The Role of Government in a Small Island Developing State in Building Globally Competitive Business

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- Assemblyman Zorisha Hackett, Tobago House of Assembly

- Her Excellency Ute König Ambassador, Embassy of the Federal Republic of Germany

- Dr. Hasan Mandal, President of the World Association of Technological and Research Organizations (WAITRO) and the other executive members of WAITRO

- Mr. Hayden Ferreira, Chairman of CARIRI and other Board members of CARIRI

- Mr. Hans-Erich Schulz, Chief Executive Officer of CARIRI and other members of the Executive team and staff of CARIRI

- Speakers and panelists for today's session

- Other specially invited guests

- Members of the media

- Ladies and Gentlemen.

Thank you for inviting me to provide opening remarks at this important symposium. Permit me to offer a very special and warm Trinidad and Tobago welcome to our visitors. I would also like to especially thank the Government of the Federal Republic of Germany for its support.

Let me start by congratulating the CARIRI team for its foresight in organising this activity. I particularly appreciate the way you framed the issues that you are trying to confront. You have articulated the complexities of visioning, public and private governance and entrepreneurship in a very practical manner. Subsumed in this, while not explicit, is the issue of fairness and equity.

I am also appreciative of the way you have defined the output you want from the conference. While we are here to discuss ideas, the focus on practical solutions is most welcome; for too often we don't go beyond just words.

Your focus this morning is on Theme IV of Vision 2030, which is *Building Globally Competitive Businesses.* But even as you focus on that theme it is important to remember that Vision 2030, designed by some of the leading minds of our society, updated to cater for the loss of focus during the 2010 to 2015 period and further updated by the Road to Recovery and Community Recovery Reports to cater for the devastating impact of Covid and other global disasters, is a cohesive development strategic plan that must always be considered in its entirety.

Our national development strategy is deliberately aligned to the sustainable development goals and each of our themes can be tied directly to one or more of those goals. I think that is an important notion to hold on to, because as a government, we are clear that the purpose of development is about people and that development must be sustainable. Even as we think globally and act locally, we must take care to ensure that we do not sacrifice the future of our children and grandchildren for short term gain.

In your invitation to me, you posited this discussion today in the context of technology, I think front and centre in this framing are the opportunities and challenges that technology pose.

The World Economic Forum claims that the Fourth Industrial Revolution, is not merely building on the digital revolution, but is a different phenomenon characterized by a fusion of technologies that is blurring the lines between the physical, digital, and biological spheres.

This is the prevailing ethos of globalisation in which we live and which determines to a large extent the limits of our freedom of action within national borders, while at the same time allowing us more seamlessly to operate and prosper outside of those borders, even as we stay physically in place.

The World Economic Forum has advanced the view that our response to this must be integrated and comprehensive, involving all stakeholders from the public and private sectors to academia and civil

society and that Governance protocols are crucial for maximizing the benefits and limiting the dangers of new and emerging technologies. It is further noted that governments, big governments with far more resources than the small island developing states of the Caribbean, are struggling to keep up with the proliferation of technological advances. As such, policies for governing these technologies have often been inconsistent and poorly coordinated. This is the world in which we must not only survive but thrive if we are to serve our people by ensuring continued development and sustainability.

One must also bear in mind the complexities of the human implications of globalisation and the Fourth Industrial Revolution. It is indisputable that the benefits of technology are unevenly distributed. Moreover, there is a further concern that there is a digital divide between countries and within countries and that these intersections and their implications are not understood by policy makers and the private sector and even by representatives of workers. The implications of discontent could be significant for social and economic stability and the growth of business. So as we plan to grow

our businesses within this construct, let us not forget to bring along the technologically challenged because without them we will not have the markets that our businesses desire, we will be forced to continue operating dual systems for the technically savvy and the technically challenged, and society as a whole will continue to suffer the many mal effects of having a large contingent of discontents.

