# STATISTICAL ABSTRACT OF LATIN AMERICA volume 23

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### **PREFACE**

## On Defining the Concepts of Latin America, the Caribbean, and Economically Questionable Nations (EQNs)

Trinidad, Sancti Spíritus, Cuba June 20, 1983

Dear Readers:

As I stand here on the south coast of Cuba and look into the Caribbean Sea region from the town of Trinidad, the island's first permanent settlement (1514), my mind turns to many thoughts and questions.

Spain dominated Cuba until the Spanish-American War of 1898, after which the United States controlled the island's destiny explicitly until 1902 and implicitly through 1958. When Fidel Castro took power in 1959, the country broke with the United States and began to emerge on the center stage of world events. But during the 1962 confrontation between President John F. Kennedy and Premier Nikita Khrushchev over the installation of Soviet missiles in Cuba, Fidel realized that the island served only as a stage and not as one of the actors in the world's ongoing drama. Although the United States apparently "won" the 1962 confrontation when it forced the Soviets to remove their missiles, it "lost" in the long run because Kennedy agreed that the United States would not invade Cuba, thus assuring Fidel a sanc-

Spiritus, Cuba tuary from which to emphasize the export of revolution to June 20, 1983. South America during the 1960s, to Africa during the 1970s, and to Central America and the Caribbean region in the 1980s.

Fidel's Cuba has long since become an important world actor in spite of its small population and economy. Yet by 1983, after twenty-five years of "permanent revolution," Cuba has not become a viable, economically independent state. With more than ten million people, the island has reached its carrying capacity. Because of the inefficient production schemes initiated by Fidel, Cuba depends economically in large measure for its "national" existence upon the Soviet Union with whom it works politically throughout much of the Third World to help make indigenous revolutions.

During the 1960s the United States reacted to Cuba's export of revolution by creating in 1961 under Kennedy the Alliance for Progress. During the 1970s the United States let the Alliance wither when Cuba turned to Africa. When Fidel once again directed his full attention to the Americas, however, the United States reacted in 1983 by creating under President Ronald Reagan the Caribbean Basin Initiative (CBI). What is the initiative? Which countries and territories are its potential beneficiaries? And what kinds of successes and problems are foreseen for the Reagan plan? If Cuba, with a GNP/C of only about one-thirteenth that of the United States by 1980, is still too feeble to support its own nation-

Soviet agreement to remove not only offensive weapons but also attack planes and bomber aircraft, that is, any weapon that could alter the balance of power significantly. If that is the case, then, suggests the Journal, perhaps the United States agreed to some questionable conditions that make the Soviets feel entitled to ignore the agreement. Or perhaps, as Secretary of State George Schultz is said to have hinted, there is no formal agreement. If the former is the case, that might explain why the Soviet Union has not felt obligated to stop Cuba from "exporting revolution," terminology which in any case is difficult to define. If the latter is the case, a major fraud has been perpetrated on the public record. The Journal is correct in calling for a full accounting by the U.S. government.

<sup>2</sup> Cuba itself does not compute GNP, but C/CAA (1983, p. 79) estimates that for 1978 Cuba's GDP was \$13.3 billion and its GDP/C was \$1,360. ECLA-S (1981, p. 303) and ECLA-N (Dec. 1983) estimate that Cuba's economy subsequently grew by 4.2% in 1979 and

According to the public record (as summarized in the Wall Street Journal, December 27, 1983), Soviet Premier Khrushchev promised President John F. Kennedy "to remove from Cuba those weapons you regard as offensive," keep them out in the future, and as Kennedy put it, refrain from using Cuba "for the export of aggressive communist purposes." Because there is no meaningful distinction between "offensive" and "defensive" weapons, the public impression has been that attempts to point up Soviet or Cuban violations could in the past justifiably lead only to inconclusive U.S. responses. Thus, the Soviet Union has built and activated a nuclear-armed submarine base at Cienfuegos, deployed Soviet MiG-23 and MiG-27 attack planes, and routinely operated Bear bombers in and out of Cuba. Meanwhile, Cuba has continued to export revolution. But, asks the Wall Street Journal, what if the public impression is wrong about the nature of the Kennedy/Khrushchev agreement? We do not know how the complete agreement reads because it has never been made fully available to the public, and apparently portions of it have been kept secret from such high officials as former National Security Advisor William Clark, UN Ambassador Jeane Kirkpatrick, and the Joint Chiefs of Staff. To help answer its question, the Wall Street Journal tells us that it has recently studied a series of State Department file documents which show that Kennedy did win

