

security and availability.

The question which therefore can no longer be avoided is how and where this expanding work force may find employment. Labour absorption problems will have direct repercussions on levels of living, on mobility and on social and political stability throughout the region.

Economic and foreign policy in the Caribbean should now take explicit account of population imperatives. Economic planning must place major emphasis on employment generation. In foreign policy, there is a need for negotiation at the regional level of joint immigration agreements as well as the exercise of greater control over employment policies for export industries.

Structural Adjustment and Transformation in the Caribbean

The structural characteristics of the Caribbean economies are well known: small size and relatively undiversified production structures; lack of adequate professional human resources; lopsided investment patterns and skewed distribution of capital stock reflected in excess capacity; relatively high costs of production; significant foreign control over key sectors; the mismatch of domestic demand with the structure of production or supply; and rigidities in the structure of production arising, at least initially, from the way the Caribbean has been incorporated into the international economy.

The factors which are required to cope with the demands of structural transformation include the ability to monitor overall economic and commercial development in the major industrial countries, to understand the significance of the data received and develop a series of policy options based on such data, and the possession of a theoretical framework to provide the basis for analysis and policy formulation.

The workshop studied the implications of three possible approaches to structural adjustment:

- the “mainstream” approach, which is the traditional IMF approach of demand management, devaluation, wages policy, curbing of money supply;
- the “structural” approach, which puts growth first and pays attention to those real factors which promote or inhibit capital accumulation;
- the “eclectic/pragmatic” approach, which formulates policy that works in the particular circumstances of the country.

Small states are unable to pursue simultaneously programmes of