While this is a discussion that is concerned with building globally competitive businesses, I agree with the World Economic Forum that sustainable economic prosperity is indivisible and it will be to our peril that we ignore the impact of government and private sector policies on people and the impact of people, particularly workers, on sustaining economic growth and development.

Indeed, the Organization for Economic Cooperation and Development put it well in noting that "these changes raise essential questions about the precarity of our jobs, the support available if we're unable to work or retire, the skills we need for current and future jobs, the quality of those jobs, and what voice we have in shaping these outcomes".

Having noted all of the foregoing, the Government of Trinidad and Tobago well recognises the primacy of the private sector in driving economic growth and it recognises the need for balancing the creation of an enabling environment that allows creativity and innovation on the one hand while ensuring social justice, equity, and fairness on the other.

In that vein, Joseph Prokopenko, a Ukrainian governance and productivity expert, has put forward the view that for a country to achieve high levels of productivity and thereby enable its companies to compete in a globalised environment there are three key factors – institutions, policies and people.

Prokopenko argues that stable, effective and efficient institutions are the foundation of good governance. They provide the base for predictability and building trust and confidence in the system and thereby create the conditions in which entrepreneurs and innovators are free to release their creativity.

With the foregoing in mind, let me share briefly with you this administration's approach to creating the conditions for national productivity to foster innovation and creativity that will support internationally competitive businesses that balance the needs of the people of Trinidad and Tobago.

In his preface to the National Development Strategy, the Hon. Dr Keith Rowley, Prime Minister, makes a commitment to "equity and social justice, and improving every area of national life". Consistent with your theme, he recognises that, "as a nation, we face several challenges— some triggered by global events beyond our control, with consequential ripple effects at the national level".

The National Development Strategy, in explaining the vision of development, is explicit that Theme I is "Putting People First: Nurturing Our Greatest Asset" What then is the role of Government in creating the conditions for maximising the potential of our people and

creating the opportunities for them to realise that potential in practical and creative ways?

The first Prime Minister of our country, Dr. the Right Honourable Eric E. Williams, was an educator and he was committed to the concept that education would be a pillar of the development of the newly independent Trinidad and Tobago, and that remains a priority through successive PNM Administrations. Indeed, when under the late Patrick Manning, the government introduced the Government Assistance for Tertiary Expenses or GATE in 2006, the percentage of the adult population with a tertiary qualification was a mere 6%. There was an ambitious target of raising that to 60%.

We are well on the way to that target. However, there is a level of complexity in that which requires focus. The budget presentation of the Prime Minister of Barbados on Tuesday of this week helps to put the matter in focus. Prime Minister Mottley, as she was dealing with some of these very issues that are on your agenda, addressed the formation of human capital in Barbados, and the lessons are applicable. As she noted the limited financial resources available to

small countries and the small size of the pool of human resources, she was very clear that it is critical that the country needed to be strategic in the development of its human resources. Prime Minister Mottley indicated her intention to have a serious conversation with the University of the West Indies to ensure that the skills that were being developed were the ones that could support the development of the country to be productive and to create competitive enterprises.

In other words, there is a need for us to continually be assessing and reassessing our assumptions and approaches to education and training. T&T was a step ahead of Prime Minister Mottley in this regard. Recognising that even as we continue to spend money on providing tertiary education to our citizens, we need to ensure that we are developing the skills that we will need to continue to take this country forward. It was largely for this reason that we moved from a construct where we were providing scholarships to 400 of our top performing students to pursue whatever course of study they chose to providing instead 100 scholarships to such persons for the same purpose, and 400 bursaries to top performing and needy students wishing to pursue studies in areas that are consistent with the national goals.

