

REMARKS BY
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INTRODUCTION & CONGRATULATIONS

Ladies and gentlemen, it is a privilege to address you at this 2010 Annual General Meeting.

This summer marks the 45th year since the establishment of a Group called Unicoll. The name was a hybrid of university and college, reflecting the fact that the organization came into existence because Bahamians who were students at various educational institutions abroad had decided that during the summer months they should do more than just party; that they should create a platform for the exchange of ideas important to the formulation of public policy for a better Bahamas. The name was later changed to Unicomm, a hybrid

for University and community to reflect the reality that the membership had extended far beyond persons who, at the time, were university or college students.

Some members of Unicoll/Unicomm included names such as Bernard Nottage, the founding President, former Prime Minister, The Rt. Hon. Perry Christie, former Attorney General, Sean McWeeney, Q.C., former Supreme Court Justice, Cheryl Albury, former Permanent Secretary, Leila Greene as well as all of the founding leaders of the political party known as The Vanguard Nationalist Socialist Party. As an aside for the historians, The Vanguard Party came into existence as a direct result of a divergence in ideological views within Unicomm.

The Bahamas of 1965 and The Bahamas of today are very different. My reference to Unicoll's formation in 1965 is intended to support a perspective on that difference.

The evidence is compelling that:

(a) From at least 1990, the pace of that change has had a significantly uneven impact on the society and the consequences of that uneven impact has been and are pretty far ranging. It certainly has not allowed us to do as our National Anthem would have us to do—that being to move upward, onward, forward together.

(b) From at least the time of the first Gulf War in the early 1990's, and not with the onset of the current recession, the overall standard of living has been in decline and the gap between those who have and those who do not have has been widening. I wish to repeat this.

There is mounting evidence that since the Gulf War in the early 1990's the overall standard of living has been in decline and the gap between the haves and the have nots has been widening.

Given this Chamber's encouragement for us to pursue Business in Unusual Manners, it behooves us as businesspersons to reflect

carefully on these realities. They are backed with implications for all of our business. A brief illustration—the profile of the houses being built by Arawak Homes, is an example. Specifically, a smaller and smaller percentage of the population can now afford a 'Family Room' as a standard feature in their first home.

Done most properly, the reflection on the changes of which I speak will be informed by our social scientists after seriously and objectively looking at the following:

- (i) What changes occurred
- (ii) The pace at which those changes took place.
- (iii) The degree to which the pace of change was supported by parallel changes in the various institutions which are fundamental to social order, and stability, and
- (iv) The extent to which finding solutions to the Country's current economic, social, and other challenges is

complicated by an ongoing refusal or inability to honestly look at the period in Bahamian history leading up to Independence, as an aide to tackling some of the issues, which simply will not go away.

Such review will likely lead to questions such as:

- (1) Whether sufficient of our "best and brightest" are sufficiently involved in all areas of public service and civic involvement AND
- (2) Whether we are holding our Policy Makers to sufficiently high standards.

Ladies and gentlemen, it is with this background that I ask--

- (a) In terms of public service and civic involvement, what is happening, especially to and with our young people? *And*
- (b) How long will we continue to allow our policy makers to feed us

“spin” rather than full and frank answers to important questions of public policy?

(1) Public Service – What’s happening with our young people?

My late friend, John Morley – often quoted the mantra – “to whom much is given, much is expected.” He did so to explain why it was quite natural, upon completing college, for him to return home and seek to serve his country.

He would not have been alone

in this view. Some 60 or so years ago, the persons we now identify as the “Founding Fathers” of an independent Bahamas were virtually all under 25 years of age, but were already emerging into leadership roles throughout the society.

Sir Lynden, for example, would have been 23 years when he formally embarked on his political career.

This same sense of public service and civic involvement would have been virtually endemic in an organization like Unicoll.

This spirit of public service and civic involvement was not peculiar to The Bahamas.

One researcher in the United States concludes that "in the 1960's and early 1970's many baby-boomers were brought up to consider public service as an honorable, even noble calling."

