	118	214,970	752,940	6.155	8,000

¹¹ http://en.wikipedia.org/wiki/List_of_countries_by_unemployment_rate (Accessed on 12 February 2013)

¹² <http://www.ccmf-owi.org/?q=node/1096> (Accessed 12 February 2013)

¹³ http://en.wikipedia.org/wiki/List_of_countries_by_literacy_rate (Accessed on 10 February 2013)

¹⁴ <http://cpi.transparency.org/cpi2012/results/> (Accessed on 10 February 2013)

¹⁵ http://en.wikipedia.org/wiki/Caribbean_Community (Accessed on 12 February 2013)

	Island	Unemployment ¹⁶	Growth ¹⁷	Literacy ¹⁸	TI ¹⁹	HDI	Land area (km ²) ²⁰	Population	GDP (PPP) Millions USD	GDP Per Capita USD
13	Haiti	40%	2%	52.9%	165	158	27,750	9,801,664	13.130	1,300
14	Jamaica	14.3%	0.9%	87.9%	83	80	10,991	2,889,187	24.750	9,029
15	Montserrat	6%		97%			102	5,164	0.043	8,500
16	Netherlands Antilles	10%	0.0%	99%						
	Curaçao	10%	0.0%				444	150,000	2.914	20,567
	Sint Maarten	10%	1.6%				34	39,689	0.798	15,400
	BES ²¹						328	22,303		
17	Puerto Rico	14.2%		94.1%	33		8,870	3,791,913	96.300	24,229
18	St. Kitts and Nevis	5.1%		97.8%		72	261	50,726	0.890	15,500
19	St. Lucia	15.7%		90.1%	22	83	606	162,178	2.234	13,200
20	St. Vincent and the Grenadines	18%	1.2%	96%	36	86	389	103,537	1.301	11,900

¹⁶ http://en.wikipedia.org/wiki/List_of_countries_by_unemployment_rate (Accessed on 12 February 2013)

¹⁷ <http://www.ccmf-uwj.org/?q=node/1096> (Accessed 12 February 2013)

¹⁸ http://en.wikipedia.org/wiki/List_of_countries_by_literacy_rate (Accessed on 10 February 2013)

¹⁹ <http://cpi.transparency.org/cpi2012/results/> (Accessed on 10 February 2013)

²⁰ http://en.wikipedia.org/wiki/Caribbean_Community (Accessed on 12 February 2013)

²¹ Bonaire, St. Eustatia and Saba

	Island	Unemployment ²²	Growth ²³	Literacy ²⁴	TI ²⁵	HDI	Land area (km ²) ²⁶	Population	GDP (PPP) Millions USD	GDP Per Capita USD
21	Suriname	9.5%	5.0%	89.6%	88		156,000	560,157	6.685	12,300
22	Trinidad and Tobago	5.8%	(1.4)%	98.6%	80	62	5,128	1,226,383	27.120	20,400
23	Unites States Virgin Island	13.2%					346.36	106,05		13,139

Table 1: CSIDS in numbers

²² http://en.wikipedia.org/wiki/List_of_countries_by_unemployment_rate (Accessed on 12 February 2013)

²³ <http://www.ccmf-uwj.org/?q=node/1096> (Accessed 12 February 2013)

²⁴ http://en.wikipedia.org/wiki/List_of_countries_by_literacy_rate (Accessed on 10 February 2013)

²⁵ <http://cpi.transparency.org/cpi2012/results/> (Accessed on 10 February 2013)

²⁶ http://en.wikipedia.org/wiki/Caribbean_Community (Accessed on 12 February 2013)

Compared with other SIDS, the Caribbean SIDS depend less on these factors (McGillivray, Naudé and Santos-Paulino, 2010). Striking is how rich Aruba and Curaçao are on paper. However, in reality Curaçao does not do well and this may be related to economic growth, or lack thereof.

Unemployment in the Caribbean is high and especially in Haiti and Belize. On the contrary, in St. Kitts & Nevis, BVI and also in socialist Cuba unemployment is extremely low.

In general, literacy is high in the Caribbean SIDS, although there are some concerning low scores: Haiti, Dominican Republic, Antigua and Barbuda, and Suriname. Remarkable is that Singapore scores 92.5%.

If we look at the Corruption Perception Index ranking of Transparency International of 2012, we see the following ranking. Barbados and Bahamas score well, while the ranking of Haiti, Guyana and Dominican Republic is alarming. The ranking of Cuba (58) is somewhat surprising. The benchmark for the Caribbean SIDS is Singapore. Singapore is ranked number 5.

If we look at the ranking of the Caribbean SIDS on the Human Development Index, what do we see? Barbados and Cuba are ranked the highest in the region. This teaches us that it is not about the economic model.

Ronald Rouse stated on my blog:

“Many times debt is confused with wealth. When you talk about how rich Aruba and Curaçao are on paper, it is because we are in debt to our noses. However, from an external perception it is mistakenly perceived as wealth. If you take the new cars on the roads of Curaçao alone,

there are probably hundreds of millions of debt driving around out there, mortgages on homes and businesses, etc. etc. Just like Europe and America, we are a bubble waiting to burst. After all, the conditions are equal to what brought down those economies.”

Anguilla

Anguilla is internally a self-governing British overseas territory. It has a parliamentary representative democratic dependency. The Chief Minister is the head of government. They have a multi-party system. The island is still on the United Nations list of Non Self-Governing Territories. Executive power is exercised by the government. Legislative power is vested in both the government and the House of Assembly. The Judiciary is independent of the executive and the legislature.

The island is unsuitable for agriculture. Its main industries are tourism and international financial services. Before the 2008 world wide crisis the economy of Anguilla was growing rapidly, especially the tourism sector. The island has been hit by several hurricanes in the past.

Antigua and Barbuda

Antigua and Barbuda became independent from the United Kingdom in 1981. Antigua and Barbuda is a parliamentary representative democratic monarchy. The Head of State is the Monarch, who appoints the Governor General as vice-regal representative. Elizabeth II is the present Queen.

The most important economic sector is tourism. It accounts for more than 50% of the GDP. The sector has weakened since 2000 and was forced to take fiscal measures. The other economic sector is investment banking and financial services. This sector is under attack of the US Securities and Exchange Commission. Agriculture is limited and for local consumption.

Manufacturing is made up of enclave-type assembly for export, the major products being bedding, handicrafts and electronic components. The American University of Antigua College of Medicine, established in 2003, with approximate 1000 students is a new sector.

Aruba

Aruba is a self-governing country within the Kingdom of the Netherlands. It obtained this status in 1986 when it left the federation of the Netherlands Antilles. It has a representative parliamentary democracy. The prime minister is the head of the government. The head of state is the governor appointed by the government of the kingdom.

Aruba has a very low unemployment rate and a high standard of living. The GDP is one of the highest in the region. Its main trading partners are Venezuela, the United States and the Netherlands. Aruba's economy has been dominated by five main industries: tourism, gold mining, phosphate mining (The Aruba Fosphaat Maatschappij), aloe export, and petroleum refining. Before the "status aparte" (a separate, completely autonomous country or state within the Kingdom of the Netherlands) oil processing was the dominant industry in Aruba despite expansion of the tourism sector. Today, the influence of the oil processing business is minimal. In 2012 the refinery was closed again. The size of the agriculture and manufacturing sectors also remains minimal.

About three quarters of the Aruban gross national product is earned through tourism or related activities. Most tourists are from the Netherlands, Venezuela and the United States.

Bahamas

The Bahamas is a parliamentary constitutional monarchy, headed by Queen Elizabeth II. There are two main traditional

parties. Half of the jobs are generated by tourism. The number of visitors has dropped since the economic crisis of 2008. Banking and international financial services have also contracted.

Barbados

What does the following quote tell us?

“Barbados is the wealthiest and most developed country in the Eastern Caribbean and enjoys one of the highest per capita incomes in Latin America. Historically, the Barbadian economy was dependent on sugarcane cultivation and related activities. However, in recent years the economy has diversified into light industry and tourism with about four-fifths of GDP and of exports being attributed to services. Offshore finance and information services are important foreign exchange earners and thrive from having the same time zone as eastern US financial centers and a relatively highly educated workforce. Barbados' tourism, financial services, and construction industries have been hard hit since the onset of the global economic crisis in 2008, which caused the economy to contract 4% in 2009 and grow below 1% annually since 2010. Barbados' public debt-to-GDP ratio rose from 56% in 2008 to 83% in 2012.”²⁷

It does not only tell that Barbados is totally integrated into the global economy and suffers the direct consequences of its changes.

²⁷ <https://www.cia.gov/library/publications/the-world-factbook/geos/bb.html>, (Accessed on 27 March 2013)

It also tells us that Barbados is no longer a 2.0 industrial economy but a 3.0 service economy.

The island became independent in November 1966. It has a constitutional monarchy and parliamentary democracy, modeled on the British Westminster system. Queen Elizabeth II is Barbados' head of state and is represented locally by the Governor-General. The Prime Minister is head of the government. The island has a two-party system.

During the 1990s there were suggestions to unify Barbados, Trinidad and Tobago and Guyana.

Barbados is the 51st richest country in the world in terms of GDP per capita. It has a well-developed mixed economy, and a moderately high standard of living. Historically, the economy of Barbados had been dependent on sugarcane cultivation and related activities, but in the late 1970s and early 1980s it has diversified into the manufacturing and tourism sectors. Offshore finance and information services have become important foreign exchange earners, and there is a light manufacturing sector. Unemployment has been reduced. Construction and financial services have played an important role in the development.

Belize

Belize is a parliamentary democracy and a member of the Commonwealth of Nations. The structure of government is based on the British parliamentary system, and the legal system is modeled by the common law of England. The head of state is Elizabeth II. She is represented in Belize by the Governor-General. The cabinet is led by the Prime Minister of Belize, who is the head of government. Cabinet ministers are members of the majority political party in parliament and usually hold elected seats coexisting with their cabinet positions.

Belize has a small, mostly privatized enterprise economy that

is based primarily on export of petroleum and crude oil, agriculture, agro-based industry, and merchandising, with tourism and construction recently taking up a greater importance. The country is a producer of industrial minerals. Sugar accounts for nearly half of the export. The banana industry is the country's largest employer.

The new government faces important challenges to economic stability. Rapid action to improve tax collection has been promised, but a lack of progress could bring the exchange rate under pressure. The tourist and construction sectors strengthened in early 1999, leading to a preliminary estimate of revived growth at 4%. Infrastructure continues to be a major challenge for the economic development of Belize. Belize has the most expensive electricity in the region.

British Virgin Island

Executive authority in British Virgin Island is in the hand of Queen Elizabeth II and is exercised on her behalf by the Governor of the British Virgin Islands. The Governor is appointed by the Queen on the advice of the British Government. Defense and Foreign Affairs remain the responsibility of the United Kingdom.

BVI is an offshore financial center. The British Virgin Islands have a prosperous economy with a high GDP per capita. The other pillar of the economy is tourism. The sector is the biggest employer and many businesses are locally owned. 51.8% of the government's revenue comes from offshore and tourism accounts for approximately 45% of the national income.

Cuba

Cuba is based on socialist principles and has a state-planned economy. Recent years have seen a trend towards a more

private sector employment. Tourism is an important part of the economy. The communist agricultural production system was ridiculed in 2008. Cuba now imports up to 80% of food used for rations.

Hugo Chávez supplied Cuba with oil per day in exchange for 30,000 doctors and teachers. Cuba's major exports are sugar, nickel, tobacco, fish, medical products, citrus, and coffee[7]. Imports include food, fuel, clothing, and machinery. Cuba presently holds an estimated debt of \$13 billion, approximately 38% of GDP.

In 2010, Cubans were allowed to build their own houses. According to Raul Castro, they will be able to improve their houses with this new permission, but the government will not endorse these new houses or improvements.

In 2011 Cuba reaffirmed the intent to legalize “buying and selling” of private property before the year ends. The private sale of property could transform Cuba more than any of the economic reforms announced by the government. It will reduce more than one million state jobs.

Dominica

Dominica is a republic and a parliamentary democracy member of the Commonwealth of Nations and since 1979 a member of La Francophonie. The president is the head of state. The executive power rests with the cabinet, headed by the prime minister. The parliament is unicameral.

Dominica has a very low GDP per capita. The last couple of years there has been growth, attributed to gains in tourism, construction, offshore and other services, and some sub-sectors of the banana industry. The IMF praised the island. The IMF gave advice, including the need for further reductions in public debt, increased financial sector regulation, and market diversification.

Agriculture employs nearly one third of the population but the sector is very vulnerable. Dominica has also had some success in increasing its manufactured exports, primarily soap. Dominica and Haiti are the worst performers in the tourist industry and attract the fewest visitors.

Dominican Republic

The Dominican Republic is a republic and a representative democracy with three branches of power: executive, legislative and judicial. The President is head of the executive branch and executes laws passed by the Congress. He also appoints the Cabinet and is commander-in-chief of the armed forces.

The president appoints the governors of the 31 provinces. Mayors and municipal councils administer the 124 municipal districts and the National District (Santo Domingo). They are elected at the same time as congressional representatives.

The Dominican Republic has a multi-party political system. There are many political parties and advocacy groups and, new on the scene, civil organizations.

The Dominican Republic has one of the largest economies in Central America and the Caribbean. The GDP per capita is relatively high and the republic is experiencing an impressive economic growth. The Dominican Republic is primarily dependent on natural resources and government services. Although the service sector has recently overtaken agriculture as the leading employer of Dominicans, agriculture remains the most important sector in terms of domestic consumption and is in second place, behind mining, in terms of export earnings. The service sector in general has experienced growth in recent years, as has construction. Free Trade Zone earnings and tourism are the fastest-growing export sectors. Real estate tourism alone accounted for \$1.5 billion in earnings in 2007.

Remittances from Dominicans living abroad amounted to nearly \$3.2 billion in 2007.

Grenada

Grenada is linked to Britain and is a member of the Commonwealth of Nations. Grenada is a leading producer of several spices. The economy has been growing and is stimulating construction. Tourism plays an important role. Fiscal discipline is a concern. Grenada shares a common central bank and a common currency (the East Caribbean dollar) with seven other members of the Organization of Eastern Caribbean States (OECS).

Guyana

The Co-operative Republic of Guyana is a sovereign state, but is culturally part of the Anglophone Caribbean.

The main economic activities in Guyana are agriculture, bauxite mining, gold mining, timber, shrimp fishing, and minerals. Chronic problems include a shortage of skilled labor and a deficient infrastructure. The economic growth has been impressive but the government is still struggling with budgetary discipline. From 2007 onward the president has been successful dealing with debt relief.

Haiti

Haiti is the first republic in the hemisphere. Haiti is still recovering from the massive earthquake in January 2010. Haiti is one of the poorest countries in the world.

Haiti's richest 1% own nearly half the country's wealth. Haiti is consistently ranked among the most corrupt countries in the world on the Corruption Perceptions Index. The country struggles with a big external debt and is considered one of the most corrupt nations.

Jamaica

The island became independent in 1962. Jamaica operates a parliamentary democracy led by a Prime Minister. Jamaica is a service economy (65%). Tourism is an important sector but also remittances and bauxite/aluminum. The administration faces the difficult prospect of having to achieve fiscal discipline in order to maintain debt payments, while simultaneously attacking a serious crime problem that is hampering economic growth. High unemployment exacerbates the crime problem, including gang violence that is fueled by the drug trade. As of late 2012, the government has been working to negotiate a new IMF stand-by agreement to gain access to additional funds. How can Jamaica evolve with high crime, corruption, unemployment, public debt? I have no idea.

Montserrat

Montserrat is a British Overseas Territory. There was a popular music studio from 1979 to 1989. Since the devastations of a hurricane and the eruption of the Volcano, the economy has come to a standstill. The island's budget is largely supplied by the British government and administered through the Department for International Development (DFID). Additional amounts are secured through income and property taxes, license and other fees as well as customs duties levied on imported goods.

Netherlands Antilles

The Netherlands Antilles was abolished on 10 October 2010. The Dutch Kingdom is currently made up of the Netherlands, Aruba, Curaçao and Sint Maarten. Aruba, Curaçao and Sint Maarten are Dutch overseas self-governing countries in the Caribbean. As of 10 October 2010, Bonaire, Saba and Sint Eustatius have become Dutch municipalities. In the new con-

stitutional structure, Curaçao and Sint Maarten have acquired the status of countries within the Kingdom (like the now abolished Netherlands Antilles and Aruba after 1986). Aruba retains the separate country status it has had since 1986. Thus, as from 10 October 2010, the Kingdom consists of four, rather than three, equal countries: Aruba, Curaçao and Sint Maarten are not Dutch overseas dependencies, but full, autonomous partners within the Kingdom, alongside the Netherlands, and each enjoys a degree of internal autonomy. In 2010 many talents from abroad, especially from Curaçao and the Netherlands, started to develop an interest in working in the government sector in Sint Maarten. The tourist island is doing surprisingly well, but is still being haunted by corruption scandals. Several of these cases are under investigation.

According to the statistics, Curaçao is one of the richest islands in the region. Curaçao has not done too well socially and economically over the last twenty years. In other words, the conditions for populism to rise have persisted throughout that period. But the indications are that the economy has finally taken off in 2006 and 2007, and Curaçao partially escaped the global financial crisis of 2008 till 2011. This is attributed to the debt relief by the Netherlands as part of the process of moving towards the constitutional changes of October 2010. But it also illustrates that the local economy is not very integrated with the global economy. Most recent figures from the Central Bank of Curaçao and Sint Maarten indicate that the economy came to a halt. Curaçao was hit very hard by the crisis due to bad governance. On 1 January 2010 Curaçao adopted the 'Code Corporate Governance'. This very modern code structured the governance of state owned enterprises and government foundations. The ambition was to once and for all create a corporate governance structure

that would keep politics in its place and put an end to the patronage that has been the rule for decades. After 10 October 2010 a new coalition stepped in and intervened in the process of placing of high ranking civil servants. The new country was born within a passionately divided society with deeply imbedded distrust (Brede & Huisden, 2012).

The government apparatus is still not functioning properly. The number of civil servants has increased because of political appointments. Civil servants are politically appointed. Corporate governance fails miserably. There is a huge budget deficit of 200 million guilders in the budget for 2013. After the starting budget with a surplus of 50 million guilders, money was taken out of the state owned companies. The debt has increased with 500 million guilders. And the public prosecutor has started several investigations. There is no economic growth and no economic policy. Decisions on the refinery and the financial services have not been taken but the current agreements will expire in 2019. The priority of the government is to restore the fiscal discipline.

Puerto Rico

Puerto Rico or the Commonwealth of Puerto Rico is an unincorporated territory of the United States. Puerto Rico is classified as a high-income country by the World Bank. The status issue and the economy are intimately linked. The uncertainty about status is holding Puerto Rico back in economic areas. In short, the long-term economic well-being of Puerto Rico would be dramatically improved by an early decision on the status question.

St. Kitts and Nevis

The islands are independent and in the Commonwealth of Nations realm. St. Kitts is dependent on tourism to drive its

economy. The twin-island federation St. Kitts and Nevis is the smallest sovereign state in the Americas.. The economy is characterized by dominant tourism, agriculture and light manufacturing industries. Sugar was the primary export until 2005, when the government decided to close down the state-owned sugar company, which had experienced losses and was a significant contributor to the fiscal deficit. The industry contributed 25% to the GDP.

St. Lucia

St Lucia is a sovereign island state. Tourism has suffered the consequences of the global recession. Changes have affected the banana industry. It has developed an offshore industry. In 2003 the government began a comprehensive restructuring of the economy, including elimination of price controls and privatization of the state banana company. Despite negative growth in 2011, economic fundamentals remain solid.

St. Vincent and the Grenadines

In 1979 the island obtained its independence and joined the Commonwealth of Nations. The agriculture sector is based on banana production. The service sector is based on growing tourism. Programs to develop new industries had little success. Unemployment remains high.

Suriname

In 1975 Suriname became an independent republic. Suriname's democracy gained some strength after the turbulent 1990s, and its economy became more diversified and less dependent on Dutch financial assistance. The economy is based on mining, aluminum, gold and oil, which account for about 85% of exports and 25% of government revenues, making the economy highly vulnerable to mineral price volatility.

Lack of fiscal discipline led to devaluation in January 2011. The government devalued the currency by 20% and raised taxes to reduce the budget deficit. The economy grows, but Suriname suffers from the resource curse and lack of fiscal discipline. Education and good governance are part of the recipe, but I do not know how this is going to happen.

Trinidad and Tobago

Trinidad and Tobago is a republic with a two-party system. The President is the head of state and the Prime Minister is the head of government. The President is elected by an Electoral College consisting of the full membership of both houses of Parliament. The Prime Minister's election is based on the results of a general election, which takes place every five years.

Trinidad and Tobago is one of the wealthiest and most developed nations in the Caribbean. The economy is strongly influenced by the petroleum industry. Tourism and manufacturing are also important to the local economy. Recent growth has been fueled by investments in liquefied natural gas (LNG), petrochemicals, and steel. Trinidad has a good economic development, but this is based on oil and gas. This is referred to as the Resource Curse. The dependence on one natural resource demotivates the development of other sectors.

Unites States Virgin Island

United States Virgin Island is a unincorporated US territory. Tourism is the primary economic activity. The manufacturing sector consists of mainly rum distillation. The agricultural sector is small with most food being imported. International business and financial services are a small but growing component of the economy. The Hovensa refinery located on St. Croix was largely shut down in 2012 and is now operating as

no more than an oil storage facility, provoking a local economic crisis.

To draw more technology-focused companies and expand this segment of the economy, the government founded and launched the University of the Virgin Islands Research and Technology Park in conjunction with private businesses and the University of the Virgin Islands.

Supranational Caribbean organizations

There are three overlapping supranational Caribbean organizations. They are based on economic collaboration and deal with climate issues. All these CSIDS are members of one or several of these organizations.

