

Economic Woes

The wave of unemployment which is now characterizes Caribbean societies is a threat to the economic well being of many. Resulting job losses as a consequence of retrenchment and layoffs, is enough to cause many an individual either psychological and/or emotional stress. In Barbados alone where the unemployment levels current stands around twelve percent, and where there is minimal hiring across the economic sectors, there can be little comfort to the unemployed.

In a contracting labour market, chances are that the situation is more likely to get worse by the day than to get better. The fact that many enterprises are feeling the pressure based on declining profits margins, the possibility that growth in small economies will make a turnaround in the short term, seems even more remote. The fact that the banking and other financial institutions appear to have high liquidity, would suggest that the opportunity presents itself for small and medium size businesses to cash in on the opportunity to obtain financing.

Whereas it seems that the playing field is well laid, the reality is that with a drastic decline in business, where sales are down, those who are prepared to take the risk, could easily find themselves having to close their operations in short order on account of their inability to meet monthly financial commitments. In such prevailing circumstances, there can be little optimism that small and medium enterprises will be able to take growth and development. Therefore the possibility that new employment opportunities will emerge in the immediate future is very unlikely.

The fact that businesses are contracting and being forced to place emphasis on survival rather than advancing in the market place, will mean that the small islands states of the Caribbean will more and more feel the pressure of a declining gross domestic product. The impact of this on the society is expected to be horrendous. It requires that all and sundry make some drastic adjustments to their standard of living. Cutting back therefore is expected to become the norm.

It can be argued that the pressure is felt more by working class people, who are challenge to survive in a climate of high inflation and rising cost of living; where there are no wages and salary increases. All this is coupled with the looming threat that the enterprise with which one is employed, could at anytime close its doors, or embark on a retrenchment or layoff programme. Where is the confidence which workers should demonstrate in this workplace climate? The work environment takes on the face of a struggle between the have and the have nots. It is at this point that the society becomes overpowered by the many social ills, which threaten to break the civility and stability of the society.

It is here that the state and its various institutions are required to perform the roles and functions that are expected of them. The state cannot be a failure in its response. A case in point that demonstrates the loss of confidence is reflected in the instance where there are established social security systems in place as it is in Barbados, and despite all good intentions, those who are beneficiary of the offerings, are left out in the cold.

In a society such as this, which can boast of its advancement in the provision of social services and social benefits, working class people would want to count their lucky stars. Many would however argue to the contrary, and proclaim that they are experiencing a night mare, as benefits that are due to them from the state are just not forthcoming.