

## **CORPORATE GOVERNANCE IS NOT NEW**

*Sep. 09, 2003 -The Eastern Caribbean Central Bank (ECCB) is peopled by faces that look like ours and I do not want them changed for any other. After all, that is how it should be; it is our institution. But I have a few grumbles:*

- 1. I do not always believe that they feel the same about the people and institutions under their stewardship.*
- 2. I wish ECCB would spend time tinkering with interest rates until even one economy is righted. I am reminded that the FED reduced interest rates eleven (11) times in 2002.*
- 3. Recently, an invitation went out to persons, corporate and un-incorporate in the region, to attend a seminar at ECCB, St. Kitts. The registration fee was quoted as US\$300 payable in draft to ECCB. The EC dollar equivalent was not even mentioned by the EC dollar Central Bank. This left some of us wondering "who is in charge."*
- 4. Dress code was specified as "Business" and as "lounge suit." Most participants grumbled about that even if they would not complain to those who matter. One facilitator from outside the region privately joked, "The suit seems to be the uniform at ECCB." When he first walked into a particular area it was so cold that he began to sniff and sneeze. But, as the day progressed and one had to walk out of the auditorium, the tropical heat became unbearable. The suit became visibly and palpably embarrassing.*

*I make the above remarks without desire to get shot as the messenger. I am not playing hero or martyr. I write with high hopes that someone reading this will see it merely as commonsense and will appropriately whisper in the corridors that matter.*

*The seminar was held from September 3 to 5, 2003. I accepted the invitation and I attended at my own personal expense, not merely because I believed that there was something to learn, or that I could contribute my own gram of salt and pepper, or even turpentine. The Institute of Chartered Accountants of Trinidad/Tobago, ICATT, in which I hold membership, insists that its practising members must be involved in continuing education. I was convinced that three days attending a forum on CORPORATE GOVERNANCE, convened by ECCB, WORLD BANK and others, would count as "continuing education."*

*Once the conference/seminar got underway it became clear who was pushing what. The United States, via their institutions such as the World Bank, were developing their ENRON, WORLD COM and related national woes into a catastrophe that must encompass all the world.*

*I have served as chairman and member of the Board of Directors of the AIDBANK as well as of the Dominica Broadcasting Corporation (DBS Radio) in Dominica. I have served as president, chairman, and member of the board of Directors of Roseau Coop. Credit Union Ltd. I have served as Board member of the National Commercial Bank of Dominica, the D/ca Banana Growers Association, the Public Utilities Commission of Dominica, the Centre for Management Development (UWI, Cave Hill), and so on. Most recently I was Chairman of the National Telecommunications Regulatory Commission. That is not an exhaustive list.*

*Whenever, in my opinion, public policy went outside the realm of tolerable error, I handed in my resignation. I am proud of that record: I have shouldered my link of the eternal chain. Most of all that public service was unpaid. I never used my position of director to get anything for my family, or myself or friend.*

*I say all this to show that corporate governance, in principle and practice, is not new. I understand it, and I support it. I have practised it for a long time; I have no intention to change in a hurry or at all.*

*So, all those big shots from all those foreign countries - welcome to the club.*

*There were always laws and regulations to put managers, directors, auditors, and chief executives in jail once they defraud the company. Former USA presidential candidate Ralph Nader swears that those laws were not applied because those who defraud corporations and break the law were precisely those who financed the election campaign of Congressmen and women, and of Presidents including Mr. Bush, and his father before him. To the extent that presidents and congress-people are compromised long before they are elected, to that extent they can pass new laws that may remain un-enforced before too long; just as is the case with the old laws which were not upheld.*

*There is also a myth that big firms (like the late ARTHUR ANDERSEN), have all the expertise and the appropriate qualities to cultivate the culture of "governance." Long before the collapse of ENRON, big, big accounting firms are on record as having paid millions of US dollars, occasionally, to compensate for their errors and omissions. There is no evidence to support the notion that the weak make more errors than the powerful.*

*There is, finally, a belief that cultivation of corporate governance helps micro states attract foreign investment. My experience suggests no such thing. Our micro states are by and large non-viable, and tend to attract certain people who hate corporate governance.*

*Such so-called foreign investor is known to descend with an idea, borrows from the local banks, and runs away without paying back, or runs away when the fiscal incentives period is over.*

*We in the region must garner whatever courage it takes to speak about those things. I am reminded of the Jamaica (Rasta) poet who wrote:*

*"The white man asked me for my soul  
And I would have given it to him  
But I couldn't find it."*

*There are too many who sit or even preside at the appropriate places but who are silent on such issues. Perhaps for the last time I spoke for myself and for the Caribbean people, real people, at the most recent forum in St. Kitts. I expect others, especially young people, to take over and speak out. We need to find our souls.*

*They create their ENRONS in the North Atlantic, or bomb Iraq for that matter, then they turn around and try to embroil the rest of the world as a sequel to their insanity. We do not have*

*weapons. But it will suffice to cite Wole SOYINKA, Nobel Prize Winner from Nigeria: For now, just "stick a finger in the air in an obscene gesture of defiance and rebellion."*

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