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Caribbean Politics: Are Economic Pressures Reshaping Accountability?

Political exchanges, household hardship, and the future of Caribbean governance

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Across the Caribbean, an increasingly difficult question is emerging: Are citizens becoming more concerned about what political leaders can deliver today than about the institutions and governance practices that will shape their future?

It is a question worth exploring, particularly as households struggle with the rising cost of living, governments pursue new sources of international financing, and political leaders face growing demands to deliver immediate economic relief. For many Caribbean families, economic pressures are not merely statistics in national budgets. They show up in the cost of groceries, electricity, water, communications, transportation, housing, inaccessible healthcare, and the ability to save for emergencies. Even where inflation has moderated, households still face high prices. These pressures create difficult choices for citizens and governments alike.

For political leaders, the challenge is to address immediate economic needs while pursuing long-term national development. For citizens, the question often is whether to judge political performance by the immediate assistance received or by the broader quality of governance. In this environment, one form of political relationship warrants closer examination: *transactional leadership.*

When Politics Becomes an Exchange

Transactional political leadership is a relationship in which political support, cooperation, or access to resources is tied to benefits. These benefits may include employment opportunities, financial assistance, development projects, or other forms of government support. Political transactions are not inherently inappropriate. Governments must negotiate, allocate resources, and respond to citizens' needs. Public assistance is a legitimate state responsibility, especially when households face economic hardship. The concern arises when access to opportunities depends more on political relationships than on transparent institutions and established rules.

Research by political scholars Veenendaal and Corbett (2020) shows that small-state characteristics can foster close personal relationships between politicians and citizens. In relatively small communities, political representatives are accessible, social networks overlap, and individual assistance can become a central expectation of political representation. This creates a relationship driven by more than politicians alone. Citizens may also expect political leaders to provide direct assistance in exchange for continued support.

The question is whether such arrangements strengthen public confidence or gradually replace fair and predictable systems of governance.

Veenendaal, W., & Corbett, J. (2020). Clientelism in small states: How smallness influences patron–client networks in the Caribbean and the Pacific. *Democratization*, *27*(1), 61–80. https://doi.org/10.1080/13510347.2019.1631806

Has Economic Survival Changed Political Expectations?

Caribbean households' economic circumstances are central to this discussion. A 2023 World Bank study on the Caribbean's response to surging inflation documented pressures from rising food, fuel, and energy prices, as well as the measures governments introduced to cushion households. These interventions were necessary responses to economic hardship. However, they also raise questions about fairness, efficiency, and the long-term sustainability of public spending. As an accountant, I consider one distinction particularly important: Spending public money is not the same as creating lasting public value.

A government may introduce a program that provides immediate relief, but it must still demonstrate that it is affordable, appropriately targeted, and capable of delivering meaningful outcomes. Likewise, citizens may welcome assistance while remaining concerned about accountability and transparency. It would therefore be premature to conclude that economic hardship has led Caribbean citizens to abandon their concerns about corruption. A more relevant question is whether immediate financial pressures are shifting the relative importance citizens place on economic assistance, institutional integrity, and long-term development.

World Bank. (2024). *Caribbean social protection responses to surging inflation*. https://documents1.worldbank.org/curated/en/099011524164041723/pdf/P180588-cbe55c7c-7a16-49fd-a8d7-ea4bf565a31f.pdf

Corruption, Political Favoritism and Accountability

Transparency International's 2025 Corruption Perceptions Index provides a comparative lens on perceived public-sector corruption across the region. Its scores reflect perceptions and do not establish misconduct by individual political leaders or governments. Differences among Caribbean jurisdictions remind us that the region lacks a single governance profile. At the same time, an index score cannot address every question about how public resources are allocated. Political favoritism may shape who benefits from public decisions, even when a particular transaction does not constitute criminal corruption.

A study by Cruzatti et al. (2024), published in World Development, examined the relationship between political leadership and development outcomes across Latin America and the Caribbean. The researchers found that areas near parliamentary leaders' birthplaces received preferential development benefits under certain institutional conditions, raising important questions about political favoritism and the equitable allocation of public resources. These findings do not establish misconduct by any Caribbean government. They do, however, raise an important question:

Are national development priorities set primarily by demonstrated public needs, or can political relationships influence who benefits? In public financial management, the answer matters enormously. A project can be properly recorded in the national accounts yet still warrant scrutiny of its selection, cost, economic justification, and distribution of benefits. Accountability must extend beyond whether money was spent to whether it was spent fairly, efficiently, and for its intended public purpose.