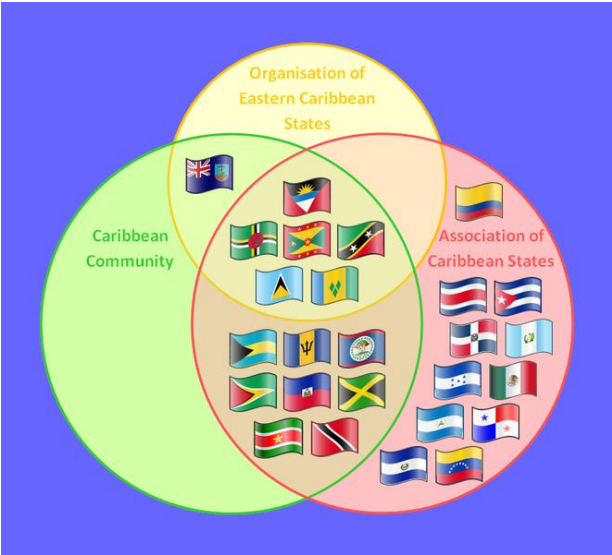


Figure 2: Supranational Caribbean organizations²⁸

²⁸ http://en.wikipedia.org/wiki/File:Supranational_Caribbean_Organisations.png, Accessed on 7 May 2012

Caricom

The Caribbean Community (CARICOM) is an organization of 15 Caribbean nations and dependencies, which was established in 1973. The secretariat headquarters is based in Georgetown, Guyana. CARICOM's main purposes are to promote economic integration and cooperation among its members, to ensure that the benefits of integration are equitably shared, and to coordinate foreign policy. Its major activities involve coordinating economic policies and development planning, devising and instituting special projects for the less-developed countries within its jurisdiction, operating as a regional single market for many of its members, and handling regional trade disputes.

OECS

The main organ of the Organization of Eastern Caribbean States (OECS), the Secretariat, is based in St. Lucia. The OECS, created in 1981, is an intergovernmental organization dedicated to economic harmonization and integration, protection of human and legal rights, and the encouragement of good governance between countries and dependencies in the Eastern Caribbean. It also performs the role of spreading responsibility and liability in the event of natural disaster, such as a hurricane.

ACS

The convention establishing the Association of Caribbean States (ACS) was signed on July 24, 1994 in Cartagena de Indias, Colombia. The secretariat of the organization is located in Port of Spain, Trinidad and Tobago. The ACS is a union of nations centered around the Caribbean Basin. It was formed with the aim of promoting consultation, cooperation, and concerted action among all the countries of the

Caribbean. The primary purpose of the ACS is to develop greater trade between the nations, enhance transportation, develop sustainable tourism, and facilitate greater and more effective responses to local natural disasters. It comprises twenty-five member states and four associate members

6. CSIDS 2.0

Looking at the Caribbean from different outlooks, I conclude that the region is in a crisis. Crisis is the situation of a complex system when the system functions poorly, necessitating immediate decision, but the causes of the dysfunction are not known.

The Chinese word for “crisis” is frequently invoked in motivational speaking along with the statement that the two characters it is composed of represent “danger” and “opportunity”. It is an affable anecdote and applicable for the CSIDS.

What factors explain the crisis of the CSIDS? How can we illustrate this crisis?

Spiral Dynamics

According to the theory of Spiral Dynamics, societies can be categorized. These categories are labeled with a color and are described by their value system.

Societies are predominately one color, but all colors are present to a certain degree. Societies evolve after a crisis from one color to another.

Caribbean societies are “red”! There are clans fighting for turf in all arenas, especially in the political arena, but also in business and NGOs.

This explains why Caribbean societies have an auto destructive tendency.

We are divided by history, culture, economy and ethnics. We form clans along these lines and fight to serve the clan and not the general interest.

We define the boundaries with pseudo ideologies. These fights are used by other interests to penetrate the Caribbean.

Color	Characteristics	Description
Yellow	Integrative Time of origin: 1950s	Express self not for what self desires, but to avoid harm to others so that all life, not just own life, will benefit.
Green	Relativistic - personalistic - communitarian/egalitarian Time of origin: From 1850 on (surged in early 20th century)	Sacrifice self-interest now in order to gain acceptance and group harmony." Expressed in 1960s pluralism and systems theory.
Orange	Multiplistic-achievist scientific/strategic Time of origin: c. 1,000 AD on (as early as 600 AD according to Graves and Calhoun)	Express self (calculatedly) to reach goals and objectives without rousing the ire of important others. Expressed in the Scientific Revolution and the Industrial age(?)
Blue	Absolutistic-obedience mythic order—purposeful/authoritarian Time of origin: c. 3,000 BC	Sacrifice self for reward to come through obedience to rightful authority in purposeful way. Embodied by fundamentalist religions.

Red	Egocentric-exploitive gods/dominionist	power	Express self (impulsively) for what self-desires without guilt and to avoid shame. Expressed by the mentality of street gangs, Vikings, etc.
	Time of origin: 7,000 BC		
Purple	Animistic-tribalistic animistic Tribal order	magical-	Sacrifice to the ways of the elders and customs as one is included in the group. This is the level of traditional cultures.
	Time of origin: 50,000 BC		
Beige	Archaic-instinctive— survivalistic/automatic/reflexological		Express self to meet imperative physiological needs through instincts of Homo sapiens.
	Time of origin: c. 100,000		

Figure 3: Spiral dynamics

Caracas 2.0

Chavez died on 5 March 2013 at 16:25 after a long battle with cancer. Chavez was not only an inspiration for the region, especially the political leaders, but also his Petrocaribe program was significant for the Caribbean islands. Petrocaribe provides credit to the islands for Venezuelan crude. The impact of this change on the islands Aruba and especially Curaçao remains to be seen. The oil refinery in Curaçao is rented by the State Owned Company PDVSA. The contract will expire in 2019. There are no negotiations going on between the two countries. The pollution is a growing concern for a growing part of the population. The organization SMOC is fighting a legal battle and the “GreenTown” project is an alternative proposition for the post-refinery period.

What is the legacy of President Chavez? It will be a while before we can answer this question, because Venezuela has been receiving a bad press for some time now.

A quick assessment:

“As the statistics show, the reality in Venezuela is far different from the picture the media has painted in recent years. The nation’s poor have made important gains and have significantly improved their standard of living.

The social changes have been so rapid, in fact, that despite impressive increases in local production, the national economy has not been capable of meeting the growing demand. This has created an increase in food shortages and blackouts in recent years that have fuelled much criticism on the Chavez government. But the attention given to these problems by Chavez opponents and private media hides the important social reality behind them: Venezuela’s poor are living much better.

Much remains to be done, however, if Venezuela intends to get to the root of its economic problems and diversify its

economy away from oil exports. In the coming years, great emphasis will need to be put on growth in manufacturing and investment in domestic industry. An important stimulus for this could be finding a way to drastically improve agricultural productivity”.²⁹

On the other hand corruption and crime have increased. Chavez had his priorities straight: eliminate poverty and reduce the difference between the rich and the poor.

On Saturday 16 March 2013 an article on my book “Curaçao 3.0” was published in the newspaper Amigoe. I received many good reactions and of course some personal and negative ones. In the evening, Dick also called and he told me he also received positive feedback, but what he told me afterwards was fantastic. He had traveled to Caracas on 5 March 2013 to cover the story of the death of President Chavez of Venezuela. Inspired by what he read in my book, he posted on his Facebook wall a question. Who in Caracas can assist me? He received a response from a young man and his girlfriend. He never met these people. He checked the mutual friends on Facebook, and he called one he knew well personally. This friend assured him that this man in Caracas used to be an old neighbor and that he was ok. So when Dick arrived he was welcomed by his new friend who took care of him for four days. This included his personal safety and getting him on the relevant locations and getting interviews and some translation by his girlfriend. This is just another illustration that 3.0 is a reality. But he also told me that Caracas is a very 2.0 environment, even more so than Curaçao.

²⁹ Nov 30th 2012, by Chris Carlson - Venezuelanalysis.com (retrieved on 06/03/2013 - 2:34am <http://venezuelanalysis.com/analysis/7513>)

I think that he is right. Venezuela is too much based on the 100-year old oil industry and caught up in the ideological war between capitalism and socialism. But still, the numbers do not lie. Venezuela is making progress in narrowing the gap between the “haves” and “have-nots”.

The CSIDS 2.0 crisis

The debt crisis

“Most of the economies (Antigua and Barbuda, Barbados, Belize, Dominica, Grenada, Guyana, Jamaica, The Netherlands Antilles, St. Kitts and Nevis, Saint Lucia and St. Vincent and the Grenadines) record some of highest debt to GDP ratios among emerging market economies. More specifically, Antigua and Barbuda, Belize, Dominica, Grenada, Guyana, Jamaica, the Netherlands Antilles and St. Kitts and Nevis rank among the 10 most indebted market emerging economies.”
(<http://www.eclac.org/publicaciones/xml/6/23586/L.71.pdf>, Accessed on 12 February 2013)

Rising debt presents the Caribbean with “difficult” financial problems

By Tony Best

A debt bomb is hanging over several Caribbean nations, sapping government revenues and retarding economic and social expansion.

And the countries range from Jamaica, the Bahamas and Barbados to Grenada and Belize, all of which have seen mountains of debt skyrocket since the turn of the 21st century. The financial situation has gotten much worse in the aftermath of the global financial crisis that began four years ago. Some of those nations – Jamaica, Belize and

Grenada – have even restructured their debt without “reducing the principal” while pushing the burden to a higher level today than in 2001. The upshot: almost every Caribbean state has seen its credit rating downgraded by Wall Street. That depressing picture of the impact of rising debt on Caribbean island-nations and territories was painted by Standard & Poor’s, the Wall Street credit rating giant, which has just released a report on the Caribbean debt problem. In it, S&P stated that at a time of great “economic weakness” many governments have maintained their levels of public spending and in the process probably made a bad situation worse. “The economic recession in 2008-2009 was severe and despite tepid recovery, the economic weakness has lasted longer than many policy makers and societies expected,” Kelli Bisset, an S&P credit analyst, stated in New York. “Many Caribbean governments have maintained, to the extent possible, their current levels of public spending and sustained their social safety nets during the downturn and now in the tepid recovery to mitigate the economic contraction on societies. As a result, public sector debt increased for many.” That certainly was the case in the Bahamas, Jamaica, Barbados and Belize. For instance, Barbados’ net public sector debt as a share of the country’s gross domestic product was 110% greater at the end of last year than it was in 2001. At the same time, Bahamas’ debt jumped even higher, by 128%, explained Bisset, author of the report. That explains why S&P downgraded the Bahamas to BBB+ in 2009 and last year to BBB. In Barbados’ case its rating was lowered to BBB+ in 2004, to BBB five years later and BBB-minus in November 2011. Since the turn of the century Barbados’ once stellar credit rating went from A-minus to being on the brink of junk bond status.

“For both nations, debt management strategies will continue to be important considerations” in the years ahead, warned S&P.

As for Jamaica, Belize and Grenada, which are struggling to finance their debt burdens, which are now between 76% and 129% of gross national product, the outlook is just as ominous.

“This debt accumulation places a drag on fiscal spending and lays claim to general revenue that would otherwise go toward social safety nets, infrastructure investment and other spending priorities,” Bisset wrote, “In addition a high interest bill makes the structure of fiscal spending rigid and reduces a government’s flexibility to quickly reduce spending downturn which may, in turn, require cuts in social spending.”

Figures tell much of the story. At 44% in 2011, Jamaica has the largest single of government revenue allocated to service its debt. The Bahamas at 13% and Barbados 12% were next in line among Caribbean nations. Not far behind were Grenada and Trinidad and Tobago at 9%. At one stage in 2000, Trinidad and Tobago was paying 21% of revenue to service its debts, but its robust energy industry has enabled it to lower its indebtedness.

Aruba is much better off, with interest expense (standing at) between 6 to 7% since 2006, thanks to external financial assistance from the Netherlands and other countries.

The public sector debt profile prepared by S&P showed the heavy price the countries are paying:

- “Caribbean governments increased public sector debt and jumped sharply after the financial crisis of 2009,” rising to 57% of GDP.

- The global crisis can't be blamed for all of the debt problems. "The rise" was "fueled, in part, by low national savings, reliance on external financing for investment, and volatile current account balances."
- Barbados' national savings have fallen from 13% to 7% of gross domestic product over 2008-2011 while the Bahamas' plummeted from an average of 15% during 2003-2007 to 10% since 2008. In Trinidad and Tobago's case, its savings remain above 35%.
- Jamaica's public debt was well over 120% of GDP, up from 100% in 2006; Barbados' was 98% in 2011, an increase of almost 20% in five years. The Bahamas' was 48% as compared with about 22% in 2006. Belize dipped from more than 80% to 78% while Trinidad and Tobago's was less than 30% of GDP in 2011.
- Domestic debt, more so than foreign loans, was tapped to finance development.

(<http://www.nycaribnews.com/news.php?viewStory=2004>, Accessed on 12 February 2013)

The Financial Services

Many Caribbean SIDS are heavily dependent upon tourism or are trying to diversify their agriculture-based economy. Financial services sector is an attractive option. This sector has been growing and provides economic growth and creates jobs. Now this industry is stigmatized, associated with money laundering³⁰.

On 3 April 2013 the international press reported that the super-rich have hidden over 21 trillion dollars in the offshore.

³⁰ <http://www.imf.org/external/pubs/ft/wp/2002/wp0288.pdf>
(Accessed on 6 April 2013)

The sector is immoral and draws the wrong crowd.³¹

Offshore Financial Center (OFC) is any country or territory whose laws may be used to avoid or evade taxes which may be due in another country under that country's laws. Curaçao is an offshore center, but the Netherlands is one of the biggest. These centers are used by Multi-National Corporations (MNC) and High Net Worth Individuals (HNWI). The issue is that some countries lose tax income and the country that develops offshore tax havens, obtains extra income. The rich countries do not like offshores. Some studies state that OFC played a crucial role in the global financial crisis of 2008 and 2009. Beside MNC and HNWI, professionals, like lawyers, accountants, bankers and notaries are involved. An additional problem with OFC is that part of the business is money laundering and the financing of terrorism.

Free Zone is part of the OFC model. But this is not discussed here. OFC is used by (Small Island Developing States) SIDS as a development model to upgrade the country. Communication and especially telecommunication are a very important condition for the OFC to develop. OFC started very early the 1900s and even earlier. From the start the rich countries were against this development and looked for ways to stop it. In the 1960s the OECD became very active in attempts to control this phenomenon. Action Financial Task Force (AFTF) started in the late 1980s to fight against criminal money and terrorism.

In the Netherlands Antilles the Free Zone was created in 1953. But as already stated, this is not discussed here.

³¹ <http://www.cbc.ca/news/interactives/offshore-tax-havens> (Accessed on 6 April 2013)

The OFC in the Netherlands Antilles started in the 1940s when Dutch companies moved to Curaçao to avoid being confiscated by the Germans. But it really started when the Netherlands and the United States signed a treaty in 1948. This treaty became active in 1955. The OFC in the Netherlands grew from 1955 till 1988. In the 1970s many banks were established in Curaçao. In 1990 21,000 offshore companies were established in Curaçao. Many professionals work in the sector. They organized themselves in branch organizations. These organizations had great influence with the government. In the mid-1980s the OFC generated half of the income of the government. In 1988 the OFC started to decline because the United States reviewed the treaty. Some state that the Netherlands Antilles overplayed its hand in the negotiations. The sector started to innovate. They developed the *Penshonado* construction and the Stichting Particulier Fonds. But the international pressure remained and the international competition increased.

In 2011 the OFC became a priority of the economic policy of the Government of Curaçao. It is not clear what that means, besides negotiating new tax treaties.

Corporate Governance

Good corporate governance requires the involvement of all stakeholders. But who steers the organization? In the end management is in charge. This is the case in the two-tier model applied in Curaçao. The question I have is based on what I have seen the last couple of years in Curaçao: members of the supervisory board stepping into the role of management, union and personnel telling management what to do, supervisory board and union plotting against management and union leaders demanding management to be fired. And you hardly notice the shareholder. The shareholder is

often the government. And you do not need to be a genius to predict that the organization will not function and will probably go bankrupt.

How come we are in this situation? The reason is not the lack of regulation. Curaçao has very good codes regarding corporate governance. The reason is greed and love for power. It reminds me that we need the power of love and not the love for power. But there are also deeply ingrained cultural issues playing a role here. Issues like colonial past and slavery.

What is the solution? Education. Not only professional education, but education that starts at home and in school. People need to be taught how to be part of an organization and what their role is.

Sustainable development

Sustainable development is a leading global trend. The definition of sustainable development is the most frequently quoted definition is from the Brundtland Report:

"Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs."

It is about the three Ps: planet, people and profit. The perception might be that the Caribbean SIDS are doing a lot in this area. In practice, this is not the case. Bonaire and Dominica are a just a few SIDS that have adopted the concept and are striving for sustainable development. The last couple of years Aruba has been pushing through a green energy policy. On the other hand, for other Caribbean islands this is not the case, despite the hard work of some NGOs. The priority of the governments is on economic development and growth, even at the expense of the environment or the population of the

islands. Even publications on the subject are rare. This is odd given the uniqueness of the ecosystems, for example, the reefs and the fact that these islands will be severely impacted by climate change. On the other hand, given their condition as SIDS this is understandable, but the Caribbean 3.0 is sustainable!

The recourse curse: Gold is not green

To illustrate my point, in the beginning of 2013 the government of Suriname signed a contract with the companies Lamgold and Newmont³². The government started a joint venture to win gold. The possible earnings are enormous. Suriname will not have the majority of the shares. This exploration will be at the expense of the indigenous population and the forest. Gold is not green

It seems that the financial services in the Caribbean in 2013 are under fire more than ever. They are criticized for their lack of transparency and the role the local governments play in this. The result is that the rich in the rich countries hide their money in the Caribbean. The question is how long the Caribbean can stand the pressure. Is it not time to develop new products and services in the Caribbean SIDS? (www.theglobalist.com/StoryId.aspx?StoryId=6212, Accessed on 12 April 2013)

The Caribbean coral reefs

One of the great assets of the Caribbean is the coral reefs. They have been taken for granted for a long time. They have been deteriorating and not as an effect of the warming of the

³² <http://suriname-web.blogspot.nl/2013/03/inside-suriname-youtube.html> (Accessed on 13 April 2013)

sea. The main causes are human behavior: the neglect by law and policy makers, the overdevelopment of the beaches, the removing of the mangle trees, the sediment sand on the reefs and the invasion by species like the lionfish. In Curaçao and Bonaire the lionfish is being handled. There are divers going after them. The result is that Curaçao and Bonaire still have comparatively the best reefs. Taking care of the reefs in Bonaire is a priority. In Curaçao, this is not the case. The reefs are taken for granted. The Carmabi research institute is a silent voice. The Caribbean needs to understand the economic value of the reefs. Many tourists travel to the island to dive. The reefs also protect the islands as well from the impact of the waves. In school, children are taught about the reefs, but this needs to be done more intensively. Also the media should get involved. This is currently not the case. A few NGOs do the work, but they are not strong enough.

“Revisiting the Great Barrier Reef, Stewart found that 38% is now dead. (We were distressed to see large patches of coral skeletons when we were there a few years ago.) Over 90% of Caribbean coral reefs are bleached white by acidic waters and are now dead. Reefs are dying everywhere. So are the fish that rely on them. The lifeless zone in the Gulf of Mexico is now larger than the state of Connecticut, and there are 400 others around the globe that are expanding.

Our gas guzzling and consumption of electricity from dirty fuels are changing the atmosphere and, in the process, turning the seas into an acid wash suitable for jellyfish, but not for Nemo or any of the other fish that a large proportion of humanity relies on to survive.”³³

³³ http://spiral.dynamics.org/2013/02/e_f_g_h_problems/ (Accessed on 6 April 2013)

Crime in the Caribbean

The islands have an ideal geographical location and climate, which, together with their close historical connections with Europe, offer an ideal financial and logistical focal point for doing business; the perfect hub for connecting North and South, and East and West.

The UN report states that in the Caribbean drug cartels are spreading violence. It is estimated that 10% of the cocaine from Colombia to the United States is transported via Venezuela and the Caribbean. The world's biggest trading partners are also the world's biggest market for illicit goods and services. The consequences for the Caribbean island societies are: addiction, drug related crime and violence, destabilization and corruption. In the 1990s the cocaine flow started to shift from the Caribbean to Central America and Mexico, because radar surveillance made trafficking by air more difficult. A UNODC report states the following in relation to Curaçao:

“Parts of the Netherlands lie in the Caribbean (Aruba and the Netherlands Antilles) and Suriname in South America was a former Dutch colony. Rotterdam (Netherlands) and Antwerp (Belgium) are Europe's largest seaports. From these hubs, cocaine is distributed to the rest of Europe. Between them, Spain, Portugal, the Netherlands and Belgium accounted for close to 70% of all cocaine seized in Europe in 2008, but less than one quarter of the cocaine use.” (UNODC, 2010).

Criminal organizations in the Dutch Caribbean in the 1990s were working together with organizations in Cali and Medellín.

The European administered territories in the Caribbean and South America are mentioned as transit destinations for hu-

man trafficking to Europe and the United States. Going through these countries reduces the risk of being intercepted. Once in Europe, these women and transgender individuals are exploited indoors or on the streets depending on the destination (UNODC, 2010).

Crime in the Caribbean is on the rise. “Countries such as Jamaica, St. Lucia, Antigua, the Bahamas, Bermuda, St. Kitts and Nevis and most recently Aruba struggle to agree on a forward plan to combat their increasing crime rates.” (Daniel, 2012; UNDP, 2012) Much of the crime is gang related. This type of crime is often related to Transnational Organized Crime (TOC) (UNDP, 2012). The Caribbean confronts a paradox. “Why is it that, despite the democratization process experienced in the region in the last 20 years, citizen security levels, as well as the justice and security institutions in the region, are going through a crisis? Why is it that, despite the structural and institutional reforms promoted by countries in the region in order to construct governance mechanisms that are more transparent, horizontally and democratically, the justice and security institutions are overwhelmed and confidence in them is shattered?” (UNDP, 2012)

Islands in the Caribbean are struggling with good governance, corruption, crime and organized crime. Often this is related to their condition as Small Island Developing States. This refers to the small scale, scarcity of the resources and the effects of climate change. The emergence of crime is rooted in the following causes: poverty, unemployment, social marginalization and inequality, the illegal drug trade, corruption, the trafficking of firearms, the deportation of criminals, and the effectiveness of the existing criminal justice systems and consequent waiving of sanctions (Lashin, 2005, Sluis 2004, p. 127).

But TOC is also a distinctive factor influencing good governance.

To successfully fight TOC, corruption must be pushed back. “Despite all the initiatives and new legislations, the progress in the fight against corruption has been very limited. As seen, corruption pollutes the highest levels of government and society in many countries in Latin America. Corruption spreads to the public and private sectors and the majority of the countries are ill equipped to confront it. The difficulty of consolidating democratic institutions and the lack of an efficient, strong and accessible judicial system only continue to exacerbate this problem.” (Nagle, 2002). But the case of the Dutch islands is unique.

Curaçao is part of Europe because of its constitutional status of being an autonomous country within the Kingdom of the Netherlands. Curaçao is attractive for TOC because of the logistics that link it to Europe via the Netherlands, making the movement of people, goods and money very efficient. This creates a situation that people, goods and money are, in a way, already in Europe when they enter Curaçao.