hood, what is the prospect for the poorer countries of the Caribbean which Cuba seeks to influence? Indeed what is the politico-economic status of the many new island-states that have gained independence since the 1960s? What new terms have evolved or are needed to help us understand the complexity of international groupings that have come forth? With the recent emergence of thirteen new nations, what has happened to the traditional concept of "Latin America"?

Table 1 shows that twenty "Latin American" states were born in the nineteenth century (including Cuba and Panama in 1902 and 1903, respectively), thirteen states were born after mid-twentieth century, and tweive territories were still dependent upon Great Britain, France, the Netherlands, or the United States through 1983. The countries that have traditionally comprised Latin America are thus defined by their timing of independence. As seen in table 1, some countries won independence militarily, beginning with Haiti in 1804 and ending with Bolivia in 1825. Gaining independence without direct war were Paraguay in 1811, today's Central American countries in 1821-22, and Brazil in 1822. Complications delayed the final independence of the states known today as Colombia, Ecuador, and Venezuela (which came into existence with the breakup of Gran Colombia in 1829-30), Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua (which emerged fully with the division of Central America in 1838-41), the Dominican Republic (which separated from Haiti in 1844), and Cuba and Panama (which won their independence in 1902 and 1903 as the result of U.S. actions).

The timing of independence meant that Latin America would emerge at a time when the idea of "progress" was defined by the ruling elite as involving the full integration of the region into the international trade revolution emanating from the industrial centers of Western Europe and the United States. That idea of progress and the dominant Iberian language, religion, culture, and bureaucratic outlook, molded by the postindependence experience of nineteenth-century liberalism, tended to unite the region in terms of Latin American cultural self-identification. Although the twenty countries soon gave up hope of ever uniting politically because of different allegiances developed according to different and difficult geographic conditions, such political reality did not kill the Latin American self-identification fostered by the countries' leaders.

The region's self-identification does not mean that debate has not occurred over what to call the region. In the words of Hubert Herring:3

The umbrella word "Latin" can hardly cover the Negro of Haiti, the Aymará on the shores of Lake Titicaca, the Maya of Yucatán, not to mention a half-hundred other Indian groups. Some prefer to speak of "Hispanic America," arguing that the Iberian peninsula was called Hispania from the days of the Romans. Spaniards resent the appellation "Latin America." and agree with Menéndez Pidal, who protests "blotting out our name [Spain] from half the world." Others speak of "Ibero-America," but that as well as "Hispanic America" takes no account of the Indian. Some plead for the term "Indo-America," but that ignores the Spaniard and the Portuguese altogether. And all with one accord forget the African. Were we to be logical, this southern world would be "Indo-Afro-Ibero-America." But, for lack of a better term, we fall back upon "Latin America."

With regard to language, Latin America is traditonally defined by its heritage in the Iberian peninsula: specifically. by Spanish as the "national" language for eighteen countries and by Portuguese for Brazil. Although the language of Haiti is French, Haiti ruled the Dominican Republic from 1822 to 1844, and so received an infusion of the Spanish language; in any case, subsequent mass migrations back and forth between Haiti and the Dominican Republic on the island of Hispaniola have brought about a basic cultural identification, if not a common political one.

Latin America's self-identification also has been enhanced specifically by its Roman Catholic religious tradition, its Iberian roots including customs, mores, food, music, and outlooks on government, class, and work patterns, as well as its concern about how to counter U.S. political influence. The United States had become so powerful in the region by 1900 that its forces would physically occupy Cuba (1898-1902 and 1906-09), Nicaragua (1912-25 and 1927-32), Haiti (1915-34), and the Dominican Republic (1916-24, 1965).

