



FORUM

The 'Territorial Diplomacy' of the French Overseas Departments vis-à-vis the English-speaking Caribbean

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Abstract: *This article examines the practice of 'territorial diplomacy' by the French Caribbean against the backdrop of the EU debt crisis. Increasing economic hardship is in large part helping reshape the Overseas Departments' (DOMs) relationship with the Anglophone Caribbean, from which they have been traditionally alienated and with whom engagement in the areas of trade, security and cultural exchange has been rather limited. In this regard, a number of recent developments that point to a rapprochement between the DOM and their English-speaking neighbours are outlined.*

Keywords: Territorial diplomacy, French Caribbean, English-speaking Caribbean, DOM

The Caribbean is a unique region due to the confluences of three major processes: slavery, indentureship and colonisation, where conquest, European settlement and rule, capitalism and exploitation made the zone a veritable experiment in modernity. As a result of European colonisation, the plantation system, the sugar economy, slavery and emancipation, 'each set of Caribbean colonies was moulded politically, economically, socially, legally and linguistically by the exploitative imperatives and institutions and culture of Spain, France, Britain and the Netherlands.'¹ This article examines the political status of the French West Indian islands and

traces the most recent developments in the evolution of their international relations with the Anglophone Caribbean.

The *Départements Français d'Amérique* (DFA) or *Départements d'Outre-Mer* (DOM) achieved full political integration with metropolitan France in 1946. France has overseas departments and territories in the Caribbean as well as the Atlantic, Pacific and Indian Oceans. Two of these islands are situated in the Eastern Caribbean: Martinique and Guadeloupe and the third, French Guiana is located in South America. Residents of the DOM are full French citizens, hold French passports, use the Euro currency and are subject to French laws and regulations, including the French civil and penal code, administrative law, social laws, tax laws, etc. Since 1946, in the French-administered territories outside of Europe, their status as DOM affords them many privileges that also apply to citizens residing in the French mainland. These include representation in the Parliament of France; the right to vote in elections to the European Parliament; and representation in the French National Assembly (*Assemblée Nationale*) and the French Senate (*Le Sénat*).

Unlike other non-independent territories in the Caribbean, France perceives the DOM as being fully incorporated into the mainland and this is reflected in the quality of social services people in the DOM enjoy. Heavily dependent on mainland France, the largest employer is the French state, which entitles French Antillean civil servants to an additional cost of living allowance that amounts to 40%, in addition to health services, social benefits and an education system that has rendered their standard of living comparable with most of Western Europe.

With such heavy reliance on France and by extension, the EU, the current Eurozone crisis raises the question once again as to the ability of France to continue maintaining its overseas *départements* in the Caribbean. Considerable expenditure is required for the functioning of these territories, particularly for salaries, infrastructural development and maintenance and social benefits. In EU terminology, Martinique, Guadeloupe and French Guiana are part of the designated 'ultra-peripheral regions,' which refer to the territories of member states that suffer from structural handicaps. As such, the French Overseas Departments are included in this grouping on account of their ultra-peripherality with the Azores, Madeira Islands and Canary Islands.²

Particularly in the case of the French Caribbean, this financial dependence has had deleterious effects on the economies of

Guadeloupe, Martinique and French Guiana. In recent times, the psychological and more tangible consequences of such great reliance on France by the DOM are more urgent and worrisome in light of the EU debt crisis. *Départementalisation* may have raised the standard of living in the DOM, but it has also resulted in the ills enumerated in the following:

An extreme and growing dependence on subsidies and large influx of capital from France; An illusory sense of wealth; The weakening of economies while inhabitants enjoy a high standard of living; Greater political and economic dependency on the former colonial power; The transfer of French capital from the mainland to the DOM represents the main source of growth aggravating a huge unemployment problem; Further polarisation of racial groupings; and The stifling of local cultural identity.³

