



**The Prime Minister
St. Vincent and the Grenadines
West Indies**

RESTRICTED

May 02, 2024

The Chairman of the Board of Governors
Members of the Board of Governors
Caribbean Development Bank
Wilkey
St. Michael
Barbados

Dear Sir,

CDB AND ITS PRESIDENT

INTRODUCTION TO THE ISSUE

I have hitherto refrained from any commentary, save in private, on the contretemps between the institutional governorship and leadership of the Caribbean Development Bank (CDB), the premier repository of development finance in our region, and its former President, Mr. Hyginus "Gene" Leon, a distinguished son of our Caribbean civilisation from St. Lucia. Duty, the evolved circumstances, an unswerving commitment to the maintenance of the CDB's integrity, and an abiding concern for our region's further ennoblement, compel that I now speak, in print.

Indeed, when the news first broke of the dissonance between the Bank's hidden hands and its President, I was in Africa. I was immediately possessed of a profound disquiet and a troubling sense that this was unlikely to end well for both the President and the Bank. Wisdom and experience instinctively commended in me a patience and calm, knowing that sun brightens stone even as the greener leaves explode, and all the rivers burn.

Accordingly, I offered no opinion or judgement on whether the Bank's institutional mechanisms were mobilised correctly in a juridical sense upon the receipt by them of a complaint or complaints from one or more unidentified "whistleblower(s)". I harboured no suspicion that the swift reference "under the rules" of the Bank to a selected investigating firm was effected by other than an unsullied motivation for the good of the Bank and its President. I entertained no thought that the reception of the "whistleblower(s) complaints" and the inexorable reference to an investigating process was infused with malice, ill-will, or other jaundiced vice. Certainly, I saw no dark arts of a metaphoric Brutus in any conspiracy to slay Caesar.

Tel: 784-456-1703 ¹ <> Fax: 784-457-2152
E-mail: pmosvg@vincysurf.com

I was, however, uneasy about the speed and peremptory manner upon which the entire expedition was launched, inclusive of the seizure or detention of the President's electronic devices and his dispatch on administrative leave with a dazzling promptitude by a body of three persons; all accomplished "under the rules". I reflected that in more sophisticated societies with an informal tapestry of civilized engagements, perhaps a "without prejudice" conversation with wise Elders would have been useful.

I am aware that the standard, even self-serving, response to this sanguine reflection is that in a Bank "the strict rules must be followed", without more: Once a whistleblower's complaint is lodged, whatever its nature, origin, or merits "prima facie", an inevitable process to "tar and feather", metaphorically, must be initiated and pursued with the zeal of a proverbial inquisition of old. Shakespeare in his insightful dialogues between Shylock, Antonio, and the jurist Portia in Merchant of Venice reminds of the consequences of this legal strictness, without wisdom, maturity, and judgment.

ENGAGEMENT SOUGHT BY OECS

During my absence from the region at the critical relevant time, the leadership of the most-tightly drawn integration mechanism in the Caribbean, the Organisation of Eastern Caribbean States (OECS), an entity which admittedly has no formal "locus standi" within the Bank, but its member-states are borrowing members of the Bank, sought to prod the Bank's governorship in the direction of sense and sensibility on the matter-at-hand. Rather than responding directly with a deserving respect and prudence to the Chairman of the OECS, the distinguished Prime Minister of St. Kitts and Nevis, Dr. The Honourable Terrence Drew, the Canadian Chairman, Pro Tempore, of the Bank's Governors (Canada is a worthy non-borrowing member of the Bank), parcelled out this responsibility to an American law firm, acting on behalf of the Bank.

The law firm's haughty, nay rude, response, lacking in elemental civility or good manners, brought the metaphoric shutters down on civilized discourse in respect of Prime Minister Drew's legitimate concerns. The doubtful conduct of the Canadian Chairman, Pro Tempore, and the disdainful riposte of the American law firm, manufactured a foul stench which is yet to be dissipated. At least one editorial writer in a prestigious daily newspaper, published in Jamaica, has already, rightly, etched in its public record its disapprobation of the stances of the Canadian Chairman, Pro Tempore, and the American law firm. This editor's opinion, I am sure, represents the mature and considered view of the overwhelming majority of right-thinking people across the Caribbean.