<sup>3.1%</sup> in 1980. Increasing the C/CAA estimate by the ECLA estimated growth rate yields for 1980 \$14.3 billion GDP and \$1,461 GDP/C. U.S. GDP/C for 1980 was \$11,360, according to WB-WDR (1982) and IMF-IFS-Y (1983). Cf. table 2307, below, and Claes Brundenius, Economic Growth, Basic Needs, and Income Distribution in Revolutionary Cuba (Lund, Sweden: Research Policy Institute, University of Lund, 1981).

<sup>3</sup> A History of Latin America, 3d ed. (New York: Knopf, 1968); p. 3. Herring goes on to note: "Latin America [is] the bulk of that generous span which stretches from the southern border of Texas

<sup>7,000</sup> miles south to Cape Horn, 3,200 miles at its widest across Peru and Brazil, an area twice that of all Europe, two and one-half times that of the continental United States. This is Latin America, which shares the Western Hemisphere with the United States, Canada, and the scattered remnants of European colonial power in the Caribbean."

<sup>\*</sup>The Haitian patois spoken by the masses is a mixture of languages with historical roots in Spain (which ceded Haiti to France in 1697), France (which ceded the Dominican Republic to Spain in 1795), Africa (which gave up tens of thousands of workers from all parts of the continent to become slaves), England and the Netherlands (whose pirates raided Hispaniola especially during the seventeenth century), and India (whose peoples had originally occupied the Caribbean lands).

<sup>&</sup>lt;sup>5</sup> The United States retained control of the Haitian customs offices until 1941 even though its troops departed in 1934.

Table 1

# POLITICAL DEPENDENCE, INDEPENDENCE, AND INTERNATIONAL MEMBERSHIPS OF COUNTRIES AND TERRITORIES, 20 L AND 45 ELA

(1983)

### PART I. TRADITIONALLY DEFINED LATIN AMERICA

### As Result of

		Wa	.2				,	Membership	s			
Inc	dependent Countries 1	Declared	Won	Special Circumstances	OAS	IDB:L	ECLA:L	ALADI	AG	CACM	CBI-IB	
A.	ARGENTINA	1810	1816 <sup>a</sup>		A	· A	Α.	· A				
В.	BOLIVIA	1809	1825 <sup>a</sup>		В	В	В	В	В			
C.	BRAZIL			1822 <sup>b</sup>	C	C	. с	C	_			
D.	CHILE .	1810	1818 <sup>a</sup>	2 /	D	D .	. D	D	D <sup>5</sup>			
E.	COLOMBIA	1810	1824ª	1830 <sup>e</sup>	E	E	E	E	E			
F.	COSTA RICA		1821°	1838 <sup>d</sup>	E	F	F			F	F	
G.	CUBA	6 2	1898ª	1902	G <sup>4</sup>		- G- ,					
н.	DOMINICAN REP.3		1821 <sup>a</sup>	1844 <sup>h</sup>	н	н	н				н	
1.	ECUADOR7	1809	1822 <sup>a</sup>	1830 <sup>e</sup>	1	1	ì	î	1			
J.	EL SALVADOR	1000	1821 <sup>c</sup>	1841 <sup>d</sup>	J	J	Ĵ			J	J	
K.	GUATEMALA		1821 <sup>C</sup>	1839 <sup>d</sup>	K	K	K			K	K	
L.	HAITI	1791	1804 <sup>k</sup>		L	L	L				L	
M.	HONDURAS		1821 <sup>C</sup>	1838 <sup>d</sup>	M	M	M			M <sup>6</sup>	M	
N.	MEXICO	1810	1821ª	**************************************	N	N	N	N				
0.	NICARAGUA		1821°	1838 <sup>d</sup>	0	0	0			0	0	
P.	PANAMA			1903	P	P	P				P	
Q.	PARAGUAY			1811 <sup>a</sup>	a	Q	Q	Q				
R.	PERU	1821	1824 <sup>a,f</sup>	10 mar. 1. 1.	R	R	R	R	1			
S.	URUGUAY	1811	1814°	1828	S	S	s	S				
т.	VENEZUELA7	1810	1821 <sup>a,g</sup>	1829 <sup>e</sup>	т	т	т	т	т			

