



Economic Empowerment

Self-Dependency is the key

By Rick Lowe

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Distinguished guests, ladies and gentlemen,

It is really a pleasure to be here with you and an honour to have an opportunity to share some of my thoughts and readings on Economic Empowerment.

I can finish my presentation with just ten words from John Pierpont Morgan, who said – ***“You can't pick cherries with your back to the tree”***, but I won't end there. I think we must use these opportunities to share our deepest thoughts to attempt an honest dialogue for the way forward with regard to economic empowerment.

In preparing this discussion I spent some time asking a few of my co-workers and friends what they thought economic empowerment was. The overwhelming response was *“a fair piece of the economic pie”*. But just how do we go about getting our fair share? I hope to suggest some ways.

In my view, economic growth depends on a free market. For far too long we have been indoctrinated to believe that the government, or the politician will provide for us. **It is actually us who provide for them by paying the taxes that we pay.**

Let's discuss Government Dependency & Income Distribution for a moment.

In the Bahamas we sometimes confuse a piece of the economic pie for income re-distribution, but I agree with Dr. Michael A. Walker who wrote that ***“the power of government is used to give preferential treatment to one group over another”***. What difference does it make how rich the other guy is so long as he is not hurting others and we have the same opportunity to succeed if we put in the effort?

Dr. Walker took this point further with the following profound quote:

“In a 1997 study Economics researcher Niclas Berggren, has found that those countries which have a considerable amount of government control and intervention into the economy – that is, those countries which are not economically free – also happen to be countries in which there are wide differences in income distribution. This problem has certainly been a characteristic of many Latin American economies for a long time and it is for this reason that countries which have been liberalising, like Chile and Argentina, have a very much better distribution of income than those countries which have retained most of the powers of government, such as Venezuela and Columbia, for example”.

We have made strides in liberalisation here since 1992 with the introduction of companies like Cable Bahamas, Sun International Breezes and Sandals. But the tide seems to be turning toward dependency again. I think this is primarily because of our fear of the foreign investor.

I do not buy the argument that because we were a colony or slaves we cannot succeed. These statements produce the mind-set of dependency on the government and politicians. America was a colony for heaven sake!

However, we may have to change our minds and the way we do business. Mr. Robert Steinback recently wrote in the Miami Herald (Tuesday, September 8, 1998) that *“Black Americans – culturally suspicious of an economic system that once used their ancestors... have yet to fully accept the promises of unfettered capitalism”... “As a community, we haven-t realised that all businesses – black-owned or otherwise – are springs bubbling with life, sustenance and hope”...*

I will never forget my first job interview at CIBC in Toronto, Canada. I appeared in jeans and a tee shirt, with long hair and an earring. The interviewer advised that before I came back for the test and second interview I should have a hair cut, remove my earring and dress more appropriately.

Of course I was slighted because I was an adult and should be able to dress as I please as long as I got the job done. **Who did these Canadians think they were talking to!** But good sense prevailed; I changed my mind, did what was requested, got the job and spent ten great years with CIBC.

If we want to succeed we must be willing to adapt to the business world. Mr. Jackson Burnside once remarked that it is interesting how foreigners come here and develop hotels or stores that promote our culture and history, but for some reason we do not see the merit in this until it is too late.

Self-Dependency is the key to Economic Empowerment.

Samuel Langhorne Clemens (Mark Twain) suggested that we:

“Take life as though it was – and it is – an earnest, vital and important affair. Take it as though you were born to the task of performing a merry part of it – as though the world awaited your coming. Take it as though it was a grand opportunity to do and achieve, to carry forward great and good schemes, to help and cheer a suffering, weary, or heartbroken brother.

Now and then a man stands aside from the crowd, labours earnestly, steadfastly, and confidently, and straightway becomes famous for wisdom, intellect, skill, greatness of some sort. The world wonders, admires, idolises and it only illustrates what others may do if they take hold of life with a purpose.

The miracle of the power that elevates the few is to be found in their industry, application, and perseverance, under the promptings of a brave, determined spirit.”

This is the attitude that we as Bahamians take with us all over the world and succeed. When my wife Joanne and I moved to Toronto in 1976 we had no Dad and Mom to rely on and we advanced much more quickly than many of the Canadians we joined CIBC with.

Mr. Jackson Burnside is one of my Bahamian heroes, and he and his team prove that self-dependency works on a daily basis. From this little rock of ours his firm is the architect for projects in Miami and Texas. I don't think he accomplished that by waiting for someone else, or the government to give it to him.

One other point on self-dependency. Always remember that you are providing a service to your employer. In reality the business owes you nothing but your agreed upon salary. Of course there are the normal benefits of employment and issues relating to the law, but any business is providing customer service, and they need resources, albeit human, to complete those tasks. In other words, make sure you have the ability and qualifications to succeed. Businesses come and go, but if you have the drive and ability you will find your place in the market.

