

Rising from the ashes of the pandemic: The case of the Dutch Caribbean

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Abstract: Largely and critically dependent on tourism, the Dutch Caribbean subnational island jurisdictions (SNIJs) of Aruba, Curaçao and Sint Maarten turned to the Kingdom Government for cash flow support, as a consequence to the shortfall in tourist arrivals in the wake of the COVID-19 pandemic. With an already underperforming and malfunctioning political relationship with their sole shelter provider (due to the tight fiscal budgetary supervision) Aruba, Curaçao and Sint Maarten received conditions that were perceived as economic and political intrusion. These new conditions invite a thorough economic redesign in the wake of unprecedented economic conditions, new governance mechanisms and an overall decrease of welfare. Dutch Caribbean SNIJs have the opportunity to turn increasingly to a digital transformation of public services, promotion of virtual business services, and their creative sectors to circumvent the crisis. This paper highlights the calls for reform and underlines the challenges that SNIJs face in adequately addressing economic opportunities in the 21st century by tackling technological gaps that currently discourage businesses and enable a departure from economic shelter currently limiting the islands' economies.

Keywords: Aruba, COVID-19, Curaçao, development, governance, political economy, shelter theory, Sint Maarten, subnational island jurisdiction (SNIJ), technology gap, The Netherlands

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Introduction

COVID-19: the global economy has never before faced as serious a challenge that exposed the rate of interconnectedness facilitated by technological advancements. The movement of people, goods and services have come experienced an unprecedented drop, impacting all countries. Small subnational island jurisdictions (SNIJs) have felt the shock more intensively, as most of these that depend on tourism have had to confront and come to terms with acute falls in visitor arrivals. The Dutch Caribbean island territories of Aruba, Curaçao and Sint Maarten were no different. The Governments of these SNIJs were quick to provide support for citizens losing their job, as well as businesses suffering direct impact as a result of lockdown measures. As a consequence of this economic standstill in a year that promised to deliver economic growth, tax revenues disappeared, prompting short term liquidity issues. As constituent countries of the Kingdom of the Netherlands these islands, supported by the Charter for the Kingdom, appealed to the Kingdom Government for support. Bolstered by IMF advice, the argument was made that the Government of the Kingdom was to uphold the well-being of its citizens, by having the Dutch Government assist financially with bullet loans.

Possibly unknown to many outside this paradigm is the fact that Aruba, Curaçao and St Maarten were already under severe financial supervision before COVID-19 struck. These arrangements were made to match the dissolution of the federal Antillean government in 2010 with the idea of supervising austerity measures for the 'new' autonomous territories. Curaçao and Sint Maarten would only be able to borrow or issue bonds from the Netherlands, or would be able to do so on the international market with the blessing of the Kingdom Government. In 2017, it was proposed by the Netherlands that Aruba (which had left the federation in 1986) would also join into this Financial Supervision arrangement, but would be obliged to adopt its own Law on Financial Supervision while maintaining more autonomy over the acquisition of loans and issuance of bonds. These arrangements exposed a gaping hole in the provisions that essentially held up the three SNIJ governments with regards to liquidity assistance, rendering the choice as a stark one of 'either take it or leave it'. Additionally, and under extreme duress, the Netherlands proposed to institute a Caribbean Reform Entity that would direct reform for Aruba, Curaçao and Sint Maarten in exchange for liquidity assistance.

This case is a textbook example of economic intrusion in a situation where shelter is provided for small island jurisdictions (Thorhallsson, 2018a). Though the sentiments for independence have grown over time, evident from the results of two referenda, a clear preference is shown for the current arrangement. The relationship where shelter provision is preferred over sovereignty, constantly put the islands in a dilemma where the issue of self-determination and economic development is constrained. While all island jurisdictions would be facing a redesign of their political economy of development, those enjoying such shelter face additional challenges with discussions on the roots of the impending crisis while simultaneously coping with its ramifications. Fundamentally Aruba, Curaçao and Sint Maarten need to develop basic domestic expertise, be prepared to seek other shelter alternatives, and be careful not to close any doors in that respect, if possible (Thorhallsson, 2018). This case study discusses these challenges that Aruba, Curaçao and Sint Maarten face in seeking a solution for this unprecedented crisis.