The islands are working on solutions with limited success. It is not a coincidence that the islands confront similar problems and that governments are unsuccessful in the battle against crime. That is why cooperation seems natural.

But because Curaçao is part of the Kingdom of the Netherlands, the government of the Netherlands is very much involved in fighting TOC. The majority of the judges are Dutch and have little or no attachments with the locals. The same holds true for the Attorney General’s Office. This makes the judicial system independent.

The island remains attractive for TOC, but this is counterbalanced by collaboration with the Netherlands and the United States. The Dutch islands of Curaçao, Bonaire, Aruba and Sint Maarten have done a lot over the years to fight TOC. In 1996 the Dutch Caribbean Coast Guard became operational. In 1997 a Financial Intelligence Unit became operational. In 2000 the Forward Operating Location was started. In the period between October 2009 and September 2010, in Curaçao and Aruba 145,000 kilos of cocaine, 3,000 kilos of marihuana and 60.8 kilos heroin were confiscated. The total value of these drugs was 3.1 billion dollars. In October 2012 Curaçao approved a law stating that all Ministers need to be screened before they can be appointed.

Based on the cases presented in this paper one might conclude that these Caribbean SIDS are the ones that organized the penetration of crime and are difficult to clean up. However, the opposite is true. These cases can be described because TOC has been disclosed to the greatest extent and the authorities are achieving success in fighting these organizations. In other SIDS organized crime may be present, but unrevealed.

Curaçao 2.0 in crisis

It is the 5th day of the year 2013. The first Saturday in this new year. You wake up, take a shower and enjoy your first cup of coffee. You have to remind yourself that this is the New Year. You switch on the radio and read the newspaper from your iPad. Then you know we are in a crisis, that we have a new government in office and that President Chavez is fighting for his life in Cuba. What are your options? There are no options. You have to keep on going. The crisis is relative, by the way.

There are people who are enjoying success. There are countries like Ireland that went through a crisis in 2008 and came out of it. How did they do it? They reduced their wages and bailed out banks.

On 5 May 2013, 5:30 PM my dear wife wakes me up. She tells me that the political leader of the political party *Pueblo Soberano* (PS) just (5:05 PM) had been killed on the beach. I am in shock but not surprised. In "Curaçao 3.0" I indicated this leader as one of the main storytellers of Curaçao, but that his story was not the story the island needs to move on to 3.0. The story divided the country and created hate.

Curaçao is in a crisis. What are the causes of this? Of course there is the global financial and economic crisis. But we have our internal factors: weak government and poor governance for the last two years. The government has yet to reveal the rescue plan. The only way I can answer the question whether we will get out of the crisis is looking at the Curaçao story. We are this small, peaceful island in the Caribbean, that globalized from the start. We played a key role in developing the Caribbean. The safe haven for Simon Bolivar. The oil producer for the liberators of Europe. The bankers of the world. Used by drugs traffickers. We stopped that. The island of talented athletes like Churandy Martina and Andrew Jones. We will have to draw strength from our creativity to get out of this crisis once more. We did it once, we will do it again. Curaçao is going through the constitutional changes whose initiation started on 10 October 2010. There are other crises happening simultaneously, the financial crisis being at the base of them all. Curaçao is going through a severe financial crisis. An enormous budget deficit makes expense cutting unavoidable

as are tax increases and pension reforms. The Financial crisis has worsened the economic crisis. For years Curaçao has not known significant economic growth. The Caribbean region has done better than Curaçao. The social crisis has also increased due to the economic one. Many citizens are unemployed or earn very low wages. In healthcare a crisis is going on as well: the reforms in this sector have been postponed for years, and now reforms are unavoidable. And in politics the constitutional changes, starting in 2005, have led to enormous political changes. Populist politicians have successfully presented themselves on the scene. The relationship between politicians and political parties has become hostile. Certainly this is no longer acceptable. The political crisis led to a crisis in governance. All members of the Supervisory Boards were fired and also the CEOs. This has weakened all institutions in the new country. The ecological crisis has been in the making since the arrival of the oil refinery in 1914. This crisis has become acute. Crime is rising and has become brutal. Unemployment is high, especially youth unemployment. Some of the causes of these crises are global. There is the global financial crisis that started in 2008 and there is the Euro crisis. If one digs deeper, one finds that another possible cause is the erosion of values and norms. It is stated that greed has led to the financial crisis. The reality is that the whole society is going through a crisis. Organizations are critical, management, changes of markets and also governance issues. Families are going through very difficult times. This is illustrated by the high number of incidents involving domestic violence. Many individuals are going through all sorts of emotional upheavals. A positive look at this general social commotion is to see this as the adjustment to the next level of globalization 3.0. National systems are integrated in a global system. This might be the case, but global governance is required to make this hap-

pen in a more orderly manner. Global governance on the issue of climate change and the Millennium Development Goals do not look really promising. These crises did not happen overnight. Finding the root causes is not an easy task, but while we study and discuss the causes we can take some action. One suggestion is to start sharing. Share whatever one can share. Help whoever one can help.

The new so-called “task government” of Curaçao started on 31 December 2012 a six-month term. At the moment of writing, we are three weeks on our way. The budget has been approved and many decisions have been taken that will impact the voters. The civil servants have positioned themselves in such a way that they will not be impacted. The ministers, all professionals and not politicians, have not taken a salary cut. Neither did the members of parliament. The sales tax has been increased but the profit tax has not even been discussed. This means the poor will pay the price.

On 18 February 2013 the Interim Prime Minister of Curaçao held his first national address, after he was appointed on 31 December 2012, for a period of six months. Many stated that this is too short a period. The task of his government is to save Curaçao from a financial disaster, caused by the previous government coalition.

The problem is that his government is supported by one of the parties that was also part of the coalition supporting the previous government. On 10 October 2010 (10-10-'10) Curaçao became an autonomous country within the Dutch Kingdom. Within 22 months the government headed by former Prime Minister Schotte ruined the country not only financially, but also economically, socially and even morally. The government came to an end when two members of the coalition withdrew their support. New elections were held in October 2012 and the government of Prime Minister Hodge

was formed, supported by the PS party that was also part of the coalition of the Schotte government. This fact created a huge credibility issue for the new government. In his speech Prime Minister Hodge explained that difficult measures are unavoidable and that everybody will be impacted. The healthcare sector will be reformed. The pension system will be reformed increasing the pension age from 57 to 65 years. The sales tax will be raised from 6% to 9%. But also the economy must start growing again. The reaction to his speech was that the weak would be hit very hard.

If we take a closer look at Curaçao we see that the island is in a big crisis. Not only are there financial problems in the public finance, but also the apparatus of the civil service has never worked properly since 10-10-'10. The economy is shrinking. There are huge social problems. Crime is rising. Many intellectuals were dismissed after 10-10-'10. The labor unions are weak and opportunistic. There is no vision and long term plan. State Owned Companies are not performing, partially as the result of the unjust firing of many CEO's. The education system has eroded.

Under these conditions Prime Minister Hodge has a 'mission impossible' to carry out. Curaçao 2.0 cannot be fixed. The only solution is an upgrade to 3.0. This upgrade not only means increasing the Internet penetration and national ICT training, but also a totally new global entrepreneurial mindset. Materializing quick wins like the Ctex datacenter are a must, but also building on successes like the International Jazz Festival of Curaçao. Seek for synergy in the Knowledge Zone of Curaçao near the airport and in the Creative Zone of Curaçao near Scharloo. This can only be achieved by involving successful people and the brightest minds on the island, but also by those studying and living abroad. This has not happened until now.

The day is 20 January, 2013. It is Sunday. A day before the inauguration of the second term of President Obama was shown on television.

Another day that we have not had any news from Cuba on the health of President Chaves. The day after the Interim Government Hodge got the budget for 2013 approved by parliament. I am happy to report that a letter I co-wrote stopped the increase of sales tax on computers. The carnival season is heating up. It is the day before I start hosting the existing talk show 3.0 on the local radio station Z86 from 15:00 till 17:00.

The reason I am starting this is because I have no job and I can make another effort to move Curaçao from 2.0 to 3.0. One of the reasons we are moving backward towards 1.0 is not only that people who have nothing to contribute speak more than those who have, but also because many well prepared people do not speak up and share what they know.

Yesterday I went shopping. There was not much commercial activity. One can no longer ignore the fact that Curaçao is depressed. But there are new beginnings. Young creative people are doing their projects and enjoying their youth. We will create Curaçao 3.0.

Public Administration Curaçao 2.0

The interim government headed by Mr. Betrian appointed, on their last day in office, a new management team of the Ministry of Governance, Planning and Service for a period of nine months. I will give the new team of ministers, who will start on 31 December 2012, and the appointed management team the benefit of the doubt. However, I have a few big question marks. Everything is better than what we had the last two years. By now even the government noticed that the 2.0 or-

ganization is not working³⁴. There seems to be a confidential report that states that the organization is too big and understaffed in key positions. As an expert in public administration, let me provide some free advice, on how we can consolidate what we have and slowly start to move towards government 3.0. Number one: there is a lack of specialists in all departments. To illustrate my point: how many economists are there in the Ministry of Economic Affairs? The persons I have interviewed say not even one. This lack of specialists is all across the board, with a possible exception of the Ministry of Finance. Of course we need people specialized as generalists, but they cannot replace specialists.

A second piece of advice: management meetings and other periodic meetings are mandatory. I have heard that there are departments that have not held these meetings for months.

A third piece of advice: go back to basics. Everybody must do his/her task. This includes answering letters and providing service to the citizens. If you do not know the answer or next step in the procedure, ask a colleague for help instantly, do not wait. Learn from your colleagues, so next time you can do it on your own. Start documenting these procedures. Reintroduce a quality management system and update the website weekly. It is time for new ideas, for new people. There are consultants who have been involved with government all their lives and this is the best thing they can do.

The idea to start a school of governance has been languishing somewhere in government for over ten years. The government has chosen to not properly train the civil servants and now we see the results or the lack of results. When will this school start? I hope that when it starts, real experts in public

³⁴ <http://news.caribseek.com/index.php/caribbean-islands-news/Curaçao-news/item/33524-kambionan-den-management-team-di-ministerio-bpd> (Accessed on 24 April 2012)

management will develop and teach at the school. After all, a school without experts is no school.

The point I am trying to make is that over the past few years a culture of anti-intellectualism has taken hold of the island.

“Anti-intellectualism is aggression towards and mistrust of intellect, intellectuals, and intellectual pursuits, usually expressed in a disrespectful attitude towards education, philosophy, literature, art, science, and belittled as unworkable and shameful. On the other hand, self-described intellectuals who are supposed to fail to hold on to rigorous standards of scholarship, may be described as anti-intellectuals, although pseudo-intellectualism is a more commonly, and perhaps more accurately used description for this phenomenon.

In public discourse, anti-intellectuals usually perceive and publicly present themselves as champions of the common folk — populists against political elitism and an academic elitism — proposing that the educated are a social class detached from the everyday concerns of the majority, and that they dominate political discourse and higher education.”³⁵

Even (pseudo-) intellectuals do not read, write and debate in a suitable way and on the appropriate level anymore. Those who do, are persecuted by a handful of populist, political leaders and their followers. Some are professionally and socially discarded. The fact that the dismissal of the President of the university - the center of intellect - was only protested by

³⁵ <http://en.wikipedia.org/wiki/Anti-intellectualism>

three intellectuals, namely Prof. Carlos Weber on 29 August 2011, Hans van Hulst on 31 Augustus 2011 in Antilliaans Dagblad and Els van Capelle³⁶, who wrote about it in July 2010, is an indication of the lack of professional courage to stand up for what you consider to be wrong. A few stood up for their peers. Some even explained publicly that nothing was happening, stating that these things took place all the time. Many remained silent and looked the other way. Others were opportunistic and sold their soul to the populists. Those who did can be placed in several categories. Some were appointed in high positions and did what they were told. Others wrote what they were told to write. The effect is that the young country of Curaçao has no intellectuals or thinkers. There is not much brain-power left to tackle all the problems that need to be handled.

The irony is that many intellectuals who were put aside are still on the sideline and it is not a priority of anybody in this country to use these brains, with the exception of a few. This is not even the priority of the Hodge government. And here is the big danger. The intellectuals, who were appointed as ministers in the so-called government of experts, carry a heavy burden. If they do not succeed, they will be used as the ultimate proof that intellectuals are the problem of this country and that populism is the solution. So let us hope that they will succeed, because much is at stake.

One last piece of advice: ask for help from other intellectuals when you need to, because much is at stake.

And you know what? You will have to deal with the consequences. And one day you will have to answer the question: where did you stand? I hope that you can answer: on the right side of history.

³⁶ Els van Capelle died in June 2013. She will be missed.

Kafka in Curaçao

I had to think a lot about the work of Franz Kafka. This Hungarian writer lived at the beginning of the twentieth century and wrote about the horrors of a bureaucratic society. His work is epical and classic. He captured the essence of the emerging bureaucratic society.

His work was mentioned once in a class on the emergence of the bureaucratic society when I was studying in Europe during the mid-1980s. It was not emphasized but it caught my attention. So I bought a special edition of his collected work and read it.

After that I forgot all about Kafka. Till this weekend.

I knew I had to attend business with the Social Security Bank (SVB) and the Tax Inspector in Curaçao. Suddenly I read an article via the social media. It was a mother telling her story of her adult daughter who is chronically ill. Her daughter's health was deteriorating because the bureaucrats could not come up with a solution for her specific case. So she was not getting any medication.

My case is about fees I supposedly had to pay in 2004 to the SVB, related to personnel I supposedly had employed. This was eight years ago! There were a lot of other issues but over the years I resolved them one by one. I never employed personnel. And I have proved that every time.

But now there is a bailiff at my door threatening to confiscate some property. So here I go again writing letters. I was standing in line to submit my letter. When it was my turn, the lady informed me that I had to stand in another line. But I had asked if this was the right line! I kept smiling and went to the other window.

When I was finished, I asked for a copy of my letter because

the Social Security Bank wants a copy. This was not possible, but fortunately I had brought my iPad and was able to take a picture.

While I was there I asked if I could get a form called “verzamelloonstaat” (form giving a survey of one’s income). For although I have no personnel, I still need to submit this form covering the past four years. No, the form was not available, but I could find it on the Internet. When I was back at my home office, I went on the Internet and found out that the link to the website was not operational. I looked for a number to call. I called, but no one answered. I do not know how I am going to get this form, so I can leave this issue behind me as well.

By the way, I made my company dormant two years ago because I could not stand the bureaucracy any longer.

It is enough for one day. Tomorrow I will try to call and see what I can do. In the meantime my accountant does not answer my calls anymore. I do not know what to think of this.

On top of things my wife comes in and she is not her usual self. She tries to explain to me that she has to prove to the tax inspector that we received permission to delay our submission of our income taxes for the year 2011 till 31 December 2012, because the tax inspector has no record on this. Fortunately, we found that piece of paper. We made a scan and emailed it to the tax inspector’s office to prove that we have received this permission.

This is just a small part of the story how I am a prisoner of the bureaucracy on Curaçao. I can go on for a while. I hope that Curaçao 3.0 will set me free. The fact that today reminds me of Kafka means that our organizations and society are at the level of the beginning of the twentieth century, 2.0. We are a hundred years behind!

Education 2.0

The new government was installed on 31 December 2012. In the document signed by the political parties to form this coalition, nothing relevant is said about education. I want to give a small contribution and explain the OLPC (One Laptop Per Child) project once more and hopefully for the last time. OLPC is a global non-profit organization. "OLPC's mission is to empower the world's poorest children through education."

One Laptop per Child mission and principles

"We aim to provide each child with a rugged, low-cost, low-power, connected laptop. To this end, we have designed hardware, content and software for collaborative, joyful, and self-empowered learning. With access to this type of tool, children are engaged in their own education, and learn, share, and create together. They become connected to each other, to the world and to a brighter future."³⁷

Now my question: why has this project, after five years, not been implemented yet in Curaçao? The main political leaders know about the project and there are funds available. I wonder: are the politicians ignorant or do they want to keep our population ignorant?

Budget 2013 is so 2.0

I have respect for the Ministers of the government, but not for the coalition supporting them. I consider these members of parliament the cause of the crisis the country faces. That being said, I find that the budget lacks vision and creativity. For example the proposition to raise sales taxes on computers

³⁷ <http://one.laptop.org/about/education>

is unbelievable. It indicates that there is no vision of Curaçao 3.0. The economic policy is a summary of economic projects and how to realize them financially. After my criticism the raise of tax on computers is dropped. Also some policy remarks on science and higher education were added.

I would have expected the ministers and members of parliament to reduce their salary by 10%, just as Prime Minister Eman of Aruba did a few years ago³⁸. The civil servants should also contribute and not only should the sales tax be raised, but also the profit tax.

The budget is not only about how this small nation is going to make it and stand tall in this global world by presenting a creative economy, enabled by technology and driven by a creative, tolerant and talented population. I have heard nobody talk about the reinstatement of all the wrongfully fired talented persons who can solve a number of problems overnight.

Curaçao is creating a traffic jam

As from December 2012 two big shopping malls are being constructed in Curaçao. At the same time there is empty space in the downtown world heritage area. Based on the trends I see, this will lead to problems. In Curaçao there is too much mortar and bricks, but the future is e-commerce. We are not in sync with the trends. A possible solution for this problem will be to convert commercial buildings into housing for young families and students. Part of this problem is the empty schools. The number of school kids has dropped, so

³⁸ <http://www.salarisnet.nl/Wet-Regelgeving/Algemeen/2010/11/Aruba-schrap-luxe-regelingen-voor-politici-SALNET004410W/>, (Accessed on 19 January 2013)

these schools have become redundant. These schools should not remain empty. They deteriorate. I suggest using them as incubators for starting businesses.

All this illustrates that the generation who calls the shots was formed in the industrial age 2.0. If we look at the virtual part of Curaçao 3.0, developments are slow. Although lately some apps have been developed³⁹ and a three-dimensional printer⁴⁰ has been put on the market.

If one takes a look at the December 2012 government agreement document,⁴¹ there is no attention for the information society. But I am convinced that sooner or later a member of the elite, business, politics or any other, will step up to the plate and will be the spokesperson or storyteller of the information society of Curaçao. Up till then I will continue to advocate the information society.

The information society is “The World is Flat”. This is the title of the book by Thomas Friedman (2005). The interesting thought is that in the information society deprived youth does have a chance to be successful. They might develop the next big app. ICT is a tool to fight poverty. It is teaching people to fish and not to give them a meal.

Curaçao 2.0 is obsolete

On Saturday 15 December 2012 the depot for fireworks in

³⁹ <http://www.stimul-it.com/cw/index.php/newshowmodevents/245-apps4Curaçao>, (Accessed on 24 April 2013)

⁴⁰ <http://www.stimul-it.com/cw/index.php/newshowmodpublicity/247-the-next-b-i-g-thing-de-3d-printer>, (Accessed on 24 April 2013)

⁴¹ <http://www.scribd.com/doc/116643780/Akuerdo-Pa-Un-Governashon-2012-2016>, (Accessed on 24 April 2013)

Curaçao exploded. Three persons were killed and four others were seriously injured. The fire department controlled the fire very rapidly with the scarce resources they have. The report on the situation of the depot in 2001 already stated that the depot should be closed and a new one in another location must be constructed.

These recommendations were never executed due to the financial position of the government. It became apparent that for some time now the coordinating body during disasters had no personnel.

The next day my son suddenly had to go to hospital. We spoke with his doctor on the phone. She is one of the best. She could tell what was happening and directed us to the hospital's emergency department. I will spare you the details, but from a critical perspective, all the personnel could be much more professional. We arrived at nine-thirty in the evening and he was in his hospital room after one o'clock in the morning. I arrived home three o'clock in the morning after giving a patient a ride home, because he had no transportation to get back to his house.

On Monday Taams clinic calls around nine in the morning. My mother gets an appointment at one. We arrive fifteen minutes before that time. After an hour and a half she is seen by the doctor. It took over two hours.

When I go back to the hospital and want to pay for parking, I find that the parking machine is broken. I have to walk to another machine.

On Tuesday 18 December 2012 I call the dentist to find out if they accept my government insurance company (BZV). They

do not, because they always get reimbursed very late due to the financial situation of the government.

Mind you, Curaçao is an island that has the ambition to offer Health Care Tourism. The main ingredient to achieve this ambition is already here: we have well-trained doctors and professionals. But the system is 2.0. That is just not good enough.

What I write here are systems 2.0 dysfunctions that I see all the time. It takes no effort to see this.

7. The basis on which CSIDS 3.0 must be built

The CSIDS 3.0 must reinvent based on talent of the people, the creative class, to apply good governance principles in all walks of life and sustainable development. It is about:

Knowledge economy: the use of knowledge technologies (such as knowledge engineering and knowledge management) to produce economic benefits as well as job creation.⁴²

Creative economy: a range of economic activities that are concerned with the generation or exploitation of knowledge and information. They may variously also be referred to as the cultural industries or the creative economy.⁴³

Experience economy: this term was first described in an article published in 1998 by B. Joseph Pine II and James H. Gilmore, titled “The Experience Economy”. In it they described the experience economy as the next economy following the agrarian economy (1.0), the industrial economy (2.0), and the most recent service economy (3.0). This concept had been previously researched by many other authors.⁴⁴

Talent

Caribbean 3.0 will be developed by the talent of the creative class. “This Caribbean Region is an amazing part of the world marked as it is, for better or for worse, by the differential impact of exclusively European colonization and exploitation.

⁴² http://en.wikipedia.org/wiki/Knowledge_economy (Accessed 12 March 2013)

⁴³ http://en.wikipedia.org/wiki/Creative_economy (Accessed 12 March 2013)

⁴⁴ http://en.wikipedia.org/wiki/Experience_economy (Accessed on 12 march 2013)

The legacy left behind is manifested in religion, culture, social structures and infrastructure, languages and dialects, in political systems and administration, in economics, race and ethnicity – all adding up to vibrant, yet challenging Caribbean societies. These societies have not been entirely divorced from their origins and some have diverged quite considerably, given the cultural and seemingly instinctive inheritances from the ethnic and racial origins of those who occupy this space and the interblending of them to produce special and differentiated societies. Marcus Garvey once said that the peoples who occupy this region – this Caribbean, these Antilles – would one day form a civilization on which the sun would shine as ceaselessly as it shines on the empire of the North. Maybe he should have said civilizations (plural) based on the linguistic, ethnic and cultural admixtures that marked the predominant Dutch, Spanish, French and English traditions of Caribbean countries” (Duncan,2007).