Fred Constant also highlighted the costs of departmentalisation to the DOM. He termed this as 'the eruption of a pseudo-industrial society built on public transfer payments to the Antilles' which he claims 'has led to a cruel paradox, by which as each of these territories gets poorer and poorer, the more prosperous its inhabitants become.'⁴ This illusory sense of wealth to which Constant alludes does not in any way bode well for future responses to the decline in capital that the Eurozone crisis is likely to bring to the DOM in the Caribbean. The inherent problem lies in the fact that there is 'a two-tier Europe: the periphery, which spent much of the last decade on a spending binge fuelled by cheap money.'⁵ This author is of the view that there is really a three-tier system, with the ultra-peripheral zones of the EU forming the periphery in a Wallerstinian sense; while 'weaker' countries of the EU such as those in Eastern Europe comprise the semi-periphery, for example, Croatia, Latvia, Romania, while the 'stronger' economies such as Britain, France and Germany represent the core.

EUROPE'S POLITICAL AND ECONOMIC MALAISE

The largest economic area in the world is in deep financial crisis. In the post global financial crisis period of 2008, there is renewed uncertainty in the global financial system. Altman and Rijken refer to the gravity of this most recent international crisis in relation to major banks and sovereign governments' risk of bankruptcy or defaulting on their debt obligations.⁶ European banks are the largest holders of Greek debt and France is the most exposed of all

the individual countries. Belke and Dreger, in their analysis of the impact of the Greek debt crisis on European countries, signalled that 'according to BIS data French banks could potentially be more impacted from a collapse of Greek banks and from a sovereign default than Germany, Italy and Spain.'⁷ French banks have therefore been grossly impacted by the downgrading of France's sovereign debt.⁸ The Société Générale's stock fell by more than 4% in mid-August 2011, the lowest of any decline in the past three years. The Banque Nationale de Paris (BNP Paribas) resorted to closing two of its hedge funds and both the Crédit Agricole and the Société Générale were downgraded by Moody's in September 2011.⁹ All three of these major French banks operate in the DOM. Financial analysts have reiterated that the debt crisis poses a threat not only to governments but to the banks that lend to them as well.

These prospects and the fear of loss of jobs, salary and pension cuts, rising inflation and a decrease in government expenditure in key areas, preoccupy the European community and understandably have been the cause of protests and social unrest across the continent. Protests and strikes have already been recorded in parts of the DOM. Despite the geographical remoteness of the continent, the potential impact on already weak local economies in small states heavily reliant on large capital from France and the EU can be devastating. As local industries shrink, what happens to the DOM when the largesse from mainland governments and Brussels is drastically curtailed?

Substantial attention has been paid to the ongoing Eurozone crisis evidenced by the heavy mediatisation of the EU's attempt to contain the crisis and bail out the 'PIIGS nations.' On the other hand, there has been little if any coverage of how this crisis on the continent is being experienced in the DOM, further emphasising not only their ultra-peripherality but their marginalisation in the world's largest economic zone. As a result of this adversity, the rapprochement of the DOM to CARICOM countries can therefore be seen in part, as a knee jerk reaction to the EU debt crisis and the uncertainty that lies ahead for the so-called 'Caribbean parts of Europe.'

While the debt crisis may be a new problem on a more grandiose scale than previous financial crises, the fear that the DOM are too onerous and financially burdensome for Europe are by no means new arguments. More than twenty years ago, Clarke lamented that the French DOM were potential time bombs.¹⁰ France's former president, Nicholas Sarkozy, while the Minister of the Interior

spoke of national budgetary constraints and the looming prospect of reducing the amount of capital to the overseas departments. He further suggested that the DOM should become more autonomous and reinvent themselves as *Zones Franches Globales* or tax-free investment zones.¹¹

IMPLICATIONS FOR THE OVERSEAS DEPARTMENTS

In 2011, Valiante warned of the implosion of the Eurozone resulting in social conflict and widening economic disparities.¹² Indeed, there is already mounting evidence of protests and strikes in the French DOM, linked to cutbacks and economic upheaval. As anxiety mounts in the French Antilles, a wave of strikes has gripped Martinique: both in the teaching service to protest the elimination of nearly 200 in 2012. In less than two years some 500 teaching positions have been lost, in addition to insufficient allocations to ensure overall quality education for both primary and secondary school children on the island. In March 2012, over a two-week period gas station operators staged a strike which crippled Martinique's productivity.