Fortunately, for The Bahamas, the anecdotal evidence would appear to support the view that this notion of public service and sustained civic involvement extended beyond the "early 1970's."

In fact with our national independence in 1973, the spirit clearly continued for significantly longer.

However, it would appear, that since that era of Independence , fewer and fewer young people continue to see public service as this "noble calling."

Given this perception, it is prudent for us all to engage in efforts to identify the forces and factors which could be fostering that

view because clearly, the spreading of that view is not in the national interest.

Two such forces or factors of relevance are:

(i) A declining culture of respect and civility. *And*

(ii) Growing uncertainty as to the capacity to really make a difference through public service and civic involvement.

Aided by the glare of television, too many young people see our national leaders acting in a manner which cements in their minds a view that public service and civic involvement is often times hurtful and ugly. Take, for example, the speech made by the Rt. Hon. Prime Minister at the RM Baily Park immediately after the General Elections of August 1992. Remember, "I take he car. I take he maid. I take he dog an all." Then compare that to the dignified and stately speech of commendation by the same Rt. Hon. Prime Minister, after Sir Lynden had passed. Such comparison may help one to understand

why the late Edward St. George once explained that he avoided a career in politics partly because the records show that more often than not it has a bad ending.

With respect to the second factor which is doing damage to the spirit of public service and civic involvement, let us not be oblivious to a growing appreciation as to just how difficult it is for an individual to make any significant and sustainable difference, from a career in front-line politics. Some of you may have read the biography of Sir Lynden which pretty much ends with his survey of the community which he knew as a boy, and his conclusion that “so much has gone, so much has changed and yet so much remains the same.” There appears to be an element of self-doubt in the candor of those words.

Fortunately, after his death, so many people, as a mark of appreciation, echoed words like, “but I did not know”—

reflecting no doubt the fact that upon his demise, some who had opposed him in partisan politics found it possible to publicly express positive sentiments about him, the person, and his contribution.

Just this year, recently, a member resigned from the national cabinet with an explanation, at least in part, that he had the feeling that he was "wasting time."

This sense that public service and civic involvement may not be so noble and the view that it is in fact exceptionally rare and rather difficult to make any real and lasting difference via such activities could well explain why many persons are less open to sacrificing family and other personal interests to pursue such involvement.

I believe then, that it is in our national interest to do all we reasonably can to reverse this trend.

And that requires our national leaders to be more intentional in fostering a culture of respect and civility throughout all aspects of public service.

I now turn to the second matter I plan to address—namely that of holding our policy makers to high standards. The basic submission is that a key requirement relates to what maybe called the “art of listening to policy makers”.

It requires a two-step approach:

- (i) digesting what they say *And*
- (ii) Listing all of the things which they did not say but which would clearly be relevant to obtaining a full and proper sense of what they did say.

Allow me to illustrate this process by reference to a matter of current public interest--namely the proposed Port Development at Arawak Cay.

One of the first announcements made by the Prime Minister after the 2007 General Elections was that the Port would not be relocated to Southwest New Providence, as had been planned by the previous Government.

Instead, the new port would be located at Arawak Cay. That is an easy statement to understand.

If that is deemed to be the full story, one would be left to engage in a comparison of one site with the other. And much public discussion has reflected exactly that resulting in lofty explanations about environmental impact.

But a proper and further questioning may well lead to a significantly different assessment as to what were the real issues which affected the choice of location between Southwest New Providence and Arawak Cay.

For note should be taken that despite all of the public conversation about environmental factors, the Government never bothered to

produce any new and independent environmental study in support of its rationale for the selection of the Arawak site.

From the time of the announcement about Arawak Cay in 2007, the public has been attempting to identify the person or persons for whom the change offered direct financial interests. After all, it was a wise person who once said that it is often wise to “follow the money”. This appeared to have been particularly prudent advice because during the preceding campaign, the idea of locating the Port at Arawak Cay, as opposed to southwest New Providence, was not made an issue of any materiality.

The Prime Minister’s announcement of Arawak Cay fueled charges by the Official Opposition that the change was because of “special interests”. However, without specific names or further immediate action by the Government, such a charge could not be sustained.