THE COOKING OF THE PRESIDENT'S GOOSE

The swiftness of the Bank's actions, inclusive of the prompt dispatch of the President on "administrative leave", the dismissive nonchalance of Prime Minister Drew's queries by the Canadian Chairman, Pro Tempore, and the American law firm's contemptuous relay of the Chairman's instructions, all conspired to create the public perception that the Bank's President had committed egregious wrongs, that the informed "inner circle" was seized of more than a hint of the existence of some salacious "smoking gun", or other grievous ammunition, weighty enough to torpedo the President once and for all. There was in some quarters a thinly disguised, even though subdued, glee of the President's demise amidst a sanctimonious murmur of prophesy: "Let justice roll down as waters, and righteousness like a mighty stream".

In short, the whispered expectation by many was that, on the basis of the whistleblower(s) complaint(s), known only to a few, the President's goose was well and truly cooked.

THE INVESTIGATOR'S REPORT ARRIVES

The day before the investigator's report was to be submitted to, and considered by, the Bank's Board of Governors, the Bank's President tendered his resignation; his lawyers publicly reaffirmed his claim of "constructive dismissal", and put down his marker in quest of judicial redress before the High Court of Barbados or other tribunal of law.

Finally, the investigator's report is available to those entitled to it as of right. I have read it carefully. Its contents are threadbare and underwhelming. The report seeks to weave tattered threads into a twisted fabric upon which to ground a narration to justify the Bank's actions; but it has failed; and all persons of reasonableness, judicious temper, and balanced judgement, would so conclude.

On the central salacious allegation, which excited the prurient at home and abroad, there was absolutely no evidence; the story makes amusing reading, if the matter of the Bank President's peremptory removal from office was not so serious. This allegation, and the imputations connected thereto, probably had its origin in a mind suffused by a starched Anglicanism, or an obsessive Evangelical purity laced with hypocrisy and misogyny. I shall return to the undertones of misogyny in the investigator's report.

The investigator's report has bits and pieces of a President who was allegedly travelling too much globally; and in his regional trips, hither and thither, his preferred mode of air transport, purportedly, was the comparatively more expensive charter on Executive Air, a small, privately-owned airline registered in Barbados. Part of the report's challenge here is its failure to do a cost-benefit analysis of the President's international travels; its lack of any or any sufficient appraisal of context regionally (an unavailability or severe shortage of commercial airlines after the closure of LIAT, for example); and its laughable comparisons of the President's travels and those of his predecessor-in-office, who was winding down his tenure during the time of COVID. Further, the investigator did not appear to realise that flying "Executive Air" was not actually a jet aircraft but a cramped turbo-prop airplane — surely not a luxury air machine. A reasonable Caribbean reader of the investigator's report may be unable to resist disturbing thoughts: "Do these people consider "Gene" Leon to be an uppity St. Lucian who deserved not to be flying here and there in doing the Bank's work? If he were a Canadian, American, British, or European, would they not perhaps conclude that his travel, international and regional, was necessary and desirable?" Some thoughts, reasonably, may be even more extreme than these.

The investigator reported on a bundle of vague, inchoate, and untested charges by this or that disgruntled employee about the President's reproach of them on their lack of quality performance; from this emerged the allegation that the President created a toxic work environment. Surely, this is a scraping of the bottom of the barrel, absurdly.

MISOGYNY AT PLAY

I return now to the underlay of misogyny in the investigator's report. This revolves around the allegation of the President's closeness to a senior female official at the

Bank upon whom he relied in preference to other senior officials. There is no evidence that this professional woman is not qualified to hold the job with which she was entrusted; indeed, no one provided any, or any credible, allegation of her lack of training, capacity, or devotion to duty. There was no evidence, too, of any improper relationship between the President and the professional woman. Yet, the investigator's report managed to paint a picture of a veritable feminine Rasputin manipulating a weak and compliant Tsar, in the person of "Gene" Leon. It is dangerous misogyny in the 21st century Caribbean and ought to be rejected unequivocally.