Prior to this, in 2009, Martinique and Guadeloupe experienced some of the worst protests and clashes in the history of the two islands. In Martinique, 10,000 protesters took to the streets in response to soaring food prices and the monopolistic control of the economy by the island's 1% *Béké* (white planter class) elite. These tensions along racial lines were alluded to by Daniel, as one of the negative repercussions of departmentalisation.¹³ In Guadeloupe scores of protesters were detained and tear gas used to contain the demonstrations from escalating into violence. These protests signalled great discontent by the citizens of the two islands and of the desperate need to find indigenous methods to lead to their economic recovery. The prospects for the DOM are few with little alternatives available to these entities for developing economic platforms for sustainability, so heavily dependent on the metropole.

While residents in the DOM share the concerns of EU citizens in the mainland, they are ill-equipped to respond to external economic challenges emanating from outside their geographical domain. The additional burden of competing for diminishing resource allocations is a very real threat. How will the austerity measures of distressed sovereigns in the EU directly and indirectly impact the non-independent territories in the Caribbean? What

would be the cost to their citizens? How would it impact people's investments, savings and pensions? Would there be less expenditure on infrastructure? Would social welfare and benefits be cut and how would the DOM adapt to these proposed changes in light of the current standard of living to which they have grown so accustomed? While France is not likely to let go of its overseas territories soon, there are growing fears that certain benefits, advantages and standards of living might be lost or will diminish in the DOM. The future presents paradoxical situations in which Europe has continuing interests in its overseas territories yet resources are decreasing for their upkeep and development in a faltering economy.

Hudson highlighted the fact that globalisation and the widening and deepening of the EU would put the DOM at additional risk, emphasising inequalities between the European mainland and small entities in the Caribbean.¹⁴ Anxiety will no doubt continue to rise, as the crisis puts pressure on governments to keep cutting spending and raising taxes. These austerity measures invariably weigh on economic growth, development and financial dependence of the DOM.

In theorising about the future of ultra-peripheral parts of the EU, Hudson presented a pessimistic view that 'prospects for the ultra-peripheral regions remain gloomy' in relation to development. If according to Hudson the economic prognosis for ultra-peripheral regions was unpromising in relation to development prospects, the Eurozone crisis presents even more urgent constraints that reinforce their marginality.¹⁵

Europe's economic malaise and marginalisation of the DOM vis-à-vis the rest of Europe ushers in new dispensations in the international relations of the region. A number of recent developments negates the 'political balkanization,'¹⁶ which has traditionally characterised the Caribbean, splintering the region along linguistic, cultural and economic lines as well as governance arrangements. Three examples of the quest for more political autonomy by the DOM attest to a new era of relations between Anglophone and Francophone countries, opening up a range of possibilities for the DOM and their regional neighbours in a variety of spheres. The first of these is the granting of associate membership to the DOM in the Association of Caribbean States (ACS) in April 2013. Other examples of the DOM's 'territorial diplomacy' and their *rapprochement* between the independent countries of the Caribbean and the still dependent entities of the

Antilles include the application of the DOM for associate membership to the Organisation of Eastern Caribbean States (OECS) and finally their inclusion as full members of CONCACAF.

A parallel can be drawn between the marginalisation of the Anglophone Caribbean with the U.S. with that of the DOM and France. The aforementioned developments point to changes in the international relations between independent and non-independent countries of the sub-region. The accession of the French Caribbean overseas departments as associate members of the ACS, separate from France, guarantees them direct intervention in debates as well as voting rights at the ACS' Council of Ministers and Special Committee meetings. This accomplishment has been described as the DOM's 'latest step toward increased integration' with its regional neighbours.¹⁷ Their accession to the ACS as associate members is significant, as it endorses the DOM's incorporation as equal counterparts with CARICOM and other regional entities in the Caribbean Basin.