The following section of this paper discusses the particular development trajectories of sub-national island jurisdictions. Section 3 presents the case of Aruba, Curaçao and Sint Maarten in relationship with the Netherlands under the Charter, as well as the preceding crises involving the closure of the oil refineries, hurricanes Irma and Maria, and the collapse of the Venezuelan economy. The fourth section offers a conclusion.

Literature Review

Small Island Developing States (SIDS) have been identified and categorised as distinct from other countries, particularly because their small size allegedly determines in great part the vulnerabilities that thwart development. Briguglio (1995) discusses the presumed structural economic vulnerabilities that afflict this group of small states and territories. The author addresses small size as an inherent vulnerability on the global market: with these small jurisdictions having no choice but to accept prices, and thus becomes dependent on international trends and dynamics. In response hereto, states created a Commonwealth/World Bank Joint Task Force that produced a report outlining a general development agenda for SIDS, and which was tabled for review at the Small States Forum in 2005. This report (Briguglio, Persaud, & Stern, 2006) reinforced the findings of earlier research and argued for building resilience mechanisms with regards to the environment as well as advocating for the need for better regional cooperation. SIDS are thus forced to maintain open markets, which introduces a delicate balancing act of economic activity and environmental impact, particularly for the

tourism industry (Briguglio, 2008). Elaborating further on the relevance of tourism for SIDS, Croes (2013) found that dependence on, and expansion of, tourism may influence growth if it outprices other commodities. These developments have extended the dependence on tourism by some small states and territories (particularly in the Dutch Caribbean), but may not have always led to perception of economic welfare whilst driving long-term sustainable growth (McElroy, 2006).

Alberts & Baldacchino (2017) argue that vulnerability and resilience are not mutually exclusive conditions, as coping mechanisms sometimes have little to do with the extent of exposure. Briguglio (2016) provided evidence in support of this claim by showing that small and vulnerable states may exert relatively high resilience scores. This is possibly determined by the extent to which resilience becomes a necessity as small states and territories cannot rely on internal markets due to their small size. Small size is often also a determinant in inefficient public administration structures and allows for more personal, rather than rational or institutional, aspects as determinants in the democratic or administrative process (Veenendaal, 2013). Small states' public administrations have been identified as unbefitting for their communities, and calls have been made to address the matter in order to adequately serve the true challenges these states face (Chittoo, 2011b; Corbett & Veenendaal, 2016). As such, small states and territories may rely on other aspects that provide for stability and resilience, such as seeking shelter.

Thorhallsson (2018) explains how small states seek shelter with larger, often former coloniser countries. In his case study, he discusses how Iceland positions itself on the international arena, and how developments such as the departure of the US army base has challenged the country to seek alternative forms of shelter; in this case, with multilateral partners. Shelter provision is a relationship by which small island jurisdictions, in particular, seek relationships with larger states to provide for economic, political and societal challenges (Thorhallsson & Steinsson, 2018). In this respect, island jurisdictions relinquish some policy flexibility and sovereignty in exchange for advancement in other areas. The benefits of shelter often outweigh the costs: this is why island jurisdictions seek for shelter; but may, however, consider alternative strategies in specific historical moments such as crises. This is the case of Aruba, Curaçao and Sint Maarten with the Kingdom of The Netherlands (Veenendaal, 2017).

SNIJs can turn their small size into an advantage (Grydehøj, 2011), using their tourism marketing as a means to diversify their economy. This situation has come about particularly with Aruba and Sint Maarten (and Curaçao to a lesser extent), where tourism has been a predominant economic pillar. Since its secession from the former federation of the Netherlands Antilles in 1986, Aruba has sought to develop its position with US tourists in the late 1980s; and Sint Maarten followed suit in developing its timeshare outlets, and then its cruise tourism. Curaçao, on the other hand, being the most diversified economically of the three, started pursuing tourism more actively in the late 2000's as other local industries started showing signs of decline. A recent study identified that Aruba and Sint Maarten overdeveloped their tourism industry to the extent that it has become unsustainable (Alberts, 2020). As such, these SNIJs have exacerbated their own vulnerability by becoming 'one pillar' economies.