Athletes from the Caribbean dominate in the sprints in athletics. The Caribbean nations are reckoned with in cricket and in baseball. In 2013 the Dominican Republic became world champions in baseball. Curaçao has the most baseball players per capita playing in the major leagues. Soccer players from Suriname recently became world famous. Of late players from Curaçao and Aruba are also having success. The world’s best windsurfers are from Bonaire. How is this possible given the limited resources available to invest in sports and facilities? All islands have a different approach. Of all the islands Aruba has the most interesting approach. They have a sports lotto. The revenues go to sports and culture. Using these funds they have the best facilities in the Caribbean. Curaçao has been studying this approach, but due to small-time politics it has never been able to implement a similar solution.

How is this possible? There are no scientific explanations. I would suggest the physique of the people and the climate, which makes it possible to practice throughout the year. Sports is part of the Caribbean culture.

Sports in Curaçao

Curaçao has many internationally successful athletes. The sprinter Churandy Martina is the most renowned one. Jean Julien Royer is a famous tennis player excelling in doubles. The biggest pool in talents is baseball players. Curaçao is the biggest supplier of athletes to the Major League Baseball per capita. How is this possible?

Part of the story is that the little league organization is one of the best managed and biggest sport organization on the island. On a steady basis Curaçao represents the region in the World Series and on several occasions won the championship. The talent in the other sports is less successful. The government policy in the area of sports and culture is underdeveloped. There are not enough funds, facilities and other conditions to develop the talent. After the constitutional changes on 10 October 2010 Curaçao could not participate in the Olympics. All this led to a situation that the talent represents the Dutch Kingdom and not Curaçao.

The people of Curaçao are immensely talented. This is the result of many factors. For starters Curaçao is a multi-cultural society and many languages are spoken on the island. The climate stimulates outdoor living. The small scale hinders specialization. The lack of resources stimulates creativity to solve problems.

On the other hand, some of these same factors hinder the development of this talent. There is no finance to create a structural development to manage the talent. Those who are

successful are successful against the odds.

The main obstacle is that talent is taken for granted. There is over-appreciation of cognitive education. Parents and students want to become doctors and accountants. Many successful artists finished an academic program first before pursuing a musical career.

In a way this is the case in many Caribbean SIDS. But Aruba is an exception. Many years ago the government started the so-called "Lotto pa deporte". The generated funds are invested to develop the talent. Curaçao has studied this concept for years, but due to lack of political will and other interests, it still has not been implemented.

Governance

"Governance in its simplest form concerns a certain system, but for a society to be considered as a collection of systems, as a whole, a multiplicity of interacting systems is the subject matter of governance.

The modes of governance will differ from system to system. The main categories are hierarchical market and network. The majority of the existing arrangements consist of mixtures of these three archetypes. Each society has a multiplicity of these arrangements.

We should consider how these modes interact in a specific situation. We call this type of considerations meta-governance." (In 't Veld, 2011)

Governance is steering. We distinguish three spheres or sectors of governance: governments, NGOs and markets (Dienhart, 2010). There is governance on three levels: global, national and local/grassroots. All three levels influence each other. It is interactive.

What is happening in Curaçao? For more than two years all sorts of strange things have been happening in the area of corporate governance. Not that it all started two years ago. It started long before. Just a few recent examples: Aqualetra, Refeneria di Kòrsou and UTS: shareholder, supervisory board and management fighting over everything and the performance of the company heading downwards. What is the problem? What is the root cause? Is it lack of knowledge? Is it about poor values? I am under the impression that people cannot handle power and money. We see abuse of power and greed. In all this the media has exposed the situations. But there must be a balance between transparency and privacy. I am left with the question: how is this possible? Curaçao has the best corporate governance legislation in the world. We had good corporate governance training for members of the board.

The only good thing that is happening in the world of good governance in Curaçao is the health care inspection. All health care institutions have been inspected by the inspector hired from the Netherlands for a short period. The problem is that the media and the public are focusing on the wrong issue. The issue is not that there are issues. Everybody makes mistakes and there is always room for improvement. The issue is that plans are formulated and that the process of improving has started. The Deming wheel of cycle quality starts turning in the health care sector in Curaçao.

The Dutch inspector has left the island and there is no replacement. One wonders if good governance is possible in a small island society. The jury is still out on this question. Health care inspection makes the point that inspection should be done by people who have no ties to the island society. I

wish he was wrong. The effect of this is that all systems in society are stuck. But what is the solution? Training and education are the only solution. But it is a long term prospect.

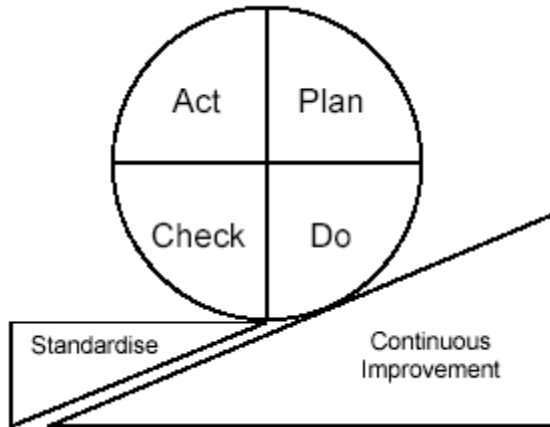


Figure 4: Deming Cycle⁴⁵

Governance and political parties

There is much buzz these days on the topic of governance of political parties worldwide. Politics has changed because society has changed. Society has changed due to ICT. Information is 24/7. Information has become a two-way communication. Communication is real time. This created a new dynamic in what was called mass media. For some reason demographics are more relevant than ever. Generations have become the new ideologies. We know parties attracting to seniors, others to the youth. Voters are more footloose, floating. Political parties must adapt. Parties have become brands. Leaders must do well in the media. It is about storytelling and one-liners. Maybe ideology is relevant when governing but

⁴⁵ <http://www.norgesrorleggerbedrift.no/wp-content/uploads/pdca.gif> (Accessed 25 April 2013)

less relevant during campaigning, which has become permanent. Government is watching reviews in the media all the time and watching the polls. Government policy is very short-term driven. Pressure groups have become important in demanding solutions for specific causes. From time to time they imitate political parties or try to become a political party. The young generation fulfills an important role. But nowadays the fifty-plus group and the senior citizens also have specific demands. Political parties are not only active via their website, Facebook and Twitter. But face to face contact has become more important too. This is called the ground battle. In some instances political parties operate like churches. They teach the world according to them. This permanent campaign requires a lot of talent and consequently also money. This makes political parties vulnerable for infiltration. The total effect is that democracy is being challenged. Democracy must be reinvented.

The current good (corporate) governance crisis in Curaçao, may become a blessing. Why? Because it will show once and for all that governance is a serious business and must be left to good people, who are knowledgeable and ethical professionals. The best person I ever knew was my grandmother, but I would not put her on the board, because she did not have any relevant training. The current crisis is caused by bad people: people without any ethics and no proper training. Improving governance is the future. Current and future members of the supervisory board must be continuously trained. Not only in technical but also ethical matters. It is time for professionals to show some pride again in doing a good job. It is a good thing that the government is firing these bad board members. It is a clear message. It is a good sign to foreign investors that we are taking matters seriously.

So the next practical move in the governance of Curaçao is to start appointing good people. The selection should not be based on their political affiliation but on their competences. In this context the appointments of the ministers of the Interim Government headed by Mr. Betrian was a good move. The appointments of the next Interim Government Hodge and the government after that should be on the same basis. It is time for Curaçao to appoint good people. Too many good people are excluded. A society cannot get to the next level (3.0) if it does not make optimal use of its talents.

Some state that the law must be fully applied in the recent cases of bad governance. I am afraid that those saying this are right, because some people will never learn unless they are punished. Let us hope that we have all learned a valuable lesson from the current crisis.

Governance and media

Governance of the media is a touchy subject because it is associated with the freedom of speech. The media has changed dramatically.

The way we get our information has changed. News has become 24/7 and instant. We are all part of a reality show, thanks to our smart devices. But newspapers, radio and television still matter. They get their information from the Internet and they spread their information via the Internet.

Every day we are confronted with ethical issues regarding the media. Remember the taping of phones by the British media, the publishing of private topless pictures of royalty,, the wiki leaks... Some basic principles no longer apply. For example: listening to both sides of the story.

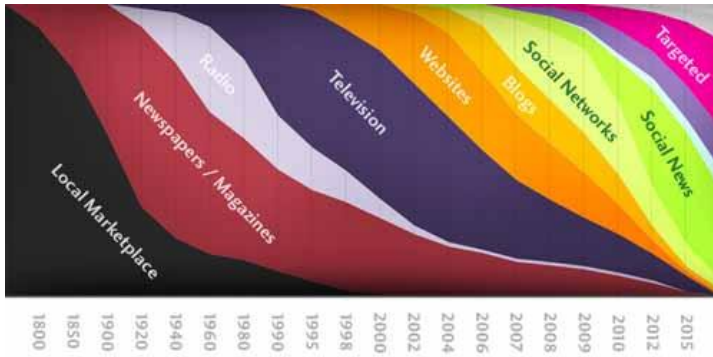


Figure 5: The development of the media over time⁴⁶

The question is what to do? Will we leave this to self-regulation by the media? Till now it has not worked. Will we put in place a new code of conduct? Will we write new laws? In Curaçao efforts to regulate media up to now have not worked.

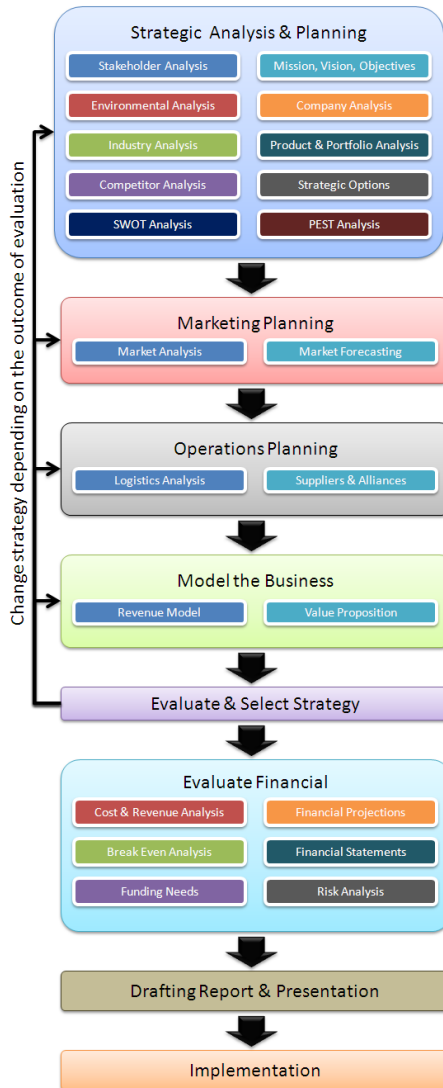
The point is that privacy is a human right and it is important for good governance to function. Citizens and politicians have the right to protect their privacy. Just as the financial sector experienced the need for more regulation and supervision, so will the media. We are just at the beginning of these developments. The recent incident of the famous leaker Edward Snowden illustrates this point.

Corporate Governance

The business plan

The business plan for next year should be ready before the beginning of December. Some people use a complicated approach as illustrated below.

⁴⁶ <http://www.baekdal.com/analysis/market-of-information> (Accessed on 25 April 2013)



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Figure 6: How to prepare a strategic plan⁴⁷

⁴⁷ <http://blog.arrayconsultancy.com/>

But in the end it all comes down to this. Begin with the end in mind and define the steps to get there and start executing.

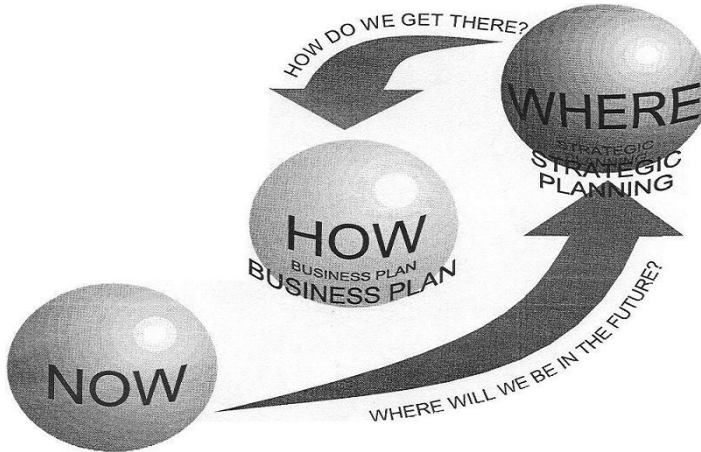


Figure 7: The essence of a strategic plan⁴⁸

Where are you now? Where will we be in the future? (This is the strategic plan). How do we get there? (This is the business plan).

You have read many articles about business planning. You know what is in such a plan: mission, vision, values, objectives, SWOT analysis, action plan, marketing plan and a financial plan. You know the steps how to write such a plan: hiring a consultant(or not) and prepare the workshop, draft the plan and discuss this with staff and personnel.

But do you realize that business planning is an important business ritual? A ritual is a set of actions, performed mainly for their symbolic value. It may be prescribed by the tradi-

⁴⁸ http://www.afs-inc.com/Business_Strategy/Business_Planning/

tions of a community, including a religious community. The term usually refers to actions that are stylized, excluding actions that are arbitrarily chosen by the performers. Rituals have a more basic social function in expressing, fixing and reinforcing the shared values and beliefs of a society.

So during the business planning process the organization comes together as a tribe. Success is celebrated and the tribe plans the new season and prays for another good business year. Now you might conclude that the business planning process is nonsense. But my message is the opposite. I advocate that organizations take this ritual much more seriously. Rituals always have been a very important human activity.

How to run a meeting

I recently found out that in many organizations the meetings are not held and if they are held they are ineffective. In Curaçao this is usually on Wednesday, because at that same time the Board of Ministers meet and Ministers are less likely to call the departments, and probably also on Monday.

How can you increase the effectiveness of your meeting?

- Prepare the meeting. Send out the agenda in time. Also the relevant documents.
- Make it a one-hour meeting.
- Start on time. Close the door once you start. Whoever is late, you will deal with him later.
- Put off all communication equipment for one hour.

The purpose of the meeting is to take decisions.

You take decision by going through the following steps:

- Identify the issue.
- Generate alternative solutions.

- Evaluate alternatives.
- What are the pros and cons of each alternative.
- Choose an alternative.
- Make someone responsible for the execution.
- Write down the decision.
- Move on to the next agenda item.

Avoid reverting to a step that has already been taken.

Start the meeting by checking the status of the execution of the decisions already taken. Only check if something is done or not done. Do not discuss the status. If it is important put it on the agenda, preferably for the next meeting. Deal with who did not comply outside the meeting. This is more effective.

Another part of the meeting is about checking the key performance indicator. What was the target and what is the actual result? What is the cause and what measures need to be taken to correct.

After an hour the meeting ends automatically. If not all the agenda items were covered, the preparation was poor or the meeting was not managed appropriately. Do better the next week.

It might take some practice and coaching before you get the hang of it. We can train you.

Weekend

The week begins on Sundays. I am not talking about the bible, the church or something like that. No, I am talking about work. I know you are not happy about this. You want to enjoy the Sunday, the last day of the week. But I am bringing good

news. You can have a very smooth week if you spend an hour or so of your Sunday to prepare for the week ahead. So I suggest, take a cup of coffee or a glass of wine, open your agenda and look at your scheduled meetings and to-do list. Go through your mail. Make a week plan in your agenda. Also plan your social events and the quality time with your dear ones. Plan your board meeting. What is on the agenda? What are the relevant documents? And at the end, mail your colleagues about the actions that are due next week. Now you are all set for a smoother week. If you start the week cycle like this, you will sail more smoothly every week, as you start another week cycle. Corporate governance starts with personal governance. Personal governance is personal planning. Have a great week.

Blue Monday

Blue Monday? Not if you started working on Sunday. Monday 3 December 2012 is the first day of the month on the job in the month of December. You spend some quality time with the family at home while you check your email. You never know who may have sent you an email the night before, after you finished planning. Have healthy breakfast. The best thing is to start working online at home till after the traffic jam.

When I arrive at the office I start socializing. I have created the time by working on Sunday and starting at home. I have a series of short meetings with all the managers. The topic is the preparation of the evaluation of 2012 and the business plan for 2013. I ask all the managers to prepare and submit their input.

I have two special meetings. One is with the finance manager to have a look at all aspects of the business. I want to know

how much money is in the bank, accounts receivable and the bills to pay. I have a second meeting with HRM to get informed about all HRM aspects.

I try to stick to the plan I made on Sunday. I take out the to-do list and do what I have to do.

At the end of the day

At noon you take a lunch break. The rule should be to enjoy lunch at home with the family. The food tastes better and is healthier. But a business lunch at times is necessary. Have a light lunch and in an air-conditioned restaurant. Make a healthy choice. Do not consume alcohol. All these things will slow you down and you want to stay on top of 'things'. Back at the office, start preparing the team meeting scheduled for Wednesday morning. On the agenda are: the evaluation of 2012, the workshop Business Plan 2013 and the preparations of the annual audit.

At five o'clock it is time to leave your office. Leave a clean desk. You will like that the next morning. Make sure you have access to your files from home. I take my laptop along. Check on your colleagues if there are matters that require your attention before you leave. When you arrive at home spend quality time with the family. Take them along when you go for your exercise. I personally have the choice of swimming in sea for forty minutes. Biking for thirty minutes or thirty minutes jogging.

Back at home you fresh up and enjoy dinner. Tonight I have a meeting with a group of peers. I hate leaving home in the evening, especially on a Monday in December, but it is part of the job. I return as early as possible.

I end the night opening my computer to check my mail, go on Facebook and prepare the next day.

At the end of the day it is all about balance and the pursuit of happiness.

A manager should manage the cycles

Business is a cycle. There is the multi-annual cycle, the annual cycle, the quarterly cycle, the monthly cycle, the weekly cycle and the daily cycle. This means that matters are repetitive and we can measure, evaluate and learn. This is the secret of good governance.

8. Governance and Climate change

Climate change is a global risk caused by human behavior that was put prominently on the agenda with the Nobel Prize awarded to Al Gore in 2007. This risk needs to be handled by governance: Climate Change Governance (CCG) (Leal Filho, 2010). This is a challenge, because it is a global issue, it is complex, there is no clear cause and effect sequence, it is an inter-generational problem, and it is not obvious who is responsible for the risky behavior. Governance has also changed. The national scale has decreased in importance, but there is no proper substitution for this, despite the progress of globalization and global governance. (Turnheim and Tezcan, 2009)

The question is: what governance mechanism can mitigate the effects of climate change?

This chapter is about Small Island Development States (SIDS), governance and coping with climate change. It is interesting to see the results of Rio+20, twenty years after the 1992 Earth Summit in Rio, setting the Agenda 21 and after that the World Summit on Sustainable Development (WSSD) in Johannesburg in 2002. Other interesting events are the annual meetings of the Commission on Sustainable Development (CSD) since 1993 and Rio+5 in 1997 (Karlsson-Vinkhuyzen, 2011).

Climate change

Climate change is a global issue (Sarkar, 2011). Climate change is a fact in the Caribbean. "Caribbean rainfalls are characterized by pronounced wet and dry seasons, with as much as 65% of annual rainfall during the wet season" (Pulwarty, Nurse, Trotz, 2010, P. 17-18). The rainy season

runs from June to December. In recent years the Caribbean SIDS experienced a sequence of significant climate events: high hurricane activity and drought. Drought has received relatively little attention. For the Caribbean an increase of the temperature from 1.5 to 2 centigrade is expected. This will lead to decrease in the length of the rainy season, an increase of the frequency of intense rain and a rise of the sea level by 30 – 50 centimeters by 2080. Thus the Caribbean will experience extended periods of wet and dry conditions, lasting from years to decades (Pulwarty, Nurse, Trotz, 2010). Estimates indicate that only 25% of Caribbean's reefs are in good shape. (Pulwarty, Nurse, Trotz, 2010).

According to the World Bank, the economic impact of climate change on the Caribbean will be significant (Haïtes, 2011).

“The term mitigation applies to measures that are taken to reduce the emission of GHG-gases. The aim of this strategy is, if not to prevent climate change entirely, to limit climate change as much as possible. Frequently employed measures include climate action plans, emission targets or specific incentives. Mitigation policy has mostly been understood, and handled, as a top-down process, where national governments implement the policies that have been negotiated in international treaties and agreements.” (Pohlmann, 2011)

“The notion of adaptation is used to describe human preparations for the expected effects of climate change (i.e. sea-level rise, droughts, hurricanes...). Besides mitigation, it is the second most important way in which societies will have to react to anthropogenic climate change. While not being directly part of the transformations towards a low carbon society, in the sense of the word (as adaptation does not decrease the

emittance of carbon or other air-polluting substances), adaptation is part of the transformation towards a society affected by climate change.” (Pohlmann, 2011)

Good governance has been shown time and time again in empirical studies to be a robust determinant of economic growth and aid effectiveness (McGillivray, Naudé and Santos-Paulino, 2010). The governance to adapt and mitigate the consequences of climate change, worries the Caribbean SIDS. The governance structure is called a failure, especially the Commission on Sustainable Development. There is not enough regional coordination. There is not enough political buy-in. There is concern about the preferment status of SIDS being lost. There is concern that Green Economy is not a proven concept (UN DESA, 2011).

“Current discussion at international level regarding the future of the Commission on Sustainable Development (CSD) in light of its failure in recent years to reach agreement on its program of work, was identified as a matter of great concern to Member States, considering in particular that the Commission is the only intergovernmental body mandated to coordinate and monitor the implementation of the BPOA and MSI. The prevailing view of participants was that further thought should be given to identifying ways to promote enhanced, more effective use of the CSD before considering its possible dissolution.” (Caribbean Regional Preparatory Meeting RIO+20, 2011)

Conceptual framework for Governance for Sustainable Development

Governance for sustainable development is coping with a wicked problem. When dealing with wicked problems like

climate change, every attempt to solve the problem changes the understanding of the problem. These problems cannot be solved in a linear way, because the problems evolve as new possible solutions are considered and/or implemented. Wicked problems always occur in a social context. The wickedness of the problem reflects the diversity among the stakeholders in the problem. A wicked problem is about an issue on which there is no consensus on the values involved and disagreement on the knowledge to apply (Williams, 2006; In 't Veld, 2011). Is it about the planet, the people or the profit? What is the optimal balance between these three Ps, coined in 1994 by John Elkington? (Elkington, 1997)

“One problem with the triple bottom line is that the three separate accounts cannot easily be added up. It is difficult to measure the planet and people accounts in the same terms as profits—that is, in terms of cash.” (Economist, 2009)

Values/ Knowledge	Consensus	Disagreement
Consensus	Technical	Political
Disagreement	Scientific	WICKED

Figure 8: Wicked problems (In 't Veld, 2011)

Rio 1992 started the development of a system of governance involving all levels of government and even non-State actors. It is a system of different sorts of actors on different levels (multi-level, multi-levelness), that must be integrated and moving in the same direction (Karlsson-Vinkhuyzen, 2011).