It is extremely significant too, that this feat is recognised as the beginning of new relations with the DOM and the rest of the Caribbean, signalling a new brand 'of territorial diplomacy and political and economic integration,'¹⁸ which were hitherto constrained and elusive. Another example of 'territorial diplomacy' is the application of associate membership by both Martinique and Guadeloupe to the OECS in December 2011. This application is currently under consideration by the regional bloc, which represents a little more than 600,000 inhabitants. This development was endorsed in the findings of a recent report on St. Lucia's foreign policy review, given the proximity of the DOM to the OECS member states and similarities in topography, geology and natural resources.¹⁹ The final recent example of 'territorial diplomacy' is the acceptance of the DOM with other NITs as full members of the regional football body, CONCACAF. Despite the fact that they are not sovereign states, they have moved from associate members to full members, permitting them 'to participate in the confederation's competitions.'²⁰

Through participation in various regional groups such as the ACS and OECS, sport, as well as the potential avenues for increased collaboration with Trinidad and Tobago and French Guiana, with the recent oil and natural gas finds, the elusive widening and deepening of the integration process may inadvertently be taking place as crises draw the countries of the region together. Future plans to include *Créole* as an official language of CARICOM can also

lend further support to integration efforts. As CARICOM faces increasing criticisms regarding the slow pace of integration, the possibilities that abound with the inclusion of the DOM with the rest of the English-speaking Caribbean will forcibly widen the range of engagement with the EU in future discussions that will ultimately enhance the incorporation of the wider sub-region in the global economy.

NOTES ON CONTRIBUTOR

Dr Michele Reis completed a doctorate in International Relations at the Institute of International Relations, University of the West Indies in 2005. She currently lectures at the Institute. Her principal area of research is diaspora and migration, with a particular emphasis on Caribbean and Latin American diasporic communities in the U.S. and Hispanic migrants in Trinidad and Tobago. E-mail: diaspora.issues@gmail.com

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- ³ Justin Daniel. 'The Construction of Dependency: Economy and Politics in the French Antilles,' in Aaron Gamaliel Ramos and Angel Israel Rivera, *Islands at the Crossroads: Politics in the Non-Independent Caribbean* Kingston, Jamaica: Ian Randle Publishers, (2001) pp. 61-79.
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- ⁶ Edward I. Altman and Herbert Rijken. 'Toward A Bottom-Up Approach to Assessing Sovereign Default Risk: An Update,' available at <http://69.175.2.130/~finman/Publications/JAF/2011/Altman.pdf>, accessed Tuesday October 18, 2011.
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- ⁸ The authors note how 'Moody's raised concerns about the exposure of BNP Paribas, Société Générale and Crédit Agricole to the Greek mess'.

- ⁹ These authors further suggest that 'Crédit Agricole controls Emporiki Bank of Greece and Société Générale is the owner of a majority of the Greek lender Geniki Bank'.
- ¹⁰ Colin Clarke. 'Europe in the Caribbean: From Colonial Hegemony to Geopolitical Marginality' in Anthony T. Bryan, J. Edward Greene and Timothy M. Shaw (eds.) *Peace, Development and Security in the Caribbean: Perspectives to the Year 2000* London: Macmillan, (1990).
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- ¹⁴ R. Hudson. 'The EU's Ultra-Peripheral Regions: Developmental Considerations and Reflections,' Paper presented at the Conference-The Macroeconomic Situation of the European Ultra-Periphery, Brussels, December 15, 2006.
- ¹⁵ *Ibid.*
- ¹⁶ Gordon K. Lewis. 'The Caribbean Background, in Puerto Rico: *Freedom and Power in the Caribbean*, Jamaica: Ian Randle Publishers (2004), pp. 29-48.
- ¹⁷ The significance of the French Caribbean departments becoming associate members of the ACS was summed up in the following terms by Serge Letchimy, President of Martinique's Conseil Régional: 'this accession responds to the human, geographic and cultural evidence. It seals our membership in the Caribbean Basin.'
<http://www.caribjournal.com/2013/04/29/martinique-guadeloupe-join-association-of-caribbean-states-as-associate-members/> Caribbean Journal, April 29, 2013.
- ¹⁸ According to Serge Letchimy, 'we open the door to a new era for our country-of territorial diplomacy and political and economic integration.'
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