FLIMSY NATURE OF EVIDENCE

The flimsy nature of the evidence "presented" in the investigator's report and the concocted narrative of malfeasance or wrong-doing, lack persuasiveness; there is nothing compelling here. Indeed, the evidence, taken at its highest, leaves a reasonable and fair-minded reader, whether in the councils of the Bank or in the taverns across any Caribbean country, with the inescapable conclusion that the President was, from the outset, the victim of a stitch-up job.

There is nothing in the investigator's report to impugn, credibly, the integrity, transparency, competence, and quality of the President's leadership and performance. He ought never to have been sent on administrative leave, much less treated in a manner as if he were an itinerant casual worker accused of pilfering his master's precious china.

To be sure, it is possible to aver that the President ought to have acted with a touch more sensitivity here and there; and he was probably innocent of the egg-shell façade or make-believe sacrosance of some pampered souls in the Bank's bureaucracy. But none of this credibly advances any case against him.

A PRESIDENCY OF CHANGE FOR THE BETTER

In all the reportage, the investigator accorded no recognition to the fact that the shareholders of the Bank, especially the borrowing member-states from the Caribbean, elected Hyginus "Gene" Leon as President to chart an amended course for the Bank. His mandate, among other things, was to be a leader of, and for, change for the better in the altered circumstances of the contemporary Caribbean and the global political economy. The President was committed to effecting meaningful change to uplift the lives, living, and production of the people of his constituencies in the Caribbean. He is now being pilloried for his insistence in getting the job done, and in the shortest possible time.

NEXT STEPS

Haunting questions arise, and remain, about the awful treatment meted out to the President; the very vaunted processes of the Bank need review and reform in these "whistleblower" cases. This large strategic exercise ought to be done.

More immediately, however, what are the next steps in addressing this debacle at the Bank surrounding the former President? It certainly does not suit the Bank to have its folly forensically examined in excruciating detail in the robust legal system in Barbados or elsewhere. I do not have to read and spell for the Governors of the Bank: The former President, Mr. Leon, has been injured, and he has suffered loss and damage; certain things flow inexorably from all this. The Bank ought to address

this with the same urgency with which it acted at the start of this awful saga; and the Bank ought to act with a large generosity of spirit.

GENE LEON'S INTEGRITY

For me, Gene Leon's integrity remains intact, though unsuccessful attempts were made to have it impugned. He comes out of this sordid matter without blemish or wrong-doing attached to him. This distinguished son of our Caribbean civilisation ought not to be lynched, metaphorically, any further.

A LOOSE END AND COMMITMENT

One loose end needs to be tied up: The people of the region may rightly demand to know why an American firm, and not one of inestimable value from the Caribbean, was chosen to conduct the investigation of "Gene" Leon. And what is the paternity and history of this firm? I am sure that the people of our region may wish to know, too, how much has the Bank paid for the investigation of, and report on, "Gene" Leon.

Finally, I reaffirm that the government and people of St. Vincent and the Grenadines remain fully committed to the Caribbean Development Bank, its ideals, its role and function in assisting the re-engineering and uplifting of our Caribbean, in every material particular. This Bank, founded some 54 years ago, almost nearly coincides with the years of my political activism; I treasure this institution; it possesses immense meaning and resonance for me and all our people. Further, as a Prime Minister for the last 23 years continuously, thus far, I have an especial obligation not to stand by and watch this splendid institution led successfully by six Presidents, including titans such as Sir Arthur Lewis and William Demas, be further embroiled in this nasty business. Let us bring it all to an end, honourably; thus, this letter to you.

All the best to you, your family, and the Bank.

Sincerely yours,

A handwritten signature in cursive script that reads "Ralph E. Gonsalves". The signature is written in black ink and is positioned over a circular blue stamp.

Dr. The Hon. Ralph E. Gonsalves
Prime Minister

Copy: Heads of State and Government of CARICOM
Acting President of CDB
Secretary General of CARICOM
Director General of the OECS