- 1. The three events that provided the immediate stimulation for independence were the U.S. War for Independence (1776-81); the French Revolution of 1789 proclaiming the Rights of Man and abolishing slavery for France but not its colonies—the most prosperous of which was Saint Domingue (the future Haiti); and the capture of the Spanish monarch by Napoleon Bonaparte, Spain's "ally," who placed his brother Joseph on the throne of Spain in 1808, thus breaking strong allegiances between Spain and its colonies. (The latter event occurred after France had passed through Spain, driving the monarchy of Portugal to Brazil in 1807, laying the basis for Brazil's independence once the monarchy returned to Portugal in 1821.)
- Excludes precursor movements such as that by Tiradentes in 1788 (Brazil) or by Miranda in 1806 (Venezuela).
- 3. France ceded to Spain in 1795.
- 4. Cuba suspended from OAS in 1962.
- 5. Chile withdrew from AG in 1976.
- 6. Honduras partially withdrew from CACM in 1971.
- 7. Member of OPEC.

- a. Won from Spain.
- b. Won from Portugal.
- c. Won from Spain and became part of Mexico in 1822-23.
- d. Breakup of United Provinces of Central America, which existed to unite Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua from 1823 to 1841. For all practical purposes the breakup came by 1838 and attempts to revive union were militarily defeated by 1842.
- Breakup of Gran Colombia, which existed to unite Colombia, Ecuador, and Venezuela from 1819 to 1830.
- Last Spanish troops left Peru in 1826.

· 1. · · \* .;

- g. Last Spanish troops left Venezuela in 1823.
- Won from Haiti, which governed Hispaniola or Santo Domingo (future Dominican Republic) from 1822 to 1844. Spain reoccupied from 1861 to 1865.
- i. Won from the United States.
- i. Won from Colombia.
- k. Won from France.
- Won from Brazil.

SOURCE: Various, including especially Almanaque Mundial de Selecciones, 1956, pp. 53-162.

### Table 1 (Cont.)

### POLITICAL DEPENDENCE, INDEPENDENCE, AND INTERNATIONAL MEMBERSHIPS OF COUNTRIES AND TERRITORIES, 20 L AND 45 ELA (1983)

### PART II. NON-TRADITIONALLY DEFINED LATIN AMERICA ADDS:

In	dependent Countries	Year of Independence	From	OAS	IDB:L	ECLA:L	CARICOM	1 ECCM	OECS	CBI-IB	FAO <sup>4</sup>
1.	Antigua-Barbuda	1981	Gr. Britain		2,11.11.10.0		1	1	1	1	
2.	Bahamas	1973	Gr. Britain		2	2				2	1
3.	Barbados	1966	Gr. Britain	3	3	2	3			3	2
4.	Belize	1981	Gr. Britain		-	•	4			4	4
5.	Dominica	1978	Gr. Britain	5			5	5	5	5	
6.	Grenada	1974	Gr. Britain	6		6	6	6	6	6	5 6
7.	Guyana	1966	Gr. Britain	7	7	7	7	U	0	7	7
8.	Jamaica	1962	Gr. Britain	8	8	8	8			8	8
9.	St. Kitts-Nevis <sup>2</sup>	1983	Gr. Britain	478					_		
10.	St. Lucia	1977	Gr. Britain	10			9 10	9	9	9	9
11.	St. Vincent-Grenadines	1979	Gr. Britain	10			0.000	10	10	10	10
12.	Suriname	1975	Netherlands	12	12	12	11	11	11	11 12	11 12
13.	Trinidad and Tobago	1962	Gr. Britain	13	13	13	13			12	12
De	ependent Countries	Belonging to	OAS	IDB:L	ICLA	:L CA	ARICOM <sup>1</sup>	ECCM	OECS	CB1-1B	FAO
T1.	Anguilla	Great Britain			19 0917			70200			1000
T2.	Bermuda	Great Britain <sup>3</sup>						T1			T1
T3.	British Virgin Islands	Great Britain								20-200	
T4.	Cayman Islands	Great Britain								T3 T4	T3 T4
T5.	French Guiana	France								14	
T6.	Guadeloupe	France									T5
T7.	Martinique	France									Т6
T8.	Montserrat	Great Britain					Т8	T8	Т8	Т8	T7 T8
T9.	Netherlands Antilles	Netherlands							10	Late and	
T10.	Puerto Rico	United States								Т9	Т9
T11.	Turks and Caicos	Great Britain									T10
T12.	U.S. Virgin Islands	United States								T11	T11