The charter of the Kingdom of the Netherlands provides for Aruba, Curaçao and Sint Maarten to operate autonomously as constituent countries within the Kingdom. Veenendaal (2017) has argued that this relationship, thought favourable in the long run, has been birthing some interesting misgivings. On the one hand, SNIJ realities – such as their small size and precarious growth trajectories – are often overlooked in the many joint initiatives undertaken to develop and strengthen public administration; while resulting in discussions of economic intrusion between the Kingdom partners. Most recent example of these discussions are the relationships with regards to public finance between the Kingdom partners. With the

dissolution of the Netherlands Antilles in 2010 parties agreed to a new beginning where the adoption of austerity would be at the top of the agenda, arranging for financial supervision within the provisions of the Charter of the Kingdom. This arrangement instituted a Financial Supervision Council that advises the Kingdom Government on the progress of fiscal discipline, while it has barred the ability of Curaçao and Sint Maarten to borrow from the international financial markets without the approval of the Netherlands (Sharpe, 2020). This relationship can be seen as a peculiar solution, since any ultimate decision lies with the Kingdom Government, composed of the full Cabinet of the Netherlands (between 12-16 members) and one Minister Plenipotentiary for each island, rendering the decision in the hands of the Dutch Cabinet. Even though the decision is made in a different setting, that of the Kingdom, it is inevitable that the influence of the Netherlands is exerted in these matters, exposing Curaçao and Sint Maarten to the feeling of economic intrusion.

These SNIJs, however, have also been facing a slew of crises of their own, with Sint Maarten having faced the devastation wrought by Hurricane Irma in 2017, both Aruba and Curaçao largely exposed to the ongoing political and economic crisis in Venezuela and the resulting migrant flow, and Curaçao facing the closure of its own oil refinery (operated by Venezuela's PDVSA). Aruba has not been spared by this situation, having a public debt balloon that eclipses the national GDP, while also facing difficulties for some time with their own refinery in Sint Nicholas. As a result, and under much duress, the Government of Aruba was courted to join the Financial Supervision arrangement. Ultimately, negotiations led Aruba to enact its own law on financial supervision, which in essence operates with the same body (Council on Financial Supervision), but circumventing the control on borrowing from the Netherlands. This is a novel case of economic intrusion, as the governments of small non-sovereign jurisdictions are curbed in terms of flexibility and choice on how to proceed fiscally. Governments could thus not engage in anticyclical economic policy that could counter the economic reality they were facing. As such they were already vulnerable to any possible external shock.

This study thus follows the notion proposed by Thorhallsson (2018) and asks: what are the determinants for SNIJs to develop some basic domestic expertise, and seek more autonomy in their shelter relationship? With the increasing opportunities for SNIJ's on the global level it is the single most favourable time to effectuate reform and redesign that recognizes the 21st century context of islands (Bartmann, 2006). The environment for influence of small states is changing in their favour, and it is at these times that new opportunities should be brokered to guarantee a new path for development and growth for the future. To answer this question, this paper has followed the cases of Aruba, Curaçao and Sint Maarten as they consider alternatives for their post-COVID-19 future. With a specific recovery and redesign challenge facing these three islands, whilst balancing and questioning the shelter relationship with the Netherlands, it is the unique occasion to study how which opportunities are more nascent to Aruba, Curaçao, and Sint Maarten and highlight the need to address these in the process. SNIJ's, can have more control on their development trajectory than perceived, and can develop more wholesome value from the shelter relationship if they engage into the prospects that arise with time.

The COVID pandemic and economic crisis

Aruba, Curaçao and Sint Maarten were relatively successful in securing new projects and reforming parts of the internal market that allowed for growth, particularly in tourism. Curaçao, boasting a less pronounced hospitality industry engaged into tourism promotion, to a greater extent, as it promised to replace (or at least balance) the dwindling oil refining industry; further exposing it to the need for international mobility. These developments, however, have

rendered the island territories increasingly dependent on tourism, a situation that has been exposed by the COVID-19 pandemic (Anzai et al., 2020).