Today we know more. For the Prime Minister has announced that there are 19 Groups or Companies involved. To date he has not identified the members of the Groups or the beneficial shareholders of the individual companies. How-ever enough information is in the public domain to support a determination that the location of the Port to Arawak Cay had more to do with money and who would earn that money than with any matter about environment.

We do not know their names. But we do know that they were selected without any pretence that the Government was seeking to be transparent. We do know that they were each invited to the negotiating table by the Government or its agent.

Each time a Government fails such a basic test of transparency it does damage to the fabric of the society because at a minimum it helps to spread cynicism, which in turn undermines the preparedness of many to remain engaged in public service. Furthermore, when a

Government acts with such obvious lack of transparency, it dramatically increases the need for the outcome to be such as to eliminate any doubt as to whether the widest public interests were in fact, protected.

In this Port deal there is not yet before the public the information to reasonably support any such conclusion. For why would a Government grant a monopoly to **any** company to operate a Port?

Generally, a Government would only grant a monopoly when an investor is required to assume levels of financial risk which are beyond usually accepted commercial norms.

What is so financially risky about operating a Port?

What is there so financially risky about operating a port not on some isolated island, but at a base which covers more than half of the traffic which comes into the entire country?

How does this justify that monopoly?

This question becomes even more relevant when consideration is given to the fact that the monopoly was granted after \$50,000,000 of tax payers funds were spent to dredge the harbor to create the aggregate which would facilitate any necessary land expansion to further reduce the financial risks associated with the creation of the port.

And the reasonable questions do not end there.

How does a Government justify the monopoly for the port being for 40 to 45 years (not 20 as has been reported in at least one print media),-- 40 to 45 years? And this comes just after the same Government had explained the need for businesses receiving the benefits of the Industries Encouragement Act to graduate beyond the receipt of such concessions, after a maximum of five years.

Furthermore, how does the Government justify that the area covered by the monopoly is not just the city of Nassau, and indeed not even just the Island of New Providence but extends to a radius which covers 25 miles around New Providence.

Amazing!!!

The Government may well try to advance the view that the wide public interests has been protected by a series of provisions which are a part of the Memorandum of Understanding. Any such rationale would truly be a joke, if the overall matter was not so serious. For example, there is some provision in the Memorandum of Understanding that no single Group can own more than a set percentage of the Port Company. However, there appears to be nothing to prevent any individual from having a beneficial interest in more than one of the 19 Groups or companies.

And much has been said about this idea that eventually the Bahamian public would be able to buy shares in this port company. Oh what a gimmick! What is there to suggest that this is no more than an effort to provide some element of legitimacy to what appears to be a transaction which is clearly not in the public's interest. For example,

while there is an assurance that the public will at some point be allowed to purchase shares, there are at least two provisions missing in this transaction which the same Government imposed on an international company recently:

- (i) The obligation to sell the shares to the public on the same terms and conditions as they had been originally purchased *And*
- (ii) A specific deadline for the issuance of such shares

I could go on with questions which, in the public interest, would warrant answers from the Government, but let's remember that I am simply using this Port deal to illustrate the need to practice the art of listening to policy-makers.

This application of the principles of effective listening would certainly appear to support a view that this port deal is likely to turn over significant control, over a significant segments of our national economy, for a significant period of time- namely 40 to 45 years, to a small group of individuals.

I have said before, and I repeat, this conclusion has nothing to do with the individuals involved. They are business people and have every right to strike the best deal they can. It is for our Government to protect the national interest.

Ladies and gentlemen – a former United States President, confirmed the view that “It is a matter of trust”. He went on however, to add, “As you trust, verify”. Thus, I end with the perspective that Business Unusual in The Bahamas today requires us to listen carefully to what our policy makers say and listen even more carefully to what they do not say. After all there can be no doubt that public policy can certainly have a profound impact on Business as usual. The recent National Budget proved it rather dramatically for virtually every business in this Country.

Thank you for having listened.