- 1. The Caribbean Community and Common Market (CARICOM) was established in 1973 to replace the Caribbean Free Trade Association (CARIFTA), founded in 1967.
- 2. St. Kitts is officially known as St. Christopher.
- 3. Bermuda has been self-governing since 1968. Although under Great Britain, it claims Bermudian nationality.
- Includes Falkland Islands.

SOURCE: Various, including especially C/CAA, 1983; COHA, May 4, 1982, p. 4.



With the emergence of new countries in the Caribbean since 1962, the cultural concept of Latin America has been supplanted at times by the "geographical" view. This decrees that because the new non-Spanish countries share location with the Spanish-speaking countries that belong to Latin America, all can be lumped together even though they have no culture in common. In few ways at all do the non-Latin and Latin countries have anything in common, except small geographical size, small population that nevertheless is too large for their respective "national" boundaries to support, and inadequate economic diversity to successfully develop better living standards for the masses.

For observers who define Latin America in the geographical sense, the size and totals for the Latin Americanregion have changed over time as new nations have appeared. Whereas there were only twenty nations through 1961, the total became twenty-four by the end of the 1960s, thirty by the end of the 1970s, and thirty-three by the end of 1983. As seen in table 1, there are also twelve more potential nations, or a total of forty-five countries.

After 1961 the new countries (all of which broke away from Great Britain, except Suriname from the Netherlands) became involved with international organizations and plans, each of which defined Latin America differently according to the new countries associated with it (see table 1). Hence the Organization of American States (OAS) adopted the view that Latin America had "lost" Cuba to the Soviet Bloc in 1962 (the year the OAS suspended the Cuban government's membership) but had "won" eight new countries by the end of the 1970s. The Inter-American Development Bank (IDB) also suspended Cuba but gained six new countries, five of which also became OAS members. The UN's Economic Commission for Latin America (ECLA) did not omit Cuba from its concept of Latin America but added only seven of the thirteen new countries to its statistical definition of the region.

Although the UN Food and Agriculture Organization (FAO) has considered all of the thirteen new nations and all twelve of the dependent territories (except Bermuda) as part of its Latin American totals, the idea that regardless of culture "Latin America" contains all of the Caribbean countries did not become widespread until President Reagan's CBI legislation was debated and approved by the U.S. Congress during 1982 and 1983. Even then, technically the CBI did not embrace half of the dependent territories. Still, the U.S. Virgin Islands and the U.S. Commonwealth of Puerto Rico are expected to "benefit" from the CBI because they will receive all rum excise taxes collected in the United States. These payments are planned to compensate for their losses to CBI-intended beneficiary countries (CBI-IB) which gain duty-free access to U.S. markets.\*

To facilitate analysis, let us designate as "Extended Latin America" (ELA) the region which is defined geographically rather than culturally. ELA is shown in terms of population in figure 1. The countries and the major cities of the region are presented according to their relative population size in 1972 rather than the physical space they occupy. In this manner, Puerto Rico, which appears as little more than a spot of land on the physical map (figure 2), is the seventeenth most important territory in terms of population. In physical terms, Puerto Rico is less than 8% of Cuba's land mass but with respect to population it is almost one-third the size. Not shown in figure 1 and too small to appear in figure 2 are fifteen entities depicted in figure 3: Anguilla, Antigua-Barbuda, Bahamas, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, Montserrat, Netherlands Antilles, Saint Kitts-Nevis, Saint Lucia, Saint Vincent-Grenadines, Turks and Caicos, and U.S. Virgin Islands.

Population data for ELA are presented in table 2. The area for each country and territory can be contrasted to the "population size" mapped in figure 1. Latin America proper (or culturally delimited Latin America) contained in 1972 more than 54% of the Western Hemisphere's population, of which Caribbean Latin America contributed nearly 4%. Non-Latin American areas had 45.6% of the 1972 population in the hemisphere, of which the Caribbean Not Latin America (CNLA) contributed less than 2% compared with the U.S. share of nearly 40%.