And also actors from different sectors must collaborate (cross-sector collaboration) (Dienhart, 2010).

Public domain	NGOs	Market domain
People, Planet, Profit <i>(Hierarchy)</i>	Planet, People, Profit <i>(Network)</i>	Profit, Planet, People <i>(Market)</i>
Intergovernmental Organizations -Global -Transnational -Regional -Sub-regional	International Non- Governmental Organizations	Multinational Corporations or Global Corporations
Core Government -National -Regional -Local	Non- Governmental Organizations	International companies
Semi Government -SOE -Foundations	Movement	Local business

Figure 9: The three domains seeking a new balance of the three Ps (Goede, 2009)

There must be a balance between the role of government, the role of markets and non-governmental organizations. Others make the distinction between State Actors and Non State Actors (Okereke and Bulkeley, 2007). The question is whether the dangers of the current (financial and ecological) crisis will allow us to see the opportunity to restore the balance between market and state, the balance between indi-

vidualism (*Me*) and community (*We*), and between man and nature (Stiglitz, 2011). The solution is the rebalancing of the three Ps (people, planet, profit) in the three domains (public, NGOs, market). This new balance will transform the knowledge economy to the sage society (Goede, 2011), a society seeking a balance between a social, environmental and economic agenda.

On all levels in all the three domains, the actors must go through stages: awareness, buy-in, and ownership. Only when actors understand the problem, will they act and interact. The balancing of the three Ps should start at an individual level (Goede, 2011, Golob *et al.* 2009, Stiglitz, 2011). This means that education should train people, especially the training of the next generation, to focus on this balance or new system of values and norms. In the recent past the emphasis was on the neoliberal market. The schools must be transformed from temples of neo-liberalism to centers for sustainable development (Goede, 2011; Adams *et al.*, 2011; Metze, 2011). The debt issue can only be handled by behavioral changes of all the actors involved. According to Van Duijn not only the banks and government are to be blamed but also households that overspend, especially by purchasing too expensive houses.

In the next three paragraphs the domains Government, NGO and Market, will be described.

Government

In the process of globalization the state is being hollowed out. And there is a shift from intervention by government towards enabling by government (Karlsson-Vinkhuyzen, 2011). Global governance is growing because it is needed to cope with climate change. Up to now the sustainable Agenda 21 has been

implemented mainly via governments. The adjustment towards a more bottom-up approach, starting at the local level, has not worked. One of the explanations for this is the low political priority, especially with local government (Karlsson-Vinkhuyzen, 2011). Legislation has been made to enforce this agenda in many cases. But these policies often have not been enforced. Financial incentives do not work (Karlsson-Vinkhuyzen, 2011). Education for Sustainable Development (ESD) is considered a tool of governance. UNESCO declared the Decade for ESD in 2005 and it will last till 2014. Progress has been slow. A Caribbean Network has been created to a sub-network of UNESCO's 'International Network of Teacher Education Institutions'. This network includes Florida. Part of the explanation of the poor progress is the difference in perspectives of the concept of sustainability. But also the Caribbean context is a factor (Down and Henderson, 2007). The question is: is education a government task or is it the domain of NGOs?

The State is not a homogeneous black box but a complex whole of relationships between groups, elites and classes, in complex interrelationships (Okereke and Bulkeley, 2007).

States are not equal. The responsibility is with the rich countries in the North that should set the example (Drexhage, 2007).

NGO

There is a consensus today that government should regulate more, because deregulation has failed, and NGOs have shown themselves to be "irresponsible" actors. This situation demands a new balance between public and private domain. Some use the term "the third sector" (Golob *et al.*, 2009, p.

632). NGOs should develop alternatives for production and distribution like corporatism. Corporatism is a social organization that groups people according to the community of their interests and a system to coordinate labor and capital in relation to their common interest.

The main predisposition of NGOs is to act. They are close to the issues and the people affected. The problem is that NGOs are not well connected within the NGO domain and interface poorly with government and corporations.

ESD is a tool used by NGOs to raise awareness on the topic of climate change.

Market

Corporations pursuing only profit are not sustainable (Bakan, 2004). Corporations should pursue the triple bottom-line: people, planet and profit. A company that can do this is a green or wise company, which can be identified by its practice of corporate social responsibility (Goede, 2011). Corporate social responsibility has been around as long as the corporation. The corporation always had a moral obligation to society. This was not always acknowledged. For example, in 1919 Ford Motors was ordered by the court to pay the maximum dividend to its shareholders, the Dodge brothers. Henry Ford wanted to use part of the profit to serve society. In 1999 Ford's great-grandson did get the approval of shareholders and other stakeholders to serve society (Moura-Leite & Padgett, 2011).

But corporate social responsibility is more than neoliberal corporations adopting CSR as part of their corporate strategy. It should be a true conviction that corporations should serve society.

“Companies must take the lead in bringing business and society back together. The recognition is there among sophisticated business and thought leaders, and promising elements of a new model are emerging. Yet we still lack an overall framework for guiding these efforts, and most companies remain stuck in a ‘social responsibility’ mindset in which societal issues are at the periphery, not the core.” (Porter *et al.*, 2011)

The financial sector, especially banks, should be regulated. Risk taking by bankers should be restricted. The bonus system for bankers is contra productive (Wawoe, 2010).

The too-big-to-fail banks should be broken up. The bail-out solution does not address the real causes of the recession. But it has given the message that the roles of the market do not apply to privileged institutions, which are too-big-to-fail. This will lead to future crises caused by risk-taking at the public’s expense (Stiglitz, 2011).

One of the changes suggested is to increase the money that is kept in the bank and not used for investment. Van Duijn (2007) states that in the coming years banks should be required to keep more equity in reserve. Some state that there should be regulation prohibiting or limiting banks from investing the savings of their clients. Some propose to split savings into a separate bank, calling those banks safe banks.

Some propose mandatory Social Reporting, according to the standards set by the Global Reporting Initiative (GRI), as part of the New Governance framework, in which companies report to stakeholders and engage in a dialogue on CRS and sustainable development (Hess, 2008).

In the next three paragraphs the three levels of governance (Global, Local and Grassroots) will be discussed.

Global

Climate change is a global phenomenon and threat and must be governed at a global level. Given globalization, this balance of the three Ps will also be looked for at a global level, in and between Intergovernmental Organizations, International Non-Governmental Organizations and Global Corporations (Stiglitz, 2006). This is the quest for trans-governance or meta-governance (in 't Veld, 2011).

The United Nations and UNESCO play an important role. The structure in regional organization is important for the implementation of the global strategy towards governing the mitigation of the consequences of climate change.

The Rio+20 conference is of immense importance, but also the World Economic Forum in Davos. It's there that global CSR is forged.

The sustainability problems are wicked, interconnected, and require an interconnected approach. The SIDS signed the international agreements, but have not formulated regional policies. The result is a fragmented approach.

“The rise of corporate social responsibility (CSR) is one of the more striking developments of recent decades in the global political economy. Calls for MNCs to demonstrate greater responsibility, transparency, and accountability are leading to the establishment of a variety of new governance structures...” (Levy and Kaplan, 2007). MNCs have, *de facto*, become part of the fabric of global governance.

Local

The specific problems manifest themselves locally, on the national level and should be resolved at the national level.

The National UNESCO Commissions (NUCs) fulfills a key role in translating the global agenda to the local level and vice versa.

A major governance issue is to deal with the consequences of the fact that climate change is still not a priority with the public and leadership. The islands have formulated National Climate Change Adaptation Policies and Implementation Plans using the UN Framework Convention guidance for preparation of National Adaptation Programs of Action and are now linking these plans to their resources and risk management policies.

The CARICOM fulfills a vital role by creating structures and programs to deal with climate change and sustainable development. The challenge is that not all SIDS are members of CARICOM. The fact is that all this does not automatically lead to action. Leadership is required (Pulwarty, Nurse, Trotz, 2010).

The natural tendency of governments is to delay action, to avoid antagonizing influential groups. Climate change policies affect established interests.

To address climate change means altering the way things are done today. "Climate change management requires governments to take an active role in bringing about a shift in interest perceptions so that stable societal majorities in favor of deploying an activate mitigation and adaptation policy regimes can be maintained.

Measures to help effect such change include: building coalitions for change, buying off opponents, establishing new centers of economic power, creating new institutional actors, adjusting legal rights and responsibilities, and changing ideas and accepted norms and expectations." (Meadowcroft, 2009)

Research suggests that there is something like a Transnational networks of sub-national governments (TNSG). Sub-national governments are actors on the global stage, when dealing with climate change (Setzer, 2009; Pohlmann, 2011).

Others suggest partnerships, especially Public Private Partnership (PPP) involving foreign partners, as a form of governance toward sustainable development (Chan, 2009).

Grassroots

Grassroots organizations play an essential role. Citizens detect issues and via media, nowadays especially social media and political mechanism, put issues on the political agenda, and also resolve issues directly by executing campaigns, projects and other direct interventions.

The balancing of the three Ps should start at an individual level (Goede, 2011, Golob *et al.* 2011, Stiglitz, 2011). This means that education should train people, especially the training of the next generation, to focus on this balance or new system of values and norms. I already referred to the EDS and the decade of education that will end in 2014. In the recent past the emphasis was on the neoliberal market. Business schools must be transformed from temples of neoliberalism to centers for sustainable development (Goede, 2011; Adams *et. al.*, 2011; Metze, 2011).

It might be overlooked that adapting to the consequences of climate change is equal to poverty reduction, for example, by introducing better education and better agricultural techniques. By changing the way people cook, people learn how to adapt to the consequences of climate change (Richards, 2003).

Climate Change, migration and governance

Migration is sometimes an overlooked consequence of climate change. This migration is caused by natural disasters, warming and drought, rising sea levels and competition over natural resources. This migration will often be internal, but also external, across borders. "There are no international instruments that especially address international migration stemming from climate change or other environmental factors." (Martin, 2010) The migration issue illustrates that there is no governance structure in place to mitigate the consequences of climate change.

Conclusions

To balance the Ps (planet, people and profit) in the three domains (Government, NGOs and Market) and to resolve the wicked problem of climate change, wisdom is required. Wisdom is action that not only benefits the actor taking the action (*Me*) but also benefits others (*We*). As with people, organizations need to become sage as well. The central issue is about efficiency, effectiveness, explicability and ethics. Also, wise government is required (Goede, 2011). This is related to knowledge democracy. The concept of a knowledge democracy is meant to enable a new focus on the relationships between knowledge production and dissemination, the functioning of the media and our democratic institutions.

There is still a lack of vertical integration and that leads to lack of coherence between all actors, in all spheres and all levels (Karlsson-Vinkhuyzen, 2011). The question is: how must we respond to these problems? What have we learned from the past 20 years going to Rio+20? There still is this gap between intentions and actions. A transdisciplinary approach is required. Scientists and practitioners need to collaborate.

Transgovernance is based on Knowledge Democracy (KD). It is about the complex interrelationship of politics, media and science. It is also about complex reflexive social systems. Centralized and legal arrangements are not the most effective. A global network of corporate citizens is also necessary (In 't Veld, 2011).

Developments are “glocal” (global and local). National governments are being hollowed. The nation state must redefine itself. Regional and global governance is not sufficiently developed (In 't Veld, 2011).

“The urgent challenge of climate change poses a critical test for modern democracy and rules-based international politics. Democracies need to shift from loose policy commitments to real and binding actions. Yet, there are enormous collective action problems in combating climate change. Can democratic systems evolve to confront the challenge? At global governance level there has so far been a failure to generate a sound and effective international framework for managing global climate change, whilst at state level solutions are weak and struggle to transcend the normal push and pull of partisan politics. By setting out a range of focused governance and policy recommendations, this paper proposes steps for re-forging a rules-based politics, from the nation state to the global level. To coherently combine democracy, markets and universal standards, global governance systems need to develop into inclusive and representative institutions with the legitimacy and capacity to translate policy commitments into real world outcomes. This will require the wealthy industrialized states to shoulder a significant part of the cost of the transformation in developing countries. The nation state holds the key; it must broaden and deepen the deliberate process through democratic agency, involving citizens and

civil society in the making and delivery of policy and ensuring that flexible regulation is in place to encourage entrepreneurialism and drive technological innovation.” (Held and Fane Hervey, 2009)

“One possible step ahead would be to produce a document such as ‘Global Principles of Climate Change Governance’, which would be an internationally agreed code of good governance on climate change approved by governments. These ‘Global Principles of Climate Change Governance’ could focus on the national and local level and are intended to provide direct assistance and guidance to governments in improving the political, legal, institutional and regulatory framework that underpins CCG. They may also provide practical guidance and suggestions for non-government bodies, donors and other parties that may play a role in the process of developing CCG. However, in order that it yields the expected benefits, the effective implementation and enforcement of CCG require that laws and regulations are designed in a way that makes them possible to be implemented and enforced in an efficient and credible fashion by both industrialized and developing countries. There is also a need to cater for. It is clear that, bearing in mind the complexity of the problems caused by and associated with climate change, CCG may help to bring people together, not only within nations, but also around the world, to build partnerships and share ways to promote participation, accountability and effectiveness in tackling the challenges posed by climate change at all levels.” (Leal Filho, 2010)

9. Vision CSIDS 3.0

To get from 2.0 to the next level 3.0, the question all Caribbean islands should ask is: “What is our unique selling proposition?” What are you good at and improve that continuously. All the islands share the location in the Caribbean, the tropical climate, the beaches and multicultural society. But what makes each island unique, or how are the islands going to differentiate themselves from the rest?

To be successful, the island must have the best internet (ICT) on the island, meaning high speed, low prices and WiFi hotspots. You must attract the creative class (performing artists and knowledge workers). “Society should be tolerant and have an open mind. People should feel and be safe” according to Professor Richard Florida.

Consider the island not as a state but as a corporation. Make a strategic plan and execute it. Fight corruption because corruption is a root cause of underdevelopment. It makes everything more expensive because it disturbs the market. Have a small competent civil service, mean and lean. The strategy regarding tourism should be based on the theory of experience economy. The term experience economy was first described in an article published in 1998 by B. Joseph Pine II and James H. Gilmore, titled “The Experience Economy”.⁴⁹

Be smart. For example, if one million tourists visit the island, there must at least be a few investors visiting. Do the research and find out who they are and try to exchange ideas with them. Another possibility to be smart is to update your

⁴⁹ http://en.wikipedia.org/wiki/The_Experience_Economy

websites regularly. Websites with old or static information are useless. A third example of being smart is to make an app for visitors. It is the best way to make everything the island has to offer available to the visitor.

Bring in an outsider. He might have a fresh perspective on the possibilities. Let us have a Talk 3.0

The Best Practices of Barbados and Anguilla

Barbados scores very well on several rankings. Curaçao looks at Barbados with regards to the national strategic plan. But Curaçao could also look at their policies regarding green energy. Anguilla is another good example.

Some Small Island Developing States (SIDS) are also turning to solar power to reduce their costs and increase their sustainability. Anguilla, for example, aims to obtain 15% of its energy from solar power so it is less reliant on expensive imported diesel. The Climate & Development Knowledge Network is helping the government gather all the information it needs to change the island's legislation, so it can integrate renewables into its grid. Barbados has also made good progress in switching to renewables, but many other SIDS are still at the early stages of planning how to integrate renewable energy into their grids. "For a small island we're very far ahead," said Beth Barry, Coordinator of the Anguilla Renewable Energy Office. "We've got an Energy Policy and a draft Climate Change policy and have been focusing efforts on the question of sustainable energy supply for several years now. As a result we have a lot of information we can share with other islands."⁵⁰

⁵⁰ http://en.wikipedia.org/wiki/Renewable_energy, (Accessed on 20 February 2012)

But Curaçao has its own merits. Curaçao has two windmill farms and solar panel for households have been introduced. But Curaçao lacks the vision, drive and leadership Aruba is showing.

Cayman's Special Economic Zone Announces International Outreach Campaigns Cayman Enterprise City

Cayman's Special Economic Zone Announces International Outreach Campaigns Cayman Enterprise City

Cayman Enterprise City sets out to attract clients in Canada and US with unique benefits package that includes tax-neutrality.

GEORGE TOWN, Grand Cayman (CEC) –

After a successful first year as the only high-technology and knowledge-based Special Economic Zone in the American region, and a growing list of clients currently operating international businesses from the Zone, Cayman Enterprise City (CEC) is announcing a series of outreach campaigns to aggressively attract companies seeking to set up an offshore presence to expand and grow their businesses internationally. CEC is targeting three key cities with concentrations of technology, media and commodities companies, which can all fit into the zone; Toronto, Canada, Silicon Valley, California and Austin, Texas. A CEC delegation will be in Toronto, April 15 – 19; in Silicon Valley, April 29 – May 3; and in Austin, May 6 – May 10, 2013. “One hundred companies by the end of the year, including two or three major brands,” says CEO Charlie Kirkconnell of their ambitious goals for 2013. “We want to convince forward-leaning companies that Cayman Enterprise City and the Cayman islands is the place for them to be if they want to expand their business internationally – not only

from a business perspective, but also from a lifestyle point of view.”

54 Companies are now doing business from the Cayman Enterprise City technology cluster and Kirkconnell says they are fast outgrowing designated office space so they will soon have to secure more. CEC plans to break ground on a permanent campus sometime this year, but in the interim, Class A zone-designated gateway buildings are being used to accommodate clients.

“This is not a brass plate model of doing business; CEC offers a physical offshore presence and quick set-up for companies trying to open up new markets,” says Kirkconnell, addressing any misconceptions about the Special Economic Zone. “CEC effectively strips away the red tape and high costs usually associated with setting up offshore, and this is a real clincher for clients who want that quick start.”

The Cayman Islands government has granted Cayman Enterprise City unique and unprecedented concessions to arm them with the right incentives to compete globally in attracting big brands and entrepreneurial startups to Cayman. The benefits of the Zone include economic freedom in a tax-exempt environment, a 10-day streamlined setup, exemption from import duties, and the ability to have Intellectual Property held offshore.

“In today’s highly competitive culture, where many jurisdictions and countries compete for the same big brand companies and entrepreneurs, CEC has to offer something special – something extra – and that is tax-neutrality,” said Kirkconnell. “It is part of the package.”

Also part of the package is a cosmopolitan lifestyle on a Caribbean island paradise located only one hour from Miami and three and a half hours from New York City.

Cayman is a safe, secure British Overseas Territory with good schools, world-class restaurants, a sound infrastructure and sophisticated service providers. In addition to the Internet, technology, media and commodities sectors, CEC is designed to also attract companies in biotechnology. The Zone's master plan calls for a campus with 750,000 - 1,000,000 square feet of office space.

"We are building a first-rate Special Economic Zone here in the Cayman Islands and offering the best concessions available in a business-friendly environment," says Charlie Kirkconnell. "Our doors are open."

About Cayman Enterprise City

Cayman Enterprise City is a Special Economic Zone in the Cayman Islands, focused on knowledge-based industries, technology companies and specialized services businesses. With dedicated Government Authority and guaranteed fast-track processes, International companies can quickly and efficiently establish a genuine physical presence in Cayman, which demonstrates substance over form. This enables businesses to take advantage of Cayman's jurisdictional benefits, which include zero corporate tax, zero income tax and zero capital gains tax, along with a raft of special zone concessions and incentives. These concessions were designed to attract international companies from five specific high-tech sectors: Internet and technology, media and new-media ventures, biotechnology and commodities and derivative.

www.caymanenterprisecity.com⁵¹

⁵¹ http://news.caribseek.com/index.php?option=com_k2&view=item&id=43004:&Itemid=314, (Accessed on 31 March 2013)

The fact is that I have proposed the Knowledge Zone Curaçao for more than two years. The university supervisory board did not even have a look at it. The members of the K-Zone rarely meet. Some, like the Airport City, Ctex and Carmabi, are successful on their own. The Minister of Economic Affairs of Curaçao and other politicians have shown no interest. There is no synergy, no leadership and no plan. There is no manager appointed and there is no real alternative. There are indications that the government is looking into transnational education. The economic policy for the coming period will be to focus on large projects like construction of the new hospital.

Agriculture in the Caribbean 3.0

Agriculture is not sexy. Young people do not aspire a career in this sector. The ICT and Financial sector are hot. Food is essential for human beings and countries to survive.

Barbados, Grenada and Saint Lucia have the best practice in introducing the sector. Agriculture is part of the school curriculum (Mangel, 2009).

Stephen Ritz is a South Bronx teacher/administrator who made agriculture sexy for youngsters. This is probably the best practice. "With the help of students and extended community families, we grew over 25,000 pounds of vegetables in the Bronx while generating extraordinary academic performance". His Bronx classroom features the first indoor edible wall in NYC DOE, which routinely generates enough produce to feed 450 students healthy meals and trains the youngest nationally certified workforce in America. Stephen has consistently moved attendance from 40% to 93% daily, helped fund/create 2,200 youth jobs, captured the US EPA Award for transforming mindsets and landscapes in NYC, recently won the ABC Above and Beyond Award, helped earn his school the first ever Award of Excellence from the NYC Strategic Alliance

for Health and attributes these results directly to growing vegetables in school. His speech at Columbia University, "From Crack to Cucumbers," along with the release of a YouTube Video (Urban Farming NYC) resulted in a national following, including an invite to the White House Garden. Dedicated to harvesting hope and cultivating minds, Stephen dreams of opening a nationally replicable Career Technical Education public school in the poorest Congressional District in America rooted in urban agriculture, green and sustainable initiatives." (Ritz,30 Jan. 2012)

Permaculture is a branch of ecological design, ecological engineering, and environmental design, which develops sustainable architecture and self-maintained horticultural systems modeled from natural ecosystems.

The core tenets of permaculture are:

Take care of the earth: Provision for all life systems to continue and multiply. This is the first principle, because without a healthy earth, humans cannot flourish.

Take care of the people: Provision for people to access those resources necessary for their existence.

Share the surplus: Healthy natural systems use outputs from each element to nourish others. We humans can do the same. By governing our own needs, we can set resources aside to further the above principles.

Permaculture design emphasizes patterns of landscape, function, and species assemblies. It asks the question, "Where does this element go? How can it be placed for the maximum benefit of the system?" To answer this question, the central concept of permaculture is maximizing useful connections between components and synergy of the final design. The focus of permaculture, therefore, is not on each separate element, but rather on the

relationships created among elements by the way they are placed together; the whole becoming greater than the sum of its parts. Permaculture design, therefore, seeks to minimize waste, human labor, and energy input by building systems with maximal benefits between design elements to achieve a high level of synergy. Permaculture designs evolve over time by taking into account these relationships and elements and can become extremely complex systems that produce a high density of food and materials with minimal input⁵².