The complete shutdown of non-essential businesses, as a response of the COVID 19 Pandemics, rendered the (local oriented) hospitality and entertainment businesses inoperative, causing a substantial rise in unemployment and reducing government income substantially (ILO, 2020; Maria, Jeung, Duits, & Busari, 2020). Governments of the three islands have also engaged, for the short run, in supporting businesses and the unemployed in the crisis, also expanding their expenditures considerably. This combination has led to pressures on the liquidity of public funds, which have in the meantime shown signs of stabilization. Utilising the mechanisms set in place, the governments of Aruba, Curaçao and Sint Maarten approached the Kingdom Government for short term financial support, and have been met by critical confrontations (Ottens, 2020). These confrontations have led to riots on the island of Curaçao in June 2020, as the demands for short term financial support included a demand to reduce the total public sector employees' salaries & benefits by 12% (Ottens, 2020; Rijksoverheid, 2020).

Most controversially, a proposition was tabled to enact a Caribbean Reform Entity, which the governments of Aruba, Curaçao and Sint Maarten quickly interpreted as political and economic intrusion (Lichtveld, 2020). This proposal was met with staunch rejection, because it would have bound the governments of Aruba, Curaçao and Sint Maarten to a minimum six-year period where authority for reform will be vested in a committee at the ministry of internal affairs in The Hague. The committee would be composed of three specialists, none of whom would be appointed by the three islands, and most controversially would operate according to Dutch law, as opposed to the law of the three autonomous territories (Camelia-Römer, 2020). Furthermore, there was no clear clause to which criteria the islands were bound in order to regain their autonomy. The Netherlands argued based on the warranty clause of the Charter of the Kingdom whereby the Kingdom Government ultimately was responsible for the well-being of all its citizens. At the time it was not convinced of the ability of island governments to be able to handle a timely reform which could benefit its citizens.

Opposition parties found refuge in support from a minority geopolitical power, the Association of political parties (Conferencia Permanente de Partidos Politicos de America Latina y el Caribe, 2020) denouncing the attachment of reform conditions to short term financial aid. The support also echoed that, even though the financial positions of the island territories were precarious, they showed promising futures, had COVID-19 not happened. The calls concluded that this was a form of intrusion and imperialism from a shelter provider that made use of the opportunity to align governance in its favour. This situation exposes the need for a more fundamental review of the political economy of development of small island territories in a new reality where mobility has its challenges. This further addresses other shortcomings of small island jurisdictions to cope with other forms of disasters like hurricanes (Rojer & Hu-A-Ng, 2020), where recovery trajectories can be misunderstood.

Political discussions have, since, concluded “successfully” for Curaçao (Rijksoverheid, 2020b) and Aruba by November 2020 (Rijksoverheid, 2020a) followed by Sint Maarten in December (Rijksoverheid, 2020c) with the islands negotiating stricter terms with regards to the content of the reforms that are to take place, as well as limiting the period by which the new entity for Development and Reform will sustain the process for each island. The Kingdom Government thereby agrees to provide support for a maximum of six years in which all islands are to develop sustainable solutions for their internal affairs. With regards to the content of the reforms to be taken, they aim to: improve the infrastructure in such matters as social affairs, health and education, as well as the quality of education and human services; further reinforcement of the fiscal procedures in order to have a solid public finance position;

and finally assist in attracting investments from the Netherlands. With negotiations still undergoing, many questionable components of the arrangement have been examined by the Raad van State (Council of State), and rejected as presented, prompting the need to redesign the organization; particularly the involvement of the Netherlands Ministry of Interior in the reform of autonomous territories (State, 2021).

Though useful and important for the current challenges faced by the islands; the situation, however, provides for the thought to linger whether or not the true new opportunities for Aruba, Curaçao and Sint Maarten can be optimized. As such, it raises the question: to what extent is this compromise truly sustainable? Island territories focus too often, and for good reason, on their relationship with shelter providers and may overlook opportunities that can bring about a better balance in this relationship. With the opportunity for Reform and Redesign of development trajectories of Aruba, Curaçao and Sint Maarten away from tourism, alternative approaches to island development should be explored.