Using population data in table 2, we can calculate the population in 1972 of ELA by adding the absolute totals for Latin America (286.1 million) and CNLA (9.2 million) to get an ELA population of 295.3 million. The share of non-Latin American persons in ELA's total for 1972 is 3.2%. It is this population in general that is not included in SALA

In the mid-1970s when I made the decision to exclude CNLA data from the volumes in this series, I did so not only because of the cultural factor but also because so little data have been available for the old colonies and new countries. In addition, the absolute population of nine million seemed as small as the relative share of 3% within ELA.

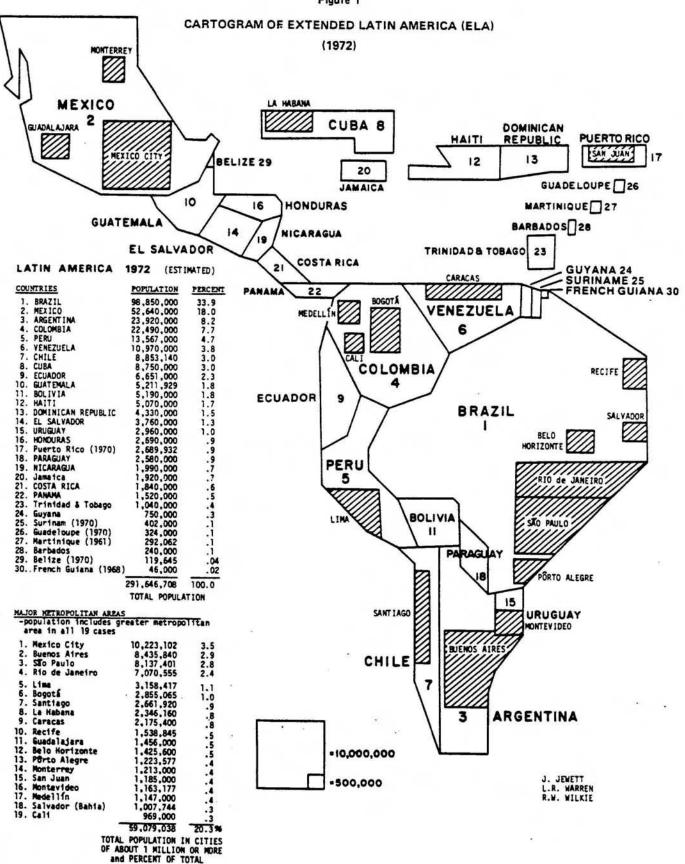
With the emergence of apparent problems for U.S. policy in Nicaragua, El Salvador, and Grenada in 1979 as well as the concern over Cuba's renewed role on the fourth side of what the Pentagon sees as a dangerous quadrilateral threat to U.S. sea lanes of communication, strategic impor-

<sup>6</sup> COHA, Oct. 4, 1983.

<sup>7</sup> U.S. policymakers argue that instability in Central America not only constitutes a threat to the Panama Canal and U.S. two-ocean military capabilities but also that Soviet submarines and attack boats delivered to Cuba now pose a threat to U.S. ability to move troops and supplies rapidly to Europe in case of a Soviet invasion there. According to Secretary of the Navy John F. Lehman, Jr. (Forbes, March 28, 1983, p. 40): "85% of the Army's combat logistics come out of the Gulf ports" and if the United States has to move rapidly to reinforce its troops attempting to hold off a Soviet invasion of Europe, Cuba could cause a delay of serious magnitude by closing the sea lanes at the narrow straits between Florida and Cuba, at the Windward Passage between Cuba and the island of Hispaniola, or at the Mona Passage between Hispaniola and Puerto Rico. With regard to Grenada, U.S. officials express concern that an unfriendly air force there could control the skies of the eastern Caribbean and by

SOURCE: SALA, 18, p. 4.