Cruzatti, C. J., Bjørnskov, C., Sáenz de Viteri, A., & Cruzatti, C. (2024). Geography, development, and power: Parliament leaders and local clientelism. *World Development*, *182*, 106706. https://doi.org/10.1016/j.worlddev.2024.106706

Transparency International. (2026). Corruption Perceptions Index 2025. https://www.transparency.org/en/cpi/2025

Citizenship by Investment and the Value of Sovereignty

Beyond elections, Caribbean governments increasingly must balance domestic economic priorities with external financial and diplomatic pressures. Citizenship-by-investment programs offer a useful example. These programs have generated significant revenue for several Eastern Caribbean governments, supporting investment and public finances. However, a 2025 International Monetary Fund study by Janne Hukka

highlighted risks, including volatile program revenues, international scrutiny, and limited transparency around some investment arrangements. The central concern is not whether governments should attract foreign investment. Rather, it is whether revenues from such programs strengthen productive capacity, support sustainable infrastructure, and reduce future financial vulnerability.

Recent United States visa restrictions affecting several Caribbean countries also illustrate how decisions by larger states can shape the policy choices available to smaller economies. In January 2026, the United States imposed specific visa restrictions on nationals of Antigua and Barbuda, Dominica, and other countries, with exceptions. These developments remind us that economic sovereignty is exercised within an international system in which countries do not possess equal financial or diplomatic influence. Caribbean governments must balance legitimate investment opportunities with international confidence, financial integrity, and the protection of their citizens' interests.

Hukka, J. (2025). ECCU CBI programs. *Selected Issues Papers*, *2025*(067), 1. https://doi.org/10.5089/9798229012584.018

Why Caribbean Leaders Are Looking Toward Africa

The expansion of Africa–Caribbean relationships is another important development. The Second Africa–CARICOM Summit, held in Ethiopia in September 2025, reflected renewed cooperation across historical relationships, reparatory justice, diplomacy, and economic development. In March 2026, the African Export-Import Bank announced an increase in its CARICOM financing ceiling to US$5 billion, marking a significant development in regional financial cooperation. However, a financing ceiling should not be confused with funds already disbursed or with completed projects.

The developmental value of these arrangements must ultimately be measured by tangible outcomes: investment, productive employment, improved infrastructure, business opportunities, and stronger institutions. Greater engagement with Africa may offer Caribbean economies opportunities to diversify their financing and commercial relationships. Such diversification can be beneficial. But international partnerships, like domestic public expenditure, should be assessed by their terms, implementation, and measurable public benefits. The question is not simply how much financing Caribbean leaders can attract. It is what that financing will achieve and what obligations future generations may inherit.

African Export-Import Bank. (2026). *AFREXIMBANK raises CARICOM financing cap to $5 billion to accelerate regional transformation - African Export-Import Bank*. African Export-Import Bank. https://www.afreximbank.com/afreximbank-raises-caricom-financing-cap-to-5-billion-to-accelerate-regional-transformation/

Caribbean Community. (2025). Second Africa-CARICOM Summit set for Addis Ababa. https://caricom.org/second-africa-caricom-summit-set-for-addis-ababa/

What Will Define Caribbean Leadership by 2036?

Looking ahead to the next decade, three possible governance pathways merit consideration. One pathway entails the continued prominence of personalized political assistance and short-term economic interventions, with institutional reforms proceeding unevenly. A second pathway entails governments maintaining pragmatic political and financial relationships while strengthening transparency, public accountability, and oversight. A third pathway emphasizes institution-building, productive investment, economic opportunity, and sustainable development. These are possible pathways, not predictions of specific political outcomes. From a leadership perspective, the distinction is fundamental.

Effective political leadership cannot be measured solely by electoral success, the scale of announced investments, or the popularity of individual programs. It must also be assessed by the quality of institutions, the sustainability of economic decisions, and ordinary citizens' capacity to improve their circumstances without relying on political connections. Similarly, public financial accountability must extend beyond

preparing budgets and recording expenditures. It must ask whether resources are producing lasting economic and social value.

The Caribbean cannot avoid political bargaining, economic uncertainty, or the need for international partnerships. Nor should governments withdraw legitimate assistance from citizens who need it. However, there is a meaningful difference between responding to economic hardship and allowing access to opportunities that can make people dependent on personal political connections. As Caribbean societies look toward 2036, their prospects will depend not only on the leaders they elect, the agreements their governments sign, and the financial resources they secure, but also on whether public institutions remain credible and opportunities are distributed fairly. Development creates lasting improvements in people's lives.

Ultimately, the most important question confronting Caribbean democracy may not be what political leaders are prepared to give the people, but what kind of institutions they are prepared to leave behind.

About the Author

Dr. Devon J. Charles is a Caribbean leadership scholar, Doctor of Business Administration, Fellow of the Association of Chartered Certified Accountants (FCCA), and financial services executive with over three decades of professional experience. His research and writing focus on leadership, governance, financial accountability, institutional development, and Caribbean economic transformation.

The views expressed are those of the author in his personal capacity.