Case study

Technological transformation has cut down distance and isolation; and SNIJs need to better harness this situation. Accessing global markets through existing gateways enables diversified sources of income that can increase autonomy and reduce the impending need for assistance in shelter relations. Spronk (2016) recognised the hub function that Dutch Caribbean islands, and Curaçao in particular, offer the region and the world; he argues that the hub function is critical in a dynamic network society, especially where cultural sensitivity favours linkages that would otherwise not exist. The opportunities for trade in services, transshipment of goods, as well as the multicultural characteristic of the population of these three islands allow for new connections and significant value creation for islanders. He further points out how uniquely connected these islands are to two continents,

The role small states can play on the global arena has become more favourable, and SNIJs can adopt the view that development trajectories are not solely dependent on the shelter relationship. Shelter can also be proxied if new trade relationships are explored, allowing for diversified forms of economic transfer that renders welfare. This is applicable for Aruba, Curaçao and Sint Maarten since the arrangement still allows for control of foreign economic relations. Curaçao is currently in the process to accede to the WTO, whereas Sint Maarten has shown an interest in joining CARICOM. Croes (2013) discussed how tourism is an alternative for growth, especially in cases where tourism offers a higher return than other commodities. This pandemic has introduced a challenge for the tourism industry, which has reduced its returns. As a consequence, it is imperative to take this opportunity for reform and redesign to facilitate new and promising industries that can outperform the rents from tourism over time. Tapping into networks where trade (in services) is facilitated can generally improve the position of island-based creatives, and deserves more attention in efforts to reform and develop island economies. Recognizing these new realities allow for an endogenous economic growth approach that recognizes the dynamic network economy that has risen as a consequence of the technological revolution. Small states should consider Estonia's example and utilize technology as competitive solutions, even as larger countries become gripped by an anti-globalist nationalist rhetoric (Crandall & Sulg, 2020).

SNIJs are not 'members of the club' in terms of sovereignty, and can somewhat marginalised to fully steer their own development trajectories. At the present time, (ten years after the fact) it is difficult to identify Curaçao and Sint Maarten in international catalogues, while the now-disbanded Netherlands Antilles is still featured as a country, and the Economic Complexity Index still reports Netherlands Antilles data for the year 2018 (Observatory for

Economic Complexity, 2020). These micro challenges make it more difficult for governments to provide access to networks beyond the domestic market, which convolutes the abilities of SNIJ based agents, and those from Aruba, Curaçao and Sint Maarten in particular, to fulfil an active role in the global value chain. As such, they can perpetuate the need for economic shelter and continue to face difficult decisions balancing potential loss of sovereignty in exchange for shelter. Being a constituent country of the internationally recognised public legal entity of the Kingdom of the Netherlands, it can be perceived as difficult to take a hold of the increasing international opportunities. These opportunities can enable more autonomous decisions that favour the citizens and the domestic private sector, which can counter the dependence on the shelter provider.

A recent study has identified the Dutch Caribbean islands as potential sources for creative products and services, given the new opportunities that digital transformation offers artists and musicians in particular (Lourens, Rojer, & Heyden, 2020). Pursuits in the orange economy have long been at the centre of new development strategies of countries in the Americas (Buitrago Restrepo & Duque Márquez, 2013). Creative products and services have become a new commodity in which islands are relatively rich, given their cultural assets and historical background. Island states and territories such as Cuba, Puerto Rico and Jamaica have been able to leverage beyond expectations because of the creative agents they have produced: think Celia Cruz, El Gran Combo and Bob Marley. These artists have gathered a global following that has enabled industry clusters to form around these products with the potential to unlock and enable endogenous growth. The technology at the time was facilitating novelty, since these artists travelled through diasporas and reached places through many live performances. Since then, the scenario has become convoluted and determined by the editorial model where making productions was primarily determined by those controlling the production and marketing infrastructure. This model made it difficult for small island-based artists to access the global market. Adopting technology has enabled these artists to circumvent the editorial model and reach global audiences through free and/or inexpensive networks and platforms (Lourens et al., 2020). When before artists/creatives were subjected to gatekeepers to reach global markets, new (social media) platforms allow for novel business models that allow for substantive income generation. In a dynamic network situation, however – and especially as a result of the present pandemic, when mobility is challenged – technological developments need to be incorporated to acknowledge and access the opportunities for resilience. Developing these assets entails recognizing the potential of the creative sector and the structure and pattern of income that creatives derive from their activities.