Figure 1



(9)

Figure 2
POLITICAL MAP OF EXTENDED LATIN AMERICA (PLA)



Figure 3
POLITICAL MAP OF EXTENDED CARIBBEAN REGION (ECR)





Table 2 WORLD REGIONS AND WESTERN HEMISPHERE DEFINED ECONOMICALLY: LAND AREA, POPULATION, AND DENSITY, 58 ELA (20 L, 38 OTHER) (1972)

# PART I. WORLD

		Estimated Pop	ulation July 1	
Category	Area (km <sup>2</sup> )	Million <sup>7</sup>	%	Density <sup>3</sup>
Total 1,2	132,495,836	3,719.6	100.00	27.7
Africa	30,317,845	369.2	9.93	12.2
Asia	27,159,202	2,091.0	56.22	77.0
Europe	4,936,473	465.7	12.52	94.3
Oceania	8,509,704	20.1	.54	2.4
USSR	22,402,000	247.5	6.65	. 11.1
Western Hemisphere <sup>2</sup>	39,170,612	525.9	14.14	13.5
	PART II. WESTERN	HEMISPHERE		
6		Estimated Por	oulation July 1	(e)
Category	Area (km²)	Million <sup>7</sup>	%	Density <sup>3</sup>
Total <sup>2</sup>	39,170,612	525.9	100.00	13.5
I. Latin America	19,907,626	286.1	54.40	14.4
CACM	411,170	15.9	3.02	38.7
Costa Rica	50,900	1.8	.34	36.2
El Salvador	20,935	3.8	.72	179.6
Guatemala	108,889	5.6	1.06	51.5
Honduras	112,088	2.7	.51	24.8
Nicaragua	118,358	2.0	.38	16.8
ALALC (ALADI)	19,228,658	250.4	47.61	13.0
	2,776,889	23.9	4.54	8.6
Argentina	8,456,508	98.9	18.80	11.7
Brazil	1,967,183	52.4	10.00	26.6
Mexico	406,752	2.3	.44	5.7
Paraguay Uruguay	177,508	3.0	.57	16.7
Andean Group	(5,443,818)	(69.9)	(13.29)	(12.8
Bolivia	1,098,581	5.2	.99	4.7
Colombia	1,138,914	22.5	4.28	19.7
Chile	756,629	10.0	1.90	13.3
Ecuador	270,670	6.5	1.24	24.0
Peru	1,280,219	14.5	2.76	11.3
Venezuela	898,805	11.2	2.13	12.4
Caribbean Latin America (CLA)	267,798	19.8	3.77	73.8
Cuba <sup>8</sup>	114,524	8.8	1.67	76.4
Dominican Rep. 8	48,442	4.3	.82	88.9
Haiti <sup>8</sup>		4.3 5.1	.97	182.8
	27,750			20.2
Panama	75,650	1.5	.29 .02	31.4
Panama Canal Zone	1,432	.1	.02	31.4



### Table 2 (Cont.)

# WORLD REGIONS AND WESTERN HEMISPHERE DEFINED ECONOMICALLY: LAND AREA, POPULATION, AND DENSITY, 58 ELA (20 L, 38 OTHER)

(1972)