Defining Success

In preparing a speech to a graduating class in Marsh Harbour, Abaco a couple years back, I came across what I called the Ten Commandments to Success. They were:

Be Willing to pay the price — *Someone approached the great violinist Fred Kreisler offering congratulations and said, "I would give my life to play the violin like that". The musician responded, "I did". Time, practice and commitment are what it takes to succeed. Success is never on sale, it's a matter of how much you are willing to pay for it.*

Be self-disciplined — *To this point you have all had your parents and teachers to rely on. Now it's up to you put in the hours, keep up to date in your field, read, manage your time properly, eat right and stay healthy, and stick with the task.*

Set some goals — *Goal setting is knowing why you had the self discipline to set the alarm for 5:00 AM. Write down what you plan to achieve, and what you need to do to help you get there. Winners expect to win. They are a self fulfilling prophecy. Make*

some choices and set some goals to be a winner.

Learn to get along with other people — *Live by the Rotary International Four Way Test:*

Is it the truth. Is it fair to all concerned. Will it build goodwill and better friendships. Will it be beneficial to all concerned.

Be a dreamer — *Humanist James Allen says “you will become as small as your controlling desire; as great as your dominant aspiration.” In other words, in order to succeed beyond your wildest dreams, you have to have some dreams first.*

Take risks — *Our business community needs entrepreneurs who will cut some new trails, rather than saturating the market with the same type of business around every corner.*

Stay informed — *Justice Oliver Wendall Holmes said “Man’s mind once stretched by a new idea, never regains its original dimensions.” I read recently that wealth is no longer measured by our money, but by our knowledge. As Sir Winston Churchill noted, “when I was 16 my parents knew nothing. By the time I was 21 I was surprised how much they had learned (in those five short years)”. Our world, particularly with the Internet is full of knowledge.*

Be ethical — *You may be forced in your life of work ahead to compromise your position or your opinion will be changed by the knowledge you gain. Making the right and ethical choice when you make your business decisions, will always serve you well.*

Have some fun — *Keep other friends and interests in your life. When you graduate join a Rotary, Kiwanis, Zonta or other service club, and serve your fellow man and community. Helping others is a great way to relieve stress, and voluntarily give something back.*

Define success in your own terms – It is important to note that we all seek success. That success may be in owning the car wash down the street or heading our new Stock Exchange when it opens. As Confucius said, “choose a job you love, and you will never have to work a day in your life”.

Opportunities

I am sure one of the questions bothering each of you right now is whether or not you will find a good paying job to utilise your skills when you complete your college education so you can get your piece of that very same pie.

Your concern begs two questions, with very short answers in my opinion – The questions are:

1. Is Nassau saturated?
2. Should we start to move to the Family Islands?

The answer to each question is both yes and no! Limits to growth are not so much in the location, as in the minds of the people, and the regulatory bodies they demand. This includes licensing, and all the committees established by government to direct and control.

There is no doubt that many of the Family Islands are ripe with the potential for expansion, but success will depend on choices made by individuals, and how free we are. The fundamental principles of self-ownership, property and free choice are important to this process.

I would like to quote James Gwartney and Richard Stroup from their book *Ten Key Elements of Economics*.

“There are four sources of income growth.

The goods and services that provide for our standard of living do not just happen. Their production requires work, investment, cooperation, machinery, brain power, and organisation. There are four major sources of production and income growth.

***First**, improvements in the skills of workers will promote economic growth. Skilful workers are more productive. Education, training, and experience are the primary ways people improve their skills.*

***Second**, capital formation can also enhance the productivity of workers. Workers can produce more if they work with more and better machines.*

***Third**, an improvement in technology – our knowledge about how to transform resources into goods and service – will also permit us to achieve a larger future output. Then use of brain power to discover economical new products and/or less costly methods of production is a powerful source of economic progress.*

***Fourth**, improvements in economic organisation can also promote economic growth. The legal system of a country for example, strongly influences the degree of economic cooperation. Effective economic organisation will facilitate social cooperation and channel resources toward the production of goods (and services) people value. Conversely, economic organisation that protects wasteful practices and fails to reward creation of wealth will retard economic progress.*

Finally, there are many opportunities for Economic Empowerment. I cannot over emphasise that in order to attain this we must move away from this mind-set of dependency on others, **we must define success in our own terms (not someone else's) and we must work diligently to create those opportunities like the many entrepreneurs who have gone before us.**

Reference Material:

[Thomas Sowell On The Origins Of Economic Disparities](#) (Video)

[Walter Williams Race and Economics](#) (Article)