Equally important is the need to close the technological gap which can usher the processes of recovery and reconstruction (Shklovski, Burke, Kiesler, & Kraut, 2010). The technological gap refers to many infrastructural challenges that lag in small island jurisdictions in terms of catching up with current developments, in terms of both hardware and software. Chiefly among these challenges is the adoption of technology that is additionally stressed due to small size, not having the scale economies needed to merit speedy adjustment. These shortcomings have been identified in reports on growth trajectories of SIDS (Briguglio et al., 2006). Pacheco & Pacheco (2020) have identified opportunities for the Caribbean region, pointing out how Caribbean island states and territories can transform their (mainly tourism) service industries by adopting and embracing more technology inputs. Rendering services and engaging in the gig economy are two of the most promising possibilities that offer prospects to islanders and island businesses. These models embrace technology and do not require agents to migrate or to be mobile internationally and allow for an alternative as opposed to a future solely in traditional hospitality, which is the main economic pillar for Aruba, Curaçao and Sint Maarten. Technology can play a key role in the new development trajectory of islands, by

assisting their integration into the global value chain. As for SNIJs, it can transform economic constructs in a way that reduces the need for economic assistance in shelter relationships, thereby strengthening autonomy.

This underscores the need for more island oriented technical capacity, that can allow for more contextual alignment with island contexts. Technical capacity refers to the efficiency of administration and application of the rule of law in adjusted form to fit the needs of small jurisdictions (Chittoo, 2011). Chittoo's argument arises from how small islands grapple with a public administration that is not designed to fit their context, and that should be adapted to favour the specific environment and realities of small jurisdictions. Aruba, Curaçao, Sint Maarten and the Netherlands often discuss matters of internal affairs on a Kingdom level, to little avail. The Netherlands plays a dominant role on the Kingdom Level, and can overlook specific island environments in their efforts to assist or supervise. All the while the three islands, from the perspective of the Netherlands, underserve their purpose in presenting the motive for staunch dissent on ways forward. Consequentially, the field is often left open to fill in the gaps while still remaining sour after having reached a compromise. The opportunities laid ahead provide insight as to how SNIJ's can utilize the unique moment to create a framework that better aligns with their context. Consequentially, they can develop capabilities that can enable more autonomy in their relationship with the shelter provider.

Shelter is an idea that relationships need to exist in order to allow for resilience in case of crises (Thorhallsson, 2018b). The premise of seeking shelter from favourable and known friends presumes better and faster responses in times of crises. And yet, the very opposite is seen in real life: evidence suggests that shelter providers use these relationships to their advantage. They become conduits for intrusion in cases where the shelter provider is substantially larger, but also in situations where shelter provision is rendered by similarly sized states. This is illustrated in the case of Antigua and Barbuda, where new legislation allows for massive land grabs on the island of Barbuda, which was devastated by Hurricane Irma (Fernando, 2018); the option for Barbuda to secede from Antigua, although farfetched, has been mooted. Conversely in the Dutch Caribbean it is seen that the financial benefits from maintaining "control" on the ability to borrow of the Governments of Aruba, Curaçao and Sint Maarten are less in favour of the domestic capital markets. With the Netherlands effectively deciding how to acquire capital it favours traditional practices for public borrowing, then those that may possibly seem financially unfavourable but economically more sustainable for the islands.