Nevis and St. Kitts Best Practice on school 3.0

The 3.0 school is ICT driven. Many Caribbean SIDS do not get it. But Nevis and St. Kitts do.

All public secondary schools in Nevis and St. Kitts have been outfitted with the necessary infrastructure to provide high speed Wi-Fi internet access to enhance the learning experience.

At a press conference on Thursday 31 January at the Parliamentary Lounge, Government Headquarters, the Minister responsible for Technology, the Honorable Glenn Phillip, announced that this has been provided under a project called Education Network (EDUNET).

EDUNET is "complimentary to those persons who have received laptops and those persons who will receive laptops in the near future ...," said Minister Phillip, referencing the Government's One-to-One Laptop initiative that provides high school students and teachers with personal computers.

⁵² <http://en.wikipedia.org/wiki/Permaculture>, (Accessed on 19 February 2013)

Director of Technology Christopher Herbert told SKNIS that EDUNET is dear to his heart given his past experience as a teacher. He explained that the Internet service, which was tendered for and won by LIME, will be accessible from every corner of the school compound and extends approximately 100 feet outside. The download and upload speed is 10 MB, which is five times faster than the typical speed of the average residential customer.

A feature of the system provides email service to the students where they can receive school updates and homework assignments. Additionally, there is a teleconferencing option where students and teachers across schools on the network can interact with each other providing exciting opportunities for shared learning.

Typical restrictions are in place to block access to undesirable websites but teachers will be allowed to request timed access to social media sites such as YouTube and Facebook which may contain material relevant to a course or topic.

EDUNET is a project of the National Telecommunication Regulatory Commission (NTRC) being spearheaded by the Department of Technology. The official launch of the project is scheduled for the first quarter of 2013.⁵³

In Curaçao the government has no vision of education. Not only do they not talk about the realization of such a project, they have no vision whatsoever, let alone an objective. The One laptop Per Child was introduced on the island a few years ago. There were two pilot schools and there was an evaluation, but after that everything stopped. The biggest school

⁵³ <http://www.thestkittsnevisobserver.com/2013/02/01/tech.html>, (Accessed on 20 February 2013)

board on the island has implemented a policy of eight PC's per classroom. And a small team of volunteers has implemented two PC's per classroom at the Prins Bernard primary school. The University is a full Wi-Fi environment.

ICT is an issue because the sector has big potential with the emergence of the biggest and most modern datacenter in the Caribbean Ctex near the Airport City, part of the Knowledge Center of Curaçao.

Medical Tourism

In theory Curaçao has the potential to offer medical tourism. There are already some services being offered. I refer to the dolphin therapy and kidney dialysis but also lasering of the eyes. The construction of a new hospital will add to this capability. The fact is that the doctors are highly trained and the medical inspection has been put up to date. However, much remains to be done.

Aruba 3.0

Aruba is an example when it comes to having a vision and going green. Not that they do not have their own problems. But there is much we can learn from them. They have a clear vision and go for it. Prime minister Mike Eman shows leadership.

Aruba To Host The Caribbean Renewable Energy Forum 2013

Rosalie Klein, The Morning News Aruba

Thursday, Mar 7th, 2013 14:36 UTC | Comment Article

ORANJESTAD (TMN) -- Aruba's Prime Minister Mike Eman was very proud to announce yesterday morning that this year, the annual Green Aruba Energy Conference conducted in the fall, will partner with New Energy Events LLC, to host

the 5th Annual Caribbean Renewable Energy Forum, (CREF), the largest such event in the region.

They report attendance of last year's conference was over 400 delegates from 14 countries. This year, they would expect more, as the imperative for harnessing renewable energy sources by Caribbean nations becomes increasingly evident.

Present for the announcement was Energy Events CEO Matthew Perks, who described Aruba as a "world-class conference destination. It has excellent communications and is fortunate to have a government that is interested in showcasing the country to the international community. It is just as important to us to bring CREF to a country where we believe the government is working aggressively to move away from fossil fuels and into types of energy that will be sustainable and affordable in the long term."

Citing the fact that 20% of Aruba's energy is already obtained from renewable sources, with a plan to be 100% renewable by 2020, Mr. Perks declared "The government's plans are ambitious, and look forward to finding a platform through CREF for Aruba to lay its plans before international investors and promote Aruba as a free-investment destination."

"We like to say that CREF is where Caribbean renewable resources meet international investors and technology. Every constituency we need to transact change and move forward, will be in Aruba later this year."

Both the Prime Minister and Mr. Perks agreed that an important issue for the upcoming conference will be addressing how to make energy more affordable for regional nations, which affects the majority of the island nations. "The price of electricity is cripplingly high across the regions, we all know that we need to act now," he continued.

The CREF/Aruba Green Energy Conference will take place Wednesday, Thursday and Friday, October 9-11th at the Westin Aruba Resort in Palm Beach. The CREF website also went live on March 5. More information regarding past speakers and CREF events can be viewed here:

www.caribbeanenergyforum.com. This year's agenda and roster of speakers is yet to be confirmed, but registration forms can be filled in on the site.

Joining the Prime Minister and Mr. Perks for the announcement was the Minister of Finance, Telecommunications, Energy and Utilities, Mike de Meza and Director of Utilities Aruba, Frank Hoeverz⁵⁴.

Curaçao 3.0

I read the fourth draft of the TAC report on the economy of Curaçao in April 2013. It was prepared by the consultant agency TAC on the request of the Schotte government. I received it from a friend because it was not yet public. I was never involved with the process, although I asked several stakeholders on different occasions if I could get involved. I never received a response. Many others were not invited either.

This report has been in the making over a year now. First I was disappointed after I scanned the 300-page report, but then I realized that this is only a reflection of the philosophy of stakeholders in the economy of Curaçao.

I scanned the report looking for keywords. The words “knowledge economy” are only mentioned once in the context of the ICT promoting foundation, Stimul-IT. Instead of the words “creative economy”, the report uses “cultural sector”.

⁵⁴ http://news.caribseek.com/index.php?option=com_k2&view=item&id=40075%3A&Itemid=338, (Accessed on 7 March 2013)

The concept is further elaborated, and there is a presentation of this sector.

“ICT” is not mentioned as a sector even though Curaçao is building the biggest data center in the region.

ICT is mentioned (among others) when innovation and clusters are mentioned, especially in connection with the financial sector.

“Education” is mentioned in the context of the mismatch with the labor market: “The education system is not responsive to the needs of the Island in general and of employers in particular.” I quote the report when it comes to improving education:

“Education system. Renovate the education system, so as to ensure that:

- All children are literate and sensitized to culture.
- All teenagers possess good analytical capacities and professional skills.
- All teenagers are trained to be diligent.
- All teenagers are sensitized to business culture and business administration.
- All teenagers develop strong emotional feelings for the art and culture of their country, the Caribbean and Latin American countries, as part of their heritage.
- A variety of professional specializations (technical, art, intellectual, etc.) is offered. There is a need to make the education system more responsive to the needs of the island.
- Dropout rate in schools is minimal.
- All teenagers are fully proficient in at least three official languages, i.e. English, Dutch and Spanish.
- Families are sensitized on the importance of education for their children.”

The sensitization to the culture and the proficiency in languages is prominent, but I am convinced that the key is to prepare learners to master ICT. The TAC report mentions the university at least two times. It states that the Airport City will require the involvement of a technical university. The other reference is to the university in Jamaica. Transnational education as a potential economic sector is not even mentioned.

Conclusion: This is a 2.0 economic plan for Curaçao 2.0. It lacks the emphasis on knowledge, education and ICT to take Curaçao to the next level, 3.0. At this stage, after all the time and money spent, there is still no implementation plan nor structure. These are the most essential elements to make the plan succeed, because Curaçao is a poor decision maker and implementer.

This illustrates my point made in the previous observations. People are excluded from making a contribution. I never actually thought it through. Why? I think this is a residue of Curaçao 1.0, the slave society: people are judged based on who they are and not based on what they know and contribute. This has created an anti-intellectual climate. In that sense, the TAC report is on the dot: Curaçao cannot be a knowledge economy. Keep the party going, let us go for the “cultural sector”.

How the economists think

Dear Runy,

Thank you for inviting me to meet the economist of the Economist Platform of Curaçao, especially because you were discussing the economic outlook for Curaçao 2013. I had to think a lot about the meeting. I do not want to express any negative feedback. But here are some of my thoughts.

Economy is about people. It is a social science. It is about human behavior, so it is about psychology. Economics 3.0 is a multidisciplinary science.

What will happen in the future is the effect of human behavior. Investment will be determined by investors and not by investments. To attract investments to the island we need to attract investors. It is true investors are looking for opportunities to make a profit. But based on my studies on economy 3.0, I suggest the following recipe. Continue to improve law and order. Improve the ICT infrastructure. That is what drives the economy 3.0. The next thing is “talent”. Creative people want to meet peers to create joined projects. Use our own creative people to attract these creative people. Kelvin Jansen is bringing Magic Johnson to the island. And this is just one example. Another factor is nurturing our tolerant society, because this creative class is “out of the box”. My bet is that if you take these measures you will attract people, who will visit the island and might decide to do something, to invest.

It was brought up in the meeting that tourists are staying more and more with Facebook friends. So this is a challenge for the hotel industry. Human behavior has changed. An economist should observe the human behavior to predict the future. Numbers are based on past behavior.

The concept of Human Capital still has no place in the economy. But it is eminent that it is the creativity and talent that drive the economy. We talk about the size of the population in terms of numbers. Sometimes we discuss the level of education, but we never talk about the talent

of the individuals. What would Curaçao be without Gregory Elias, Jacob Gelt Dekker, prof. Pinedo, Kelvin Jansen, Mr. de Veer, Anthony de Lima. These are the investors. But also the creative Dutch in Pietermaai area and those renting bikes in the Caracasbaai area. There is still a focus on the traditional factors of Capital and Labor. More than before the next generation will change the economy. We do not study the next generation. As I mentioned in the previous paragraph, they are changing the hospitality industry already.

In the 3.0 economy we should study global corporation. They are the drivers. We still focus too much on states. Yes, we talk about the refinery, but it is about PDVSA. When we talk about ICT we should try to talk with Microsoft or Apple. We should do the same when talking about solar panels. We never talk about corporations, because this is a traditional paradigm.

Environment and sustainability are not mentioned. We talk about the refinery, but in terms of maintenance. How much economic activity will this generate? But are there no other relevant issues regarding the refinery?

We did not talk much about globalization. We only briefly mentioned the Euro crisis. But we did not go into the possible next global financial crisis.

We should have a concentrated effort in reaching out to investors. If you Google “invest in Curaçao”, you get to a website. This is a good idea, but the site has not been updated for a long time and is not branded. This is because we do not apply the Deming circle.

A few months ago I already visited the platform. On that occasion we discussed the compliance by retailers when it comes to handling sales tax. Then we discussed the behavior of this group and it seems that a lot of them were openly not complying. What I also saw on that occasion was the generalization. The government approaches all business people as possible criminals. This is not good for our investment climate. Also the service of the agencies, which are part of the procedures regarding taxation, is not efficient and customer friendly.

These are just a few observations I want to share with you. If you have any questions, please contact me. I am trying to give a positive contribution and in so doing, contribute to the upgrading of Curaçao to the 3.0 level.

A few suggestions. We need a more behavioral science approach of the economy in Curaçao. The great asset of the platform is its consistency. There is this monthly cycle. But I would set more clear objectives and start turning the Deming Cycle towards those objectives.

Best regards,
Miguel

Vision Curaçao 3.0

A vision is a mental picture of a desired future. A shared vision is when the vision is common for a group. Often a vision is formulated in a statement. In this way, it is externalized and shared, but the statement is not the vision. The statement should be short. The vision should be challenging but achievable. A vision is a powerful mental tool for individuals, organizations and countries to achieve objectives.

Countries also apply vision as a governance tool. The vision is part of a long-term strategic plan. These plans usually cover a period of 20 years. Many often refer to the practice of Singapore. Barbados is also considered a Best Practice for the Caribbean.

The strategic plan of Barbados consists of the following elements:	
EXECUTIVE SUMMARY	8
I. ECONOMIC AND SOCIAL OVERVIEW.....	11
II. ANALYSIS OF OUR PLACE IN THE WORLD.....	17
III. THE THEME.....	25
IV. CORE VALUES	26
V. THE VISION	27
VI. STRATEGIC GOALS	29
Goal one:	
“Inspired, exalting, free:”	
Unleashing the spirit of the nation	31
Goal two:	
“Firm craftsmen of our fate:”	
New governance for new times.....	32
Goal three:	
“Strength and unity:”	
Building social capital.....	34
Goal four:	
“These fields and hills:”	
Strengthening the physical infrastructure and preserving the environment.....	35

Goal five:	
“Upward and onward:”	
Enhancing Barbados’ prosperity and competitiveness.....	36
Goal six:	
“Strict guardians of our heritage”:	
Branding Barbados globally.....	38
VII. NATIONAL OBJECTIVES, STRATEGIES AND TARGETS.	39
VIII. FINANCIAL RESOURCES	90
IX. IMPLEMENTATION	91
X. PLANNING MATRIX	92

The strategic plan of “Curaçao – the Island of Education and Sophistication” was prepared several years ago. It consists of the following elements:

Curaçao – the Island of Education and Sophistication	
Introduction	2
1 Executive Summary	4
2 Curaçao’s Strengths & Weaknesses	7
3 Curaçao’s Economic Disadvantages & Strategic Weaknesses	18
4 Analysis	20
5 The Strategy of Education & Sophistication	21
6 The Value of Strategic Planning	28
7 The Clusters	30
8 Conclusion	32 ⁵⁵

⁵⁵http://www.amblaja.esteri.it/NR/rdonlyres/0BCFC657-5DF2-4D9F-BBEB-8AC6535FDF97/18726/2012_06_21whitePaperInvestorsCuraçao.pdf (Accessed on 5 March 2013)

Curaçao has a long tradition of strategic planning. One of the first I found is the report by the Dutch Member of Parliament Mr. van Kol, dated 1901. The title is “Een noodlijdende kolonie” (A colony in peril). The Dutch parliament was extremely concerned with the poor conditions of the economy on the islands and the poverty. The report presents a series of possible economic projects to develop the economy.

In 1976 a development plan was developed for the Netherlands Antilles as part of a process that should have led to the independence of the Netherlands Antilles in the slipstream of Suriname, which became independent in 1975.

In 1997 the consulting firm Arthur Andersen facilitated the vision “2020: Creating the Caribbean Future”.

2020 Vision

–An open and competitive economy enabled by state of the art technology and an attractive financial and physical infrastructure, in which a core government has the role of conductor and refrains from playing along with the other musicians of the orchestra.

–This economy should also be diverse, consisting of strong industrial sectors as well as a solid service sector, especially the hospitality industry.

–This economy is the foundation for the happiness of the people, who will be living in a continuous learning community and preventive healthcare system (Arthur Andersen, 1997).

It was one of the sources of inspiration of the “Vishon Korsou” of 1999. After a few years this process was stopped because the government could not subsidize it any longer. Later there was an attempt to restart the project government project or process. But it got lost in the bureaucracy.

In 1999 Vishon Korsou published a vision for Curaçao. But looking back at the vision it is not a clear vision (Vishon Korsou, 1999).

The other early vision is the report “Island of Education and Sophistication”.

This strategy of “Education and Sophistication” requires an immediate two-pronged approach from a development point of view: a focus on developing the education industry and attracting the sophisticated tourist.

Investment in these two initiatives will create a corresponding demand in their respective sectors but also will create demand and opportunities in the business services and entertainment sectors.

When put together, the result is a cluster strategy that includes a focus on Education, the Curaçao Experience, Niche Tourism, and Specialized Business Services.

The Cluster Strategy

A cluster strategy is envisioned to unify and stimulate Curaçao’s development. This cluster strategy focuses on four main clusters:

1. A Focus on Education
2. Nurturing the Curaçao Experience
3. Specialized Business Services
4. Niche Tourism

However, the synergies created by these clusters have a direct effect on the following sectors:

5. Transportation & Logistics
6. IT/e-Commerce
7. Commercial, Residential, Retail

It is important to note that the economic multipliers do not begin and end with education or even these clusters. In fact they both leverage and support the transportation/logistics and telecommunication sectors. In particular, the airport supports the inflow of students, teachers and parents needed to support the education sector and this demand increases the need for airlift.

As the workforce becomes more educated, and therefore more competitive, transshipments increase, leveraging and expanding port facilities, telecom, and e-commerce. Increased travelers to the island support international fashion and shopping. Education enriches the cultural experience, attracting more tourists and retirees and creating a brand as an outcome of success.

Education and tourism expose the island to more tourists and immigrants spawning retail and residential development (Aqualectra, 2006).

This process was followed by the process named “5 Star Curaçao”. This process is also poorly documented.

In 2005, when Queen Beatrix was celebrating the 25th year of her reign, the development plan of 1976 was revisited, but not much was done with the result.

Over the recent years, many sector plans have seen the light of day: Master plan for Tourism, ICT master plan, plan logistic Hub. Recently a plan for the Airport City has been developed, as well as a plan for a Knowledge Zone and one for the Creative Zone.

The main problem of Curaçao is the implementation or realization of a vision. The track record is poor. Let us focus on the plan. In 2013 the government has started again to prepare for a master plan. In this context let us have a look at Curaçao. What are the strengths and weaknesses of Curaçao?

Vision Curaçao 3.0

The strengths are:

Location

Dutch kingdom

Tax structure

Infrastructure

Multilingual

Talent of the people

UNESCO recognizes Curaçao as part of the World Heritage and Curaçao has two UNESCO university chairs: one on AIDS and the other on desalination of seawater.

The weaknesses are:

Small scale

Governance

Political culture

The vision for Curaçao is: to be the best island in the Caribbean

The economic development is developed by sector build on foundation layers.

The foundation layers are:

Government and governance

Law and order

Harbors and airport

Roads

Utilities

ICT

Education

Healthcare

Social welfare

On this layers that together form a foundation the following sectors are developed:

ICT

Financial sector Tourism

Transnational education

But it is mainly about cross sector innovation:

Airport City, with logistics, tourism, ICT, financial sector, education and research.

Knowledge zone

Creative zone

Green Town

Logistical hub

Events like the Curaçao North Sea Jazz Festival

Medical Tourism

But it all starts with the foundation layers:

The government policies should be solid and civil service must be well structured and functioning. This is currently not the case in Curaçao. For example, it takes too long to get business permits.

There should be the rule of law. Economic activity should be regulated and protected by law. Being part of the Dutch Kingdom provides extra legal protection, but the judicial system is slow and expensive, as it is in many parts of the world.

Harbor and airport of Curaçao both have problems with their quality management systems. This must be restored.

Since 2010 the roads in Curaçao have deteriorated. This is a consequence of hurricane Tomas.

The utility company faces serious issues.

The ICT structure should be further upgraded. Curaçao needs more bandwidth at more affordable prices.

The quality of education should be further improved.

Learners should be prepared for the knowledge society. ICT programs for all levels are required.

Healthcare should be improved. The construction of the state-of-the-art hospital has been postponed by government for decades but should start as soon as possible. The system is being reformed because the costs are too high. This is partially caused by the demographic shift. The population is aging.

The social welfare system of Curaçao is much better than the region, but reforms have taken place because the system has become unsustainable. Here too the demographic shift is a factor. Still, this is a factor that pulls many from the region to migrate to Curaçao. Sometimes even illegally.

Curaçaoan talents

The vision of Curaçao should be based on the talents of its people. Today we celebrate the successes of our baseball players on the global stage. This is not sudden and not for a short period. This success is structural and is based on talent. Former Minister Adriaans stated that the people of Curaçao have a talent: the eye-hand coordination is exceptional.

We are in the era of creative economy and experience economy, more than the knowledge economy. The chances of the Caribbean are better in the creative economy than in the knowledge economy. The number of highly educated people is not high enough. It should be in the range of 50%. According to Richard Florida a country needs three factors to succeed in the global economy: Talent, Technology and Tolerance. In this segment, the focus is on talent.

Definition of talent: A gift. Talent is not a skill. Curaçao people are multitalented. They have one, then one more talent. This is in some cases a disadvantage, because they cannot choose,

specialize and become successful. Someone once said: in Curaçao there is more talent per square meter. Some examples: sports, baseball, tennis, theatre, music, medicine, management, art. Too many to mention. But talent is not enough. It is about development of talent. It is discipline. Much talent is wasted because there is not enough infrastructure to develop talent. There is no priority for talents, we are more focused on academics. Many youngsters pursue an academic career but have a different talent, because having an academic background is considered a higher status.

How come there is much talent? A possible factor is the diversity. That explains the talent for languages and also the ability to communicate across cultures. The climate stimulates an outdoor lifestyle. It stimulates physical activity, and this might explain the physical intelligence. The small scale and lack of resources stimulate people to look for creative solutions.

But creativity is not enough. There must be a relationship between talent and management to foster a creative economy. According to the Curaçao author Boeli van Leeuwen, the people of Curaçao are geniuses, but lack the discipline to function within a structure. This is a factor why people from Curaçao are not more successful, despite their genius. One obstacle is envy. This leads to a situation that people do not cooperate as Boeli van Leeuwen stated. All these considerations create the conditions that force people to leave the island to develop their talents elsewhere. It is a blessing that in most cases they remain attached to the islands and often visit home especially during the off-season. So they are role models for other youngsters and transfer their experience to the next generation.

In academics, we see another mechanism. Local universities cannot keep the local talent and pull the global talent.

This leads to brain drain. Annually four hundred of the best high school graduates leave the island to attend universities, primarily in the Netherlands. Only a small percentage returns. There are many obvious reasons why they do not return. One reason that is not often mentioned, is the fact that they are educated in a 3.0 environment and cannot downgrade themselves to the 2.0 level of the island.

There is no clear government policy to develop and retain the talent. The reason for this is the lack of vision and the unwillingness to seek proper advice from experts and thinkers. Of course, the lack of financial means is a factor, but it is mainly the lack of vision and prioritizing. The poor government policy is best illustrated in the field of education. The education system is totally outdated, and the quality level is too low. There is no focus on talent development and ICT. These are the two main factors that will determine the creative economy.

There are several possibilities to stimulate talent. There are several empty schools. One of them might be converted into an incubator for young entrepreneurs. The school of art can be reorganized, and a joint venture can be started with schools in the Netherlands. Successful events like the Curaçao North Sea Jazz Festival and Rotterdam Movie festival stimulate the local musical talent and talent in the film industry.