At the level of policy, we have identified digital transformation as a centrepiece of our administration. The Prime Minister made good this commitment by creating a Ministry of Digital Transformation and that Ministry has set about its work to support the very agenda that is the subject of your session today. Among other things, it is providing incubators, platforms, opportunities and incentives for young entrepreneurs with tech ideas to develop and launch those ideas into successful businesses. This is an area in which the private sector, which is so much further ahead of the game than is the Government, can step in and support our young very talented budding entrepreneurs to convert an idea into a successful venture, because as we all know there are many trials and pitfalls along the way to success in business, and guidance, mentorship not to mention financial support over and above what will be provided by GoRTT will assist these bright youngsters to grow their businesses as we develop and grow T&T.

The IDB in analysing the performance of Latin America and the Caribbean in the United Nations e-government ranking, noted the relatively weak performance of the region (out of 193 countries the

average rank was 90) and attributes this weak performance to three main causes: (i) shortages of digital professionals in the labour market, (ii) insufficient budgets, and (iii) difficulties with civil service management.

As a Government our approach to digital transformation is multi-dimensional. We are addressing issues of access, ability, education, delivery of services etc.

I turn now to the issue of institutions.

The NDS notes that "many of our institutions are not working effectively or consistently. There are manifest weaknesses in the Public Service which have produced unacceptable outcomes in the delivery of public services

This stands in contrast to the ambitions of Theme II of the NDS, which is *Delivering Good Governance and Service Excellence.*

The institution of the Public Service is supposed to deliver the conditions that facilitate the work of the innovators and entrepreneurs in a country.

The task of reforming and modernising public services is one that bedevils countries the world over and we are certainly no exception.

At the Ministry of Public Administration, we are tackling some key initiatives to create a more efficient citizen centric public service. Some of them are:

- **Leadership development** and enhancement– We have recognised that the leadership competencies required for the public service in the context of globalisation are markedly different to those that are usually demonstrated now. In January last year, in collaboration with the IDB we held a workshop of permanent secretaries to frame the leadership profile that we believe is more aligned to where we should be.

- **Workforce and Succession planning** – Workforce planning has never really been practiced in the Public Service. We will therefore be conducting continuous future skills needs assessment to anticipate and position the future work force with the right skills required for an effective and citizen-centric public service.

- **Performance management** – An effective performance management system in the Service is virtually non-existent. We are working diligently on introducing such a system, starting with the senior management which we believe will have a trickle down effect on performance.

- **Accountability and consequence management** – I am convinced that there are public officers throughout the Public Service who are skilled and competent, self-directed and dedicated workers. However, the system as a whole is not conducive to a culture of accountability and this holds for all levels. We are intent on increasing accountability through an effective framework and we are working to implement a process of consequence management, where persons who do not perform will be held accountable in accordance with the principles and practices of good industrial relations and human resource management.

- **Training and development** – Last year we conducted a comprehensive training needs assessment of the Public Service.

Which is now informing the design of a strategy and structure for competency development in the Public Service.

These are just a few of the initiatives on which we are embarked with the aim of creating positive and noticeable improvements in the quality of service provided to the citizenry and others. And we are working with the Ministry of Digital Transformation and others to promote the seamless delivery of services across Ministries on a platform of electronic identification and interoperability.

In closing, let me again quote from the Hon Prime Minister's preface to the NDS in which he said "as citizens, we must all appreciate that the circumstances which we now face require sacrifice and managed adjustment… The Government will aim to partner with every business, every worker, and every citizen, to recalibrate the economy to its correct posture of sustainable growth, development, social peace, economic stability and transformation, where all citizens will obtain their fair share of national resources and receive good, honest, equitable and transparent governance. Our approach to governance will be data- based, scientific, holistic and evidence-driven, paying

due attention, at all times, to the need for compassion and sensitivity, and the respect for the rights and freedoms of all citizens in all matters of state."

So as you embark on your deliberations today, I urge you to dare to dream that out of little T&T we can create giants of businesses in the tech world, or businesses supported by technology. But beyond the dream devise workable plans for implementation and achievement of those goals. The Government is here to support those initiatives and to help them thrive in ways that will be beneficial to all.

I thank you!