Discussion

In the pursuit to create more autonomy, SNIJs need to realize the increasing favourable environment to facilitate island agents to operate and create their own economic welfare, particularly utilizing technology, and recognizing the orange economy. The public administration of small island states and territories, particularly those in deepened shelter relationships with other countries – such as Aruba, Curaçao and Sint Maarten – needs to be adjusted to serve industries beyond tourism that can provide higher returns. However, it is what is understood as 'reform' that is perhaps more important than the act of reform itself. Assistance from shelter providers, can be coloured by the reality of their own environment, rather than recognizing true challenges of islands. The context of small island jurisdictions is drastically different from that of metropolises, and it continues to evolve as time progresses. Small island jurisdictions are empowered by size and can achieve substantial gains due to the informality and short connections between agents effecting change. Contextualizing and adopting these viewpoints might be beneficial for public administrators, in operating the organization for progress and development that more closely ties to the island environment.

Second, the facilitation of the activities regarding creative economy and the utilization of technology needs to address how those engaged in more flexible occupations can sustain their welfare and the acquisition of funding for growth. Citizens' access to capital can greatly benefit from a reform. Funding is currently limited to those already disposing of fixed income which might overlook promising new initiatives. This limitation discourages engagements in occupations in the creative sector (such as artists/musicians) and tech developers, whose pattern differ from what is now considered the norm. With the market being concentrated in only a few institutions, it allows for very little flexibility, at the disadvantage of potential for the island jurisdictions. The creative process is far removed from the traditional employment framework and agents in these occupations may be underserved in their endeavours. As a consequence, it may seem that there are fewer agents than the actual potential, which is cited as a reason why policy does not recognize them as yet (Minto-Coy, Lashley, & Storey, 2018).

Finally, reform should facilitate a fiscal structure is needed to capture income streams in the way that is that closer matches the infrastructure that enables these activities. An example of these is the reform that is needed to allow capturing of taxes from the renting of apartments to tourists. Currently, platforms such as AirBnB are able to collect taxes and disburse them to the collector (Mercera, 2020). The matching of these is, however, difficult since tax laws need to be able to append these incomes to individuals in order to comply. Without prejudice to its complexities, it seems favourable to accept these incomes in, for example, a separate fund, and allow for investments in much needed areas, as opposed to forgoing these due to compliance issues. This aspect provides evidence that alternative approaches are desperately needed if SNIJs are to accelerate their participation in the new economy.

Conclusion

Small island states and territories, in any arrangement, would find themselves exposed and cornered from an economic point of view when seeking shelter from a single benefactor state. Crises and times of need force small jurisdictions to rethink their economic model, especially as a result of the COVID 19 crisis where there are restraints to the mobility of persons. The Pandemic and the economic crisis that has resulted from it has exposed new avenues for the constituent countries of Aruba, Curaçao and Sint Maarten to experience economic intrusion. Said economic intrusion was identified in the form of development & recovery arrangements that threatened to overlook island contexts, possibly without that having been their original intention. This study provides an application of Shelter Theory to SNIJ's, by showing the extent to which shelter can provide for economic intrusion, as opposed to facilitate economic benefits. In fact, it provides evidence that SNIJ's have considerable leeway in creating their own economic welfare, given developments in technology that allows for more autonomy than perceived.

Given the lessons learned in this pandemic, Aruba, Curaçao and St Maarten are obliged to rethink their development models, possibly without tourism for the short run, and which could transform the islands' economies in the long run. These jurisdictions can consider approaches that are better suited towards a political Engaging in Reform and Development without recognizing the context and environment of Small Islands may prove to be problematic, given the stark contrast shelter providers. economy of development that acknowledges and is sensitive to their particular realities. Technology should play a significant role in this process, requiring a quick shift in (second chance/adult) education, so as to speed up the transformation process. Arrangements for development and recovery in the 21st century can be utilised in different forms and can benefit from alternative approaches towards economic growth and development.

For small jurisdictions boasting cultural assets and capital, the orange economy offers opportunities that utilise efforts already engaged in the informal economy. Policies need to be enacted to facilitate the formalisation of these opportunities and ventures, so that they contribute to the economy in a way that benefits the advancement of welfare in their respective territories' economies and societies. With regards to the organization of public administration, nations engaged in shelter relationships should mutually engage in better understanding of the role of public administration in the specific context of the nation it serves. With stark contrasts between shelter providers and shelter receivers, it is imperative to outline the economic construct of the island nation in order to explore and exploit new opportunities

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