The Knowledge Zone and the Creative Zone can be created. The K-zone is a corridor of organizations in the knowledge economy in which cross sector innovation can be stimulated. The Creative Zone is a zone where creative minds meet and live. Both have a global appeal.

The K-Zone as the engine

There are developments that indicate that there are conditions present to develop a knowledge economy, an ICT sec-

tor. Soon Ctex will be operational. Ctex is a data center. It will offer cloud services to the world. It will be one of the best facilities in the region. It is located close to the airport.

There is a Knowledge Zone (K-Zone) defined from the airport to the downtown area, Otrobanda. In the K-Zone organizations connect and seek cross sectoral innovation. This connection is via ICT but also face to face. It is an area where the creative class meets and socializes. They share ideas and innovations result. The area appeals to the global creative class. They communicate via Internet and fly in to meet face to face.

The Knowledge Zone of Curaçao has a regional function. In this zone there is cross-sector innovation taking place. For example the Otrobanda part of the K-Zone is part of the UNESCO World Heritage site. Innovation is taking place in the area of construction and engineering. Knowledge is being created and shared within the region. Best Practices for Caribbean SIDS documented and shared. This is done by teaching classes, publications and conferences. Other examples are Caramabi, where research is being conducted on the coral reefs. Compared to the reefs in the region, the reefs in Curaçao are relatively healthy. The annual Curaçao North Sea Jazz Festival innovates the music and tourism sector. In the Curaçao Airport City construction is under way to launch commercial flights into space.

Curaçao can become the model for Caribbean SIDS and a center where the best practices are documented and shared with the SIDS community.

The Caribbean community will fly in to share knowledge in the K-Zone.

I have often spoken about the Knowledge Zone of Curaçao. If knowledge is combined with creativity, great development potential appears. However, in order to get to this state of development, a coordinating body with a vision and strategy is required. The Knowledge Zone is an initiative that seeks to combine existent knowledge of companies, organizations and educational institutions to reach common goals. The Knowledge Zone (K-Zone) is initiated for enhancing and stimulating the generation of a creative economy in Curaçao. The Knowledge Zone promotes cooperation between organizations, entrepreneurs and companies. A major part of this entails the sharing of information, learning from each other and generating knowledge. The Knowledge Zone is aimed at attracting and connecting the creative class of Curaçao, which is primarily working in the creative and service industries. The K-Zone consists of one specific zone on the island, which may help to create synergy through external economies of scale. The clustering of companies and organizations that are part of knowledge-intensive and creative sectors, can exchange information quickly and benefit from external economies of scale. For Curaçao this implies that cooperation between firms can create synergy. Curaçao being a small island, it is important to look at geographical and transsectoral networks and innovations. Knowledge exchange is key in transsectoral innovation, which makes cooperation important. The idea behind the Knowledge Zone is that knowledge exchange will be easier if businesses are clustered within one zone (knowledge-zone.com, 2012; Goede et al, 2012). So far 45 companies, institutions and organizations (both private and public) have joined the Knowledge Zone.

More information on this zone is available at:
www.knowledge-zone.com.

The Creative Zone of Curaçao

The zone I do not often talk about - because it is my treasure - is the Creative Zone of Curaçao. The area of Scharloo and Pietermaai in Curaçao has all the ingredients to become a creative zone, especially in the context of further enhancing Curaçao's tourist product. This is the case for traditional tourists, but is also true for a large group of foreign students who serve their apprenticeship on the island, and also for the many knowledge workers, like lawyers, bankers and accountants, who work among artists. However, necessary efforts must be made - especially by the creative industries in the zone - to establish a forum, leadership and a network to develop the creative zone. The participation of the government has to be acknowledged, taking into consideration the role that government plays in creating the right conditions, for example by improving the infrastructure. Finally, there must be a mutual effort to assess and sustain the creative process on the part of all stakeholders. An important finding is that part of the zone could be denominated by the creative industry, because so many tour operators organize visits to the Scharloo area as a showcase for cultural heritage. The visitors can experience, taste and feel this creativity.

I often use seat2meet (S2M) for meetings in the Creative Zone. What is a S2M? S2M facilitates a dynamic environment where people can work, meet and gather.

The exchange of knowledge is paramount. We do this not only in physical environments, but tie the virtual and the real to each other.

We thus create a so-called Third Space. It is an environment where people share their knowledge, expertise and enthusiasm and can use this to add value to the network. Inspire and be inspired!



Foto 1: Waagat, Curaçao

Education in Curaçao

The famous Curaçao musician Julian Coco, who passed away in February 2013, had it right: “Education is the only salvation”.

My Mom and Dad were both educators. It is the most common profession in my family. I have grown up surrounded by teachers. Let me mention a few of them: Testing, Broekhoven Kamperveen, Jean Pierre, Blijd, Shak Shie, Stuger, Jansen, Clementina, Falbru, and Jonis. I, myself worked in higher education. I was associate professor at the University of the Netherlands Antilles. I was the Dean and ended my career there as President. Before that I had contributed for years to the global initiative School of the Future by Arthur Andersen. Learning is the most natural thing.

Every child learns. First knowledge is transferred from parent to child. This cannot start early enough. The sooner the better. It is a myth that when it comes to learning languages, that a child should learn only the mother tongue first. It is totally

the opposite. The more languages a child is exposed to the better.

When the Dutch WIC arrived in Curaçao in 1634, education was not a priority. The settlers started private schools to teach their children. It was the Catholic Church and Mgr. Niewindt, who later was called 'the emancipator', who started to educate the slaves. Slavery was abolished in 1863.

It was not until 1819 that education became a government affair. The government started a school system based on two types of schools. A free school and a paid school. This became a form of discrimination and was abandoned only in 1962.

In 1935 the "Mulo" system from Holland was introduced. In 1962 the Teacher program was started and in 1968 the big change, "Mammoetwet", was implemented, to keep up with the system in the Netherlands.

This was the moment that Suriname, also a Dutch colony at the time, stopped following the Dutch system and continued its own development.

The School of Law was started in 1971 and the School of Engineering in 1972. These two later became the University of the Netherlands Antilles.

The problems with the educational system

The current system faces four challenges: according to the employers the connection to the labor market is poor. Kids do not have enough skills when they receive their degrees or finish their educational program. The dropout rate is 40%. These people leave the educational process without a qualification, despite the fact that staying in school till the age of 18 is mandatory.

Boys have the highest dropout rate. At the moment social and behavioral problems are present in the schools and the schools have to deal with it.

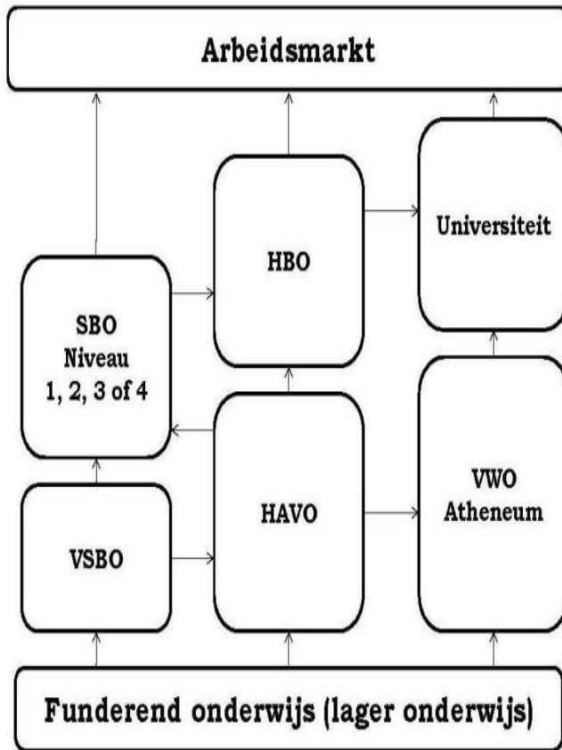


Figure 10: The current school system in Curaçao⁵⁶

FO: Funderend Onderwijs (Foundation/Basic): expanded elementary school

VSBO: Voorbereidend Secundair Beroepsonderwijs (Preparation) - Preparatory Secondary Vocational Education;

SBO: Secundair Beroeps Onderwijs (Secondary Vocational training);

⁵⁶ http://www.kbbCuraçao.com/index.php?topic=beroepsonderwijs_nl (Accessed on 19 January 2013)

HAVO: Hoger Algemeen Vormend Onderwijs (High school);
HBO: Hoger Beroeps Onderwijs (Higher vocational education);
VWO: Voortgezet Wetenschappelijk Onderwijs (University Preparatory education).

After the (elementary) foundation education there are three tracks leading to the labor market: Vocational training, Higher vocational training (HBO in Dutch) and the University education.

To a great extent we copy the system of the Netherlands, because many of our students continue their university education in the Netherlands. Many do not return after they graduate. This is the greatest cause of the brain drain.

Recent years have shown a gradual population decline in the number of kids attending school. In the school year 2009/2010 there were slightly more than 35,000 enrolled students. It is expected that during the school year 2012/2013 33,839 students are enrolled at the different school types. This development is consistent with the figures provided by the Central Bureau of Statistics. There are about 18,500 in the basic/elementary school. Only 10% of the students are in the track of higher education. This is way too low for the knowledge society.

Another issue is the poor performance of the Inspection of Education. They are not present (do not visit) in the schools and so do not stimulate the quality of the programs.

An international comparison of educational systems

The best practices in the world are Finland, Korea, Singapore, and St. Kitts & Nevis. The secret of Finland is the appreciation of the teacher. They are educated at university level and enjoy the highest status in the country. The best practices teach us how to go from 2.0 to 3.0. We are moving from the Indus-

trial Age to the Information Society, from pyramid to network society. No frontal teaching anymore. That belongs to the industrial era. Now the school should be based on the following principles:

- Learning to learn
- Long life learning
- Self-directed
- Values and norms
- Citizenship
- Project work
- ICT (meaning One Laptop Per Child)

Conclusion

Education has always been good. The elite have always been good for education. They innovate education, but are often accused of reproducing inequality. Society's base should be a meritocracy; the best should take charge, no matter where they started in life. This is the best practice of Singapore. The current education system is a 2.0 system. One of the first steps to migrate towards 3.0 is to innovate education. Implementing One Laptop Per Child should be a priority.

Curaçao 3.0 and GreenTown

I believe that facilitating the Knowledge Zone is the only project that will have a direct impact on the Curaçao economy. However, I like the GreenTown concept. But this will take years to impact the economy and we need results in the short term. GreenTown is: "a new eco-friendly initiative with a mission. We want to replace the heavily polluting oil refinery in Curaçao with a lively green waterfront city, powered solely by sustainable energy. In the future, this new city will provide 10,000 people with the opportunity to find jobs and housing there."

When the refinery arrived, Curaçao 2.0 started. Thanks to this, Curaçao has developed into what it is now. Discussing the possibility that the refinery will disappear is very emotional to many. Many people are afraid of the future, but the future is not in our hand. The refinery is the property of the government of Curaçao. It is managed by a State Owned Company, Refineria di Korsou NV (RdK). The refinery is leased to the Venezuelan State Owned Company PDVSA to refine Venezuelan oil. The contract expires in 2019. Parties still have not started the negotiations to discuss the future after 2019. There is a possibility that parties will not continue after 2019. Exploring a scenario without the refinery is relevant.

When the refinery arrived in 1914 – 1916 Curaçao 2.0 started. 2.0 stands for the Industrial Society. As a consequence of this Curaçao has developed into what it is now. The Shell refinery is the cause and the symbol of Curaçao 2.0. With the arrival between 1914 and 1916 the feudal society (1.0) ended and the industrial society (2.0) started. 2.0 is the past and 3.0 is the future.

Many people are afraid of the future. The future is not in our hands alone and is uncertain (Regering van Curaçao, 2012).

The refinery became the property of the government of Curaçao in 1985, when the Shell unexpectedly left the island and sold the refinery for one dollar to the government. It is currently managed by a State Owned Company, Refineria di Korsou NV (RdK). The refinery is leased to the Venezuelan State Owned Company PDVSA to refine Venezuelan crude oil. The lease is 15 million dollars per year. The contract ends in 2019. Parties still have not started the negotiations to discuss the future after 2019.

Venezuela is coping with the aftermath of the death of President Chavez. Oil and PDVSA are crucial in the internal Venezuelan politics. The revolution is financed by the revenues from oil exports. There is a possibility that parties will not continue after 2019.

Exploring scenarios for Curaçao without the refinery is relevant. “But Isla remains a vital asset for PDVSA. It represents more than 10% of the company's global refining capacity, while a tank depot next to the facility can store up to 16 million barrels of crude and has become an important staging point for Venezuelan oil shipments to China.”⁵⁷

The first person I know to envision Curaçao without the refinery is John Steyaert, a manager at Arthur Andersen Business Consulting. He is obviously not from the island, because for someone who is born and raised here such a thought is inconceivable. I wrote this down in 1997 in the Caribbean Future in the year 2020: “The Caribbean islands will not be known for their industrial activities. This is due to the scarcity of raw materials and the absence of a substantial home market and the danger of damaging the beaches and other aspects of the environment, crucial for other functions. In 2020 there will be no refinery for example in Curaçao. The Schottegat will be a unique spot in the Caribbean, combining a highly efficient seaport with tourist resorts.” (Arthur Andersen, 1997)

The GreenTown project in Curaçao is by now well known. On their website www.greentownCuraçao.com they state: “GreenTown Curaçao is a new eco-friendly initiative with a

⁵⁷<http://www.reuters.com/article/2012/10/24/us-curacao-refinery-idUSBRE89N1GZ20121024>

mission. We want to replace the heavily polluting oil refinery on Curaçao with a lively green waterfront city, powered solely by sustainable energy. In the future, this new city will provide 10,000 people with the opportunity to find jobs and housing there.” One can agree that the current refinery in the current location is not an option in the long run, but how will the project GreenTown be executed? GreenTown is part of Curaçao 3.0, the Information Age. Can we calculate the number and types of jobs that will be created?

This is not an economic chapter but one written by a Public Administrator with his focus on Strategy and Change Management.

Vision of Curaçao; Island of education and sophistication

The questions raised about GreenTown can only be answered based on the vision of Curaçao. We already see the realization of the Curaçao 3.0 vision with the start of the village of Dutch interns in Pietermaai, the Curaçao North Sea Jazz Festival and the Curaçao Rotterdam Film Festival, and the arrival of the Ctex. Developments like Airport City, the Knowledge Zone, and the Creative Zone in Scharloo and Pietermaai are part of this vision.

The above is more or less in line with the recent draft TAC report (2013) on sustainable economic development of the island.

“Many Curaçao residents are in support of the closing of the facility and the government will face a major decision on 1 January 2019, when the present lease contract of Refineria di Kòrsou (RdK) with its operator Petroleos de Venezuela S.A (PDVSA) expires.”

“At present, direct and indirect employment at the refinery is estimated at some 2,250 persons (employees, contractors and employees of suppliers). The refinery contributes an estimated 5.3% to the island’s GDP, some NAF 265 million per annum. Studies have revealed, however, that the refinery’s contribution to GDP is gradually decreasing and is estimated to fall to about 4.7% by 2018.”

Still TAC concludes that there might be a future for the refinery.

What jobs will GreenTown create?

GreenTown will create jobs. In the publication of GreenTown “From the dirty soil a city will rise” (2013) the following numbers of jobs are announced:

Permanent Jobs to be created	Conservative Probable	
Entertainment Centre	800	1,800
Retail and City Services	1,500	2,000
Financial Services & Offices	1,200	3,000
Harbor Services	200	300
Containers	300	600
Ship Building & Manufacturing	2,400	3,500
Additional Free Zone	2,000	2,500
Docks / Ship Maintenance	1,500	2,000
Permanent Jobs Created by GreenTown	9,900	15,700

(Verified by Royal Haskoning DHV)

Additional jobs		
Fisheries	200	250
Recycling	200	250
Hospitality / Tourism	1,000	1,500
Additional Jobs Created	1,400	2,000
Total Permanent Jobs to be Created	11,300	17,700

(Foundation GreenTown, 2013)

The problem with these numbers is that they vary. Check a quote from a publication of Foundation GreenTown of 2012: “According to our analysis, the Isla site alone should be able to accommodate between 6,460 and 12,010 new jobs, assuming low-rise commercial and industrial development an additional 4,000 jobs could be accommodated at adjacent sites on the east side of Schottegat, assuming a drydock relocation to the site of the asphalt lake and Curinde free zone expansion into the existing dock facilities. This would result in a net creation of roughly 10,000 to 16,000 new jobs in the study area, not including indirect impacts on the rest of the island’s economy, which would likely be stimulated by GreenTown. Moreover, the disassembly and environmental remediation of the refinery site will require hundreds or perhaps thousands of temporary workers over a period of several years, including many positions that could be filled by current PDVSA and Isla-related contractor employees, who already know the refinery site and its installations well. Many of these workers could also be retrained to work on GreenTown’s construction and related infrastructure projects, which would provide a massive direct and indirect positive economic stimulus for Curaçao, likely spanning a decade or more. (Foundation GreenTown, 2012, p. 4)”

The next quote is an important one:

“Our employment estimates are tentative - given GreenTown’s yet - uncertain development prospects - and are based largely on discussions with existing business leaders and potential investors in the project.” (Foundation-GreenTown, 2012)

The jobs are mentioned, but these jobs are not linked to economic activities, visitor arrivals or ship arrivals. Opening and sharing the business case of GreenTown and the calculations

and discussing it with the local community will increase its acceptance and this will lead to more people believing it's a viable option.

How do these jobs compare with the current labor market situation? I will elaborate on this shortly.

One other question is whether Curaçao can attract so many visitors on a continuous basis? Can we compete in the ship-building and repair business? We did it before. And a small island like Sint Maarten has proven to be able to attract 1.7 million cruise arrivals a year. The expansion of the Panama Canal opens possibilities. Worldwide the Financial Services are facing difficult times. For decades the rich countries have tried to close the holes through which taxes escape.

On the other hand, the need for local food will increase as more people will move to raise their standard of living in the poor countries.

Besides the vision we need the GreenTown project globally to attract investors, promote exports, and attract visitors and especially the creative class. Up to now this has not been the case.

The current situation of the labor market is as follows:

Curaçao is a Small Island Developing State. This fact is often neglected. In 2009 there were approximately 4,200 job seekers registered, together with 5,900 social-security recipients. However, only less than 20% of this number is able to re-enter the labor market after interventional training. The rest lacks the skills to become integrated into the labor market (Island Territory of Curaçao, 2010). This puts a burden on the economy of Curaçao, since this group structurally relies on social security. In general, Curaçao lacks a skilled workforce,

mostly for technical jobs. The unemployment rate may be due to a mismatch of skills: there are unemployed people willing to work, but the job vacancies do not match their competences. This is an assumption, since no data for the educational level of the unemployed in connection to job vacancies are available. (Somer, 2012)

If we look at the conservative figures, GreenTown forecasts for additional employment of 11,300, and compare it with the total of employed people in 2011 of 62,042, we see that this is an increase of 18%. In how many years will this be achieved?

The last 9 years we have seen an increase of 26% (62,042/49,056). This is an average growth rate per year of 3%.

The employment structure of Curaçao shows that most domestic income is derived from tourism. Jobs in trade, restaurants and hotels take up the biggest share, 26.8% of employment in 2005 (Goede, 2009). Part of this concerns wholesale and retail, which in 2009 accounted for almost 14% of GDP (Island Territory of Curaçao, 2010).

The sector expanded until 2008, accompanied by growing job opportunities. Although tourism remains a major sector on the island, due to the international financial and economic crisis, fewer tourists have arrived during 2009 and 2010, while in previous years the sector experienced growth. The decline has resulted in fewer jobs in this sector.

The financial sector is also of big importance to the economy of Curaçao, since it contributed 19% to GDP in 2010. This sector employs about 1000 professionals. The total sector of banking, insurance and business services takes up 16.7% of all employment (Island Territory of Curaçao, 2011).

Looking at the employment structure, the harbour, and especially the Isla oil refinery, is another factor that drives the economy. The Isla oil refinery employs about 1,000 people (contributed 8.5% to GDP from 2006 through 2009), and it is estimated that there are another 500 jobs through private contractors that work in other parts of the harbour. The harbour and oil refinery are interrelated. How is the GreenTown going to fill this gap?

This interrelation between the Refinery and the Harbour became apparent when the export of manufactured goods declined after mechanical defects in the oil refinery in 2010. The number of ships that moor has been declining since 2008, since the regional competition is growing (Island Territory of Curaçao, 2010). The GreenTown report states the following:

“For much of the last hundred years, the Isla Refinery has been a key employer and driver of the island’s economy. Today the refinery employs about 900 people - a small fraction of Curaçao’s workforce - and it is estimated that PDVSA’s operations support an additional 900 jobs indirectly, resulting in a net impact of 1.800 jobs.” (FoundationGreenTown, 2013 p. 19).

The government of Curaçao (2012) uses slightly different numbers.

The lowest number of people is employed in the agricultural, fishing and mining sector. In 2008 it was about 0.8% of the total employment. In absolute numbers, there are 727 people working in this sector, and this number does not show big changes over the years. The agricultural industry, however, has potential to develop. Most of Curaçao’s soil is suitable for agriculture, especially using proper irrigation systems.

Besides, domestic demand for fresh fruits and vegetables is growing, which has already given rise to a higher variety of vegetables being grown (Island Territory of Curaçao, 2010). Also, most of the meat consumed is imported; domestic production has remained stable over the years while demand is increasing.

The main problem in the sectors agriculture, livestock and fisheries, is the low wages employees in these sectors receive. This makes it difficult to attract workers to jobs in the agricultural sector. Additionally, it becomes harder to maintain a proper fisheries sector due to overfishing (Island Territory of Curaçao, 2011).

In the oil refinery sector as well as in agriculture, there is a shortage of skilled workers. Technologies lag behind, which slows down economic development. Overall, the economy lacks (highly) technically skilled employees.

The GreenTown report states the following:

“Curaçao has a relatively small economy, but is considerably more diversified than many similar islands in the region. Curaçao’s main industries at present include tourism, international financial services, shipping and logistics. The unemployment rate has dropped slightly in recent years, with roughly 10,000 people actively seeking work. Most available jobs are in tourism or in technical jobs, whereas job seekers are more focused on the island’s relatively small commercial sector. Many of Curaçao’s job seekers have low educational levels and limited language skills, while better-educated workers have often left the island for other countries with higher earning potential, particularly the Netherlands.

Many in this last group - known in Dutch as "Curaçaoenaars" - would be willing to move back to Curaçao with the right economic opportunities on the island. The population of potential return-Curaçaoenaars is estimated to be between 5,000 and 20,000." (Stichting GreenTown, 2012, p. 16)

The estimate is that 141,000 Antilleans live in the Netherlands. Most of them are from Curaçao. An estimated 5,000 to 20,000 want to come back to Curaçao to start or continue their careers.

Situation in 2013

According to the Ministry of Economic Development (MEO) the real growth of the Curaçao economy in 2012 is 0%. For 2013 the expected growth of the GDP is between -0.3 and 0.7%. There is also a scenario of -2,5% GDP for 2013. This depends on how tourism evolves. This is the only export sector that shows an increase at all, and the height of private investments. In an "optimistic scenario" tourism will increase with 7% in 2013 while the remaining export will grow with 1% and private investment with 40 million guilders.

In a "cautious scenario" tourism will grow with 3% next year and the private investment will increase by only 15 million. Both scenarios take into account the reform of the health care and retirement.

MEO showed these forecasts during a presentation in the World Trade Center. There were also talks of the various industries: the international financial services and tourism. The Chamber of Commerce gave an explanation. But the eyes were focused on the Economic Outlook.

The presentation was done by Mr. Luelo Girigorie, policy director for MEO. He outlined an economic year 2012 that with an inflation rate of 3.3% (one percentage point attributable to the increased turnover tax of 5 to 6%) is almost stationary: private spending -1%, 0% public spending, and private investment 0%; public investments -5 %; non-tourist export 0%, with tourists and overnight stays-over with 8% positive.

Even if the magnifier is put on certain sectors there are more minuses than pluses. The construction decreased, even objectively measured quantities of used stones and sand, with -4 and -2% respectively. The settled cargo volume in the port for local market collapsed by -1% (measured by weight) and even 8% (measured in TEUs container numbers). The airport had 5% more passengers which is a positive exception. This also applies to cruise tourism, which, as expected, will see a growth of 14% more passengers in relation to 2011.

All in all, the export is behind the import with a deteriorating balance of payments and a declining currency reserves (foreign currencies). The investments by the public sector can hardly boost the economy, given the (structural) deficit of 200 million.

Although the number of workers has increased since 2006, the unemployment rate last year was 9.8% (24.7% youth unemployment). MEO still observes a mismatch between demand and supply on the labor market, complex labor and the dismissal law, but also a large proportion of the labor force (half) has only primary education.

Consumer purchasing power is weakening, with effects on spending, while for companies costs (electricity, energy, transportation and personnel) are rising. This does not contribute much to the island's economy.

Training and the labor market

There will always be a mismatch between the skills required and the skills of the labor force. That is why education and training should be permanent, lifelong learning. This is necessary to foster employability. Curaçao has not been very successful at this. For years we have been struggling to train people for the hospitality sector and still there are not enough trained people available locally. The point is, employment is 2.0 and employability is 3.0. And Curaçao currently has a 2.0 mindset.

Curaçao is not a knowledge society, Curaçao does not value knowledge. Curaçao is not a meritocratic society. In Curaçao, just as in many SIDS, people value relationships. People offer jobs to relatives, friends and people from their network. That's a characteristic of small island economies.

GreenTown is not an isolated project. It is a big part of society. The word economy is not used on purpose. Other big projects that will impact the society are the Airport City and Ctex. Two others are the Knowledge Zone and the Creative Zone. All these projects will require highly trained people.

There is a need for a labor plan and an infrastructure to train personnel. Even if new jobs are created, but the people are not trained for these jobs, the mismatch will continue. And we have to import people instead of providing jobs for the unemployed.

Ctex started to operate and there is still no ICT Master Program being offered on the island.

As part of the vision, international training centers should be attracted, not only to service the regional market but also the local market. This aspect is neglected in the TAC report (2013). There is no role for training and research centers. And

also ICT skills are not emphasized in the list of innovations in the educational system. In the *Curaçao 3.0* (Goede, 2013) it is rightly stated that not only should all households have access to the Internet, but also that all children should have a tablet for their education.

The organization coordinating the labour market should be upgraded. A database should be created where all people seeking employment are registered, as well as all students, but also all jobs available now and in the future.

How to implement?

You can implement GreenTown by re-inventing Curaçao. From 2.0 to 3.0. The original curve of the refinery is in decline. There is no way this refinery can be rescued. Re-inventing means that temporarily there will be two s-curves.

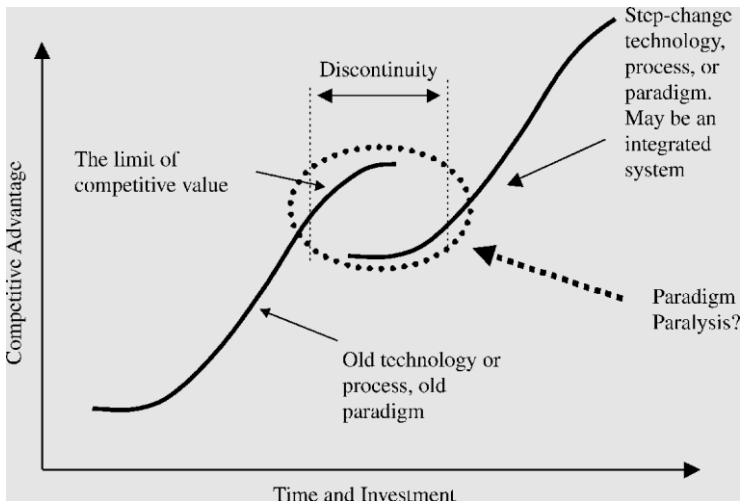


Figure 11: Re-invent⁵⁸

⁵⁸http://www.emeraldinsight.com/content_images/fig/3080050401004.png, (Accessed on 8 March 2013)

The challenge for Curaçao is to start a second curve before closing the refinery down. First a new economy, then GreenTown. This is also stated in the GreenTown reports:

“The proposed scope of development at GreenTown is ambitious, and has the potential to give an enormous boost to Curaçao’s economy and quality of life at all levels of the socioeconomic spectrum. But in order for the project to succeed, it must be part of a national growth strategy for the island, aimed at attracting both firms and people to Curaçao, and to stop the attrition and out-migration that have been common in recent decades. In practice, this will involve a combination of business development strategies, the growth and retention of the indigenous population, and immigration and return- migration. Attention has to be paid to education and workforce development in Curaçao, to ensure that the island has a trained and competitive labour force.” (Stichting GreenTown, 2012).

“A sound economic strategy to secure growth: GreenTown must be part of a national growth strategy for the island, aimed at attracting both firms and people to Curaçao, and to stop the attrition and out-migration that have been common in recent decades.” (Stichting GreenTown, 2013).

It is about people and their employability. We need 3.0 people to work in the 3.0 economy. There will be new opportunities in the Financial Sector, ICT sector, logistics, airport, entertainment industry and so on. Much more effort should be dedicated into creating this next curve. Currently this is not the case.

Three alternatives or tracks to create the second curve are the Knowledge Zone and the Airport City and a new refinery. This is why we need a new state of the art, clean, refinery at maybe Bullenbaai. This will preserve some of the jobs in the petrochemical industry and diversify the economy. But I propose to make it also a research center and training facility where people from all over de world fly in for training. I propose the same formula for the new hospital. The hospital should be part of a school of medicine and a research center.

Planning GreenTown and jobs

If we look at the number of jobs GreenTown projects will create, we have to understand that they will be created gradually. Some of the jobs will be realized only if the number of visitors and inhabitants of the island increase. I refer for example to the jobs in the hospitality and the entertainment industry. In the GreenTown publication there is the following planning.

2012-2013	2012-2019	2015-2020	2020-2025	2020-2035
I	II	III	IV	V
Decision to close	Planning and close financial deals	Start cleaning and prepare ground work	Refinery disassembly	Lay foundation and start construction

Table 2: Planning of GreenTown

In stage II only a few experts will get a job. It is in stage III, starting in 2015, that jobs will be created by the start of cleaning and preparing the ground-work. During that stage the refinery is still open. In stage IV, starting in 2020, there will be jobs for cleaning, preparing the ground and disassembling the refinery. In that stage the jobs in the refinery will stop to exist. In stage V all sorts of jobs will be created, start-

ing with construction. Only after the last stage will GreenTown be operational and will tourists start visiting Curaçao.

Conclusion

The refinery is obsolete and must be re-invented. The government and politicians can no longer avoid this issue. Much time has been spent on the constitutional debate of Curaçao including the issue of the joined Central Bank with Sint Maarten.

The research question is: Can we calculate the number and types of jobs that will be created?

GreenTown will create more than 2,250 jobs the refinery currently has. The number of jobs at this stage cannot be made more specific.

To close the refinery Curaçao needs extra growth of approximately 5% and 2,250 permanent new jobs.

“At present, direct and indirect employment at the refinery is estimated at some 2,250 persons (employees, contractors and employees of suppliers). The refinery contributes an estimated 5.3% to the island’s GDP, some NAf 265 million per annum. Studies have revealed, however, that the refinery’s contribution to GDP is gradually decreasing and is estimated to fall to about 4.7% by 2018.”
(TAC, 2013)

The problem is that Curaçao has not attained significant economic growth in years. The same goes for the creation of jobs.

Creating jobs is a 2.0 mindset and strategy. Part of the explanation is the lack of a vision and poor performance of the civil service.

Curaçao must develop a vision and long-term master plan based on the following trends:

- ICT is the leading technology;
- Attracting a creative class is essential;
- Local agriculture will be vital;
- It is about sustainability.

Training and research centers should be established in Curaçao to train locals and people from around the globe. Much training will be delivered via the Internet, but conferences will still be held in Curaçao. For more information please visit: www.greentowncuraçao.com.

Examples

3.0 is here already. There are individuals and subsystems applying 2.0 principles in a 2.0 system. The number of these projects will increase and lead to a tipping point. This is how 3.0 will push out 2.0

Government inspection 3.0

I regularly have a drink with the Inspector of Health in Curaçao. We meet once every two months to have a Talk 3.0. He is on the island for a short period. After this period he will probably be replaced.

Dr. Jan Huurman is the most successful inspector on the island. He has become sort of a celebrity. What is the secret of his success? He applies the Deming circle. He has moved away from a system of individual complaints and now visits the institutions and audits their quality system. If the system works he is out of there. If it does not work he will not leave till it works. What is one of the essential elements of a quality system? The procedure, the cycles, and everybody making sure that the cycle keeps turning. At the end of his contract

the government was still looking for his replacement and the population started a petition demanding a new contract for the inspector.

Tatiana Saturnino-Felix

I am proud of all my students. I already introduced a few of them in this book. Some are more special than others. All are part of the creative class of Curaçao. They are all over the world: Australia, Singapore, Amsterdam, and Los Angeles.

Tatiana stands out. She was so bright that she was always into something and that ended up in my office as Dean. One day she took off and got married and went to live in New York. She is married to Pernell Saturnino, the world best percussionist, who was also born in Curaçao. We always stayed in contact. Then they popped up in The Netherlands. And suddenly they were back on the island.

Pernell added the Cola Debrot Award to his impressive list of awards, including several Grammys. But what was Tatie doing, besides supporting him? And then suddenly, via social media and then via traditional media the news came out. Tatie was making instruments, drums. The instrument that Pernell masters. She was becoming an international success. She was using Pernell's network and the Internet, especially social media.

The case of Tatiana proves many points. First of all her talent. She is one of the many talents we have on the island. Contrary to many she was persistent. Both of them belong to the creative class. It proves that operating from Curaçao, using the Internet you can reach a global market. They are global citizens. Pernell plays all over the world.

I waited with this blog because Tatiana was getting all sorts of

recognition in the media and I thought she could wait for my recognition.

But knowing her she will be very happy to know how proud I am of her. More information at www.terrapercussions.com

PBS

Prins Bernhard School with the help of volunteers and donations is implementing a PC network. All classrooms will have access to two PCs. Eventually the school wants to implement One Laptop per Child. The school is already a pilot for this OLPC project. But there is no follow-up of this project. This project illustrates various principles of Society 3.0. Voluntarism. Give away what you do not need. Sustainable. Money is secondary. Do not wait for government. Internet. Use social media to inform and get others involved. One laptop per child.

So, Runy and Ace I am proud of this project. It will be a showcase of 3.0.



Foto 2: Fuik day in Curaçao

Fuikdag

Fuikdag 3.0 is innovative, entertainment and experience tourism.

'Fuikdag' in Curaçao has become a global event. On the first Sunday of the year boat owners and their guests sail to an isolated beach called Fuik and have a party in and on the water. They travel with bands, DJ's and bars. The event is transmitted by the media and via social media all over the globe.

This is unique. People travel from abroad to be part of this event and it is expected to grow. Because it has become part of the experience economy. Just like the local carnival, it illustrates that people of the island are the world champions in hosting a party. This ability has become an important part of the economy and will continue to grow.

Special Olympics

Special Olympics is the world's largest sports organization for children and adults with disabilities, providing year-round training and competitions to more than 4 million athletes in 170 countries. Special Olympics competitions are held every day, all around the world—including local, national and regional competitions, adding up to more than 53,000 events a year.

These competitions include the Special Olympics World Games, which alternate between summer and winter games. Special Olympics World Games are held every two years.

The Special Olympics World Games are often the largest sporting event to take place in the world during that year. The most recent World Games were the Special Olympics World Summer Games, held in Athens, Greece, from June 25, 2011 to July 4, 2011, where the entire country took part in participating.

The next Special Olympics World Winter Games will be in Pyeongchang, South Korea from January 29 to February 5, 2013.

The next Special Olympics World Summer Games will be in Los Angeles, California from July 24 to August 2, 2015.⁵⁹

This organization is also active in Curaçao. There is a group of very dedicated local volunteers working with these athletes and the organization of logistics. This work is of huge human relevance. It is pure love, outside of the sphere of government, politics, business and profits. If at all possible, please attend this event and support the athletes and the special people organizing this event.

Even Cuba gets 3.0

Cubans See Internet as Crucial to Future Development

By Ivet González

Jan 5 2013 (IPS) - The Cuban government's economic reforms must consider the myriad opportunities offered by the Internet, a key platform of the dominant economic model on the planet, according to interviews with both experts and average people.

"It is not an option for our future development, it's an imperative of our time," economist Ricardo Torres told IPS. "Without the mass application of the New Information and Communications Technologies (NICT), *to production processes and social life*, there are no contemporary possibilities of development."

⁵⁹ . http://en.wikipedia.org/wiki/Special_Olympians, Accessed on 18 April 2013

Meanwhile, people who participated in the interactive section of Cafe 108, the website of the IPS office in Cuba, felt that mass access to the worldwide web would mean first of all, “Finally landing in the 21st century”, and more job opportunities together with the expansion of state enterprises and small private businesses.

However, the NICT, and especially the Internet issue, is a complicated one in Cuba due to financial and political concerns, particularly because of the more than 50-year old conflict between Havana and Washington.

“Cuba Needs to Be Bold and Creative” The global expansion of the Internet in the 1990s happened as Cuba entered the economic crisis that continues today, which followed the fall of the Soviet Union and the European socialist bloc, Havana’s main trading partners.

According to Torres, Cuba’s “unique socio-economic and geopolitical situation” meant that “not enough resources have been earmarked for the development and use of these technologies”.

The United States’ covert delivery of mobile phones, computers and Internet connections has been regarded by Cuba as meddling in its internal affairs.

In 2011, a fiber optic submarine cable arrived at the Cuban coastline, thanks to a project between Havana and Caracas to grant greater independence in communication between the Caribbean and Central America. In May 2012, the Venezuelan Minister of Science, Technology and Innovation, Jorge Arreaza, told reporters that the cable was operational.

Cuban authorities remain absolutely silent about the cable, though there has been a noticeable improvement in local connectivity.

Cuba now has a minimum bandwidth of 323 megabits per

second, the allowable capacity via satellite. According to official sources, the fiber optic cable will increase current transmission speeds 3,000 times, and decrease operating costs by 25%, but satellite services will not cease.

The Ministry of Information and Communications has said that it will boost the so-called social use of NICTs, but not its commercial application. Appearing before Parliament this month, the head of the ministry, Maimir Bureau, said the government prioritizes access to Internet sites in places linked to social and community development, such as schools.

He also reported that projects are underway to reduce the costs of mobile phones. Today, few people have Internet connections or email at home; most use “dial up” (technology that allows access through an analog phone line) or wireless. Some sell out the high prices charged at Cyber Cafes, and especially at hotels.

Meanwhile, private sector job opportunities, opened up by an updated Cuban economic model, could further expand with an affordable Internet service for entrepreneurs and cooperatives.

Unable to take advantage of all the possibilities offered by the current Web, some independent initiatives are timidly exploring the promotion of services via email, in websites, social networks like Facebook or Twitter or messages to mobile phones. Among them is the Alamesa project for the “diffusion of Cuban gastronomy”.

The group, which also manages associated food services through the World Wide Web, has as its main tools a web directory on national restaurants and an electronic newsletter. The Chaplin’s Café restaurant in Havana and hand-crafted lamps company LampArte have profiles on Facebook.

La Casa restaurant is on Facebook, Twitter, WordPress, Flickr and YouTube, and regularly interacts with users of the international travel site TripAdvisor. MallHabana, the exclusive shop of online remittances to Cuba is also online. These initiatives especially seek to attract international visitors.

Faced with national difficulties, many family businesses seek alternatives to offer their goods and services online. The exclusive leather handbag company Zulu, owned by Cuban Hilda M. Zulueta, has its own site, managed by one of the daughters of the artisan who lives in Spain, the owner told IPS.

In 2011, only 1.3 million of the 11.2 million inhabitants of the island had cell phone connections, according to the National Office of Statistics and Information. It also recorded 2.6 million online users, a figure that includes Internet accounts and Cuban intranet, which provides access to some international and local websites.

Before thinking about divulging his musical production, the well-known soundman Maykel Bárzaga dreams of having his own connection to easily update and activate the essential software for his home studio recordings. Five years ago, he took this option for associated creators of the non-governmental Union of Writers and Artists of Cuba.

“When you buy equipment or a program for music editing, you must activate it and update it by placing a key on the provider’s page,” he told IPS.

He also pointed out that the “Internet is a stunning source of work, since it allows musicians to perform international projects without each of them leaving their country.” The Boston Consulting Group (BCG) estimated in 2012 that the Internet economy will grow in the coming years to more

than 16% annually in the developing markets of the world. Expanding channels for retail is one of the many economic opportunities that would come with unrestricted access to the Internet, which was identified by participants of Café 108.

In their view, among other things, many people could make a living with new professions, Cuba could export services through the web, the tourism industry would have more independence to fully own sites and be better positioned, and companies and cooperatives with professionals from the whole country and the world could emerge.⁶⁰

Once Cuba gets its act together the whole game in the Caribbean will change. So we have to move to stay ahead of the curve.

⁶⁰ <http://www.ipsnews.net/2013/01/cubans-see-internet-as-crucial-to-future-development/>, (Accessed on 7 January, 2013)

10. Conclusions and what is next?

A topic is the report by the Economist Intelligence Unit on the best places to be born which states:

“Yes, it’s yet another international ranking on individual well-being where the Nordic countries come out on top, alongside Ireland, Australia, New Zealand and Canada. The top 15 also includes Austria and Switzerland, which seem to meet similar criteria.

The three best places to be born are, in order: Switzerland, Australia and Norway.

Here’s a surprise: the top-ranked countries also include Asia’s two super-rich city-states, Hong Kong and Singapore, as well as Taiwan. I’ll admit to being surprised by the data’s suggestion that a newborn today is better off being Taiwanese than American or German, particularly because Taiwan’s aging population and declining birthrate could lead the economy to decline. But Taiwan does enjoy good political freedom and improving health and living standards.”⁶¹

Countries with violence, poverty or political oppression all rank low. The worst three countries to be born into, in order from the bottom up, are Nigeria, Kenya and Ukraine. The CSIDS need to fight extreme poverty and corruption.

What is the relevance? It confirms that small islands have an advantage: islands can operate like a corporation. Our prob-

⁶¹ <http://www.washingtonpost.com/blogs/worldviews/wp/2013/01/07/a-surprising-map-of-the-best-and-worst-countries-to-be-born-into-today/>, (Accessed on 7 January 2013)

lem is that we need more cohesion and (political) tolerance. We need to work on these issues by developing a shared vision.

Caribbean SIDS must be run like a corporation with a shared vision and long-term master plan CSIDS 3.0.

Caribbean governments could take the lead in developing these suggestions. The Prime Minister should form a committee or create a unit to guide the process.

The committee should have a broad advisory board representing all sectors, including the informal sector.

All clans of the nation should be brought together. A reconciliation and healing process should be started if there are wounds of the past. All clans and everybody should understand that they are part of the Corporation Island and have to play an important and unique role in positioning the corporation in the global market based on their unique selling proposition. And the people? They are the main stakeholders of the Corporation Island. They can their votes for the board of directors. The focus should be global and not inward looking. This should be based on meritocratic principles, the right person on the right spot. Not because you know how to operate in the “friends” network but because you have knowledge and skills to get the job done. This will inspire the young professional studying abroad to come back.

ICT, education and sustainable development are key. Also good governance is a basic condition. The islands should learn from each other’s success and failures. ICT infrastructure and education should have a high priority.

The Caribbean Corporation Islands should be highly connected. Instead of being divided by the sea we could be connected by the Internet. ICT should be a key element of the education process.

The CSIDS have much to offer, but they should compete to attract the global creative class by focusing on their unique propositions. At this stage most islands have moved away from agriculture (1.0) and industry (2.0) and focus on tourism and financial service industry.

Many also are the center of offshore medical schools. Curaçao has plans to move into the Maritime sector, the Yachting and Drydock services. The government has planned a mayor investment package. I hope these plans will materialize in the next 5 years.

Most CSIS were hit by hurricanes and the global economic crisis. Many had to welcome the International Monetary Fund to implement adjustment programs, often restructuring the economy, introducing privatization programs.

The financial services are under fire. CSIDS should move away from this industry and reinvent it.

Sustainable development offers new opportunities. I am referring to agriculture and fishery, but also better usage of the coral reefs to offer ecotourism. Green energy and better usage of rainwater also offer opportunities. DFI should attract investors to develop these sectors. A friend of mine Ronald Rouse is expert in sustainable development. He sees great potential in using modern agriculture as a new way to move to a sustainable path for Caribbean islands. Agriculture 3.0.

CSIDS will not be able to upgrade to the 3.0 level unless they develop a 3.0 mindset. How do you develop this mindset? Generations X and Y play an important role. They are born in the 3.0 era. Leadership is key. One leader must enable 3.0. Fact is that we will upgrade sooner or later, because 2.0 is broken and cannot be fixed.

The author

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