### PART II. WESTERN HEMISPHERE (Cont.)

		Estimated Pop	ulation July 1	
Category	Area (km <sup>2</sup> )	Million <sup>7</sup>	%	Density <sup>3</sup>
II. Non-Latin America	19,262,986	239.8	45.60	12.4
United States <sup>4</sup>	9,160,412	208.8	39.69	22.8
Canada <sup>5</sup>	9,221,216	21.8	4.14	2.4
Greenland <sup>2</sup>	341,700	=a	=	.2
Caribbean Not Latin America (CNLA)	539,658	9.2	1.77	17.0
Anguilla (Great Britain)8	96	=	=	63.0 <sup>@</sup>
Bahamas <sup>8</sup>	13,935	.2	.04	13.9
Bermuda (Great Britain)	53	.1	.02	1,132.1
British Virgin Islands <sup>8</sup>	153	=	#	71.9
Caribbean Community (CARICOM)6	(257,384)	(4.6)	(.88)	(17.8)
Antigua-Barbuda <sup>8</sup>	442	.1	.02	158.4
Barbados <sup>8</sup>	430	.2	.04	567.4
Belize	22,965	.1	.02	5.7
. Dominica <sup>8</sup>	751	.1	.02	93.2
Grenada <sup>8</sup>	344	.1	.02	290.7
Guyana	214,970	.8	.15	3.5
Jamaica <sup>8</sup>	10,991	1.9	.36	176.5
Montserrat (Great Britain)8	98	_	-	132.7
St. Kitts-Nevis <sup>8</sup>	261	.1	.02	142.0 <sup>@</sup>
St. Lucia <sup>8</sup>	616	.1	.02	194.8
St. Vincent-Grenadines <sup>8</sup>	388	.1	.02	232.0
Trinidad and Tobago <sup>8</sup>	5,128	1.0	.19	202.8
Cayman Islands (Great Britain) <sup>8</sup>	259	#	=	42.5
French Guiana	91,000	.1	.02	.7
Guadeloupe (France)8	1,779	.3	.06	191.1
Martinique (France)8	1,102	.3	.06	308.5
Netherlands Antilles <sup>8</sup>	961	.2	.04	239.3
Puerto Rico (U.S.) <sup>8</sup>	8,897	2.9	.55	321.5
Suriname	163,265	.4	.08	2.6
Turks and Caicos (Great Britain) <sup>8</sup>	430	#	#	14.0
U.S. Virgin Islands <sup>8</sup>	344	.1	.02	197.7

- Based upon 220 political entities, each with a population of at least 50.
- 2. Excludes 1,833,900 km<sup>2</sup> under ice.
- 3. Density equals population divided by area.
- 4. Puerto Rico and the U.S. Virgin Islands are included only in "Caribbean Not Latin America."
- Includes France's St. Pierre and Miquelón (242 km<sup>2</sup> and about 6,000 population).
- Although the CARICOM membership is for 1982, the data are for 1972 to be consistent with all data in this table.
- 7. Rounded.
- 8. West Indies (Antilles).
- a. About 48,000 population.

SOURCE: Reconceptualized and adapted from América en Cifras, 1974, table 201-01; and C/CAA, 1983.

tance has been given to the Caribbean/Central American area. The population grew by more than 70% and over 66 million persons between 1960 and 1979. According to one view, population growth of restive peoples so close to the United States makes the spread of "revolution" more likely and at the same time means that the United States may be called upon to accept mass migrations of poor people seeking escape from upheaval and political chaos.

In order to clarify the issue of population in the Caribbean/Central American region, table 3 shows how the situation changed there during the 1960s and 1970s and suggests that the dimensions of the problem are not what they seem. The population of the Caribbean proper, or what I call the "Caribbean Sea Oriented Region" (CSOR), including Caribbean Latin America and CNLA, did increase by 47%, but that amounted to only some 10 million persons. Central America (including Panama) grew by almost 76%, but that was only 9.3 million persons.

To find the population which is "dangerous" because of its shear growth and size, one must include tangential mainland countries that could "conceivably" be drawn into the effect of falling "free-world dominoes." These are the mainland countries of Colombia, Mexico, and Venezuela where the population increased by over 78% (46.7 million persons). Only by adding these mainland figures to Central America and CSOR data can high growth rates and absolute figures be found. Adding these three components gives a total of 159.4 million persons at the end of the 1970s for the "Extended Caribbean Region" (ECR).

Although the mainland countries tangential to the Caribbean Sea Oriented Region and the Central American countries have problems that should not be downplayed, they should not be confused with those of CSOR countries. By lumping CSOR data with figures for Central America and especially Colombia, Mexico, and Venezuela, the CSOR statistics are swamped by the tangential data. As table 3 reveals, CBI-IB countries gained an absolute amount of population which was only about one-third of the ECR absolute increase. During the 1960s and 1970s, CBI-IB had an increase of only 15.3 million, not the 66 million suggested by the ECR view.

Both the CBI-IB and ECR concepts tend to disguise the real issues. The CBI-IB has been written into legislation under the Reagan administration on the assumption that it will help resolve the problems of the Extended Caribbean Region. But the concepts ignore the diversity of history and policy experience in the regions.

What is important is the small size of so many wouldbe nations—not the large size of tangential countries which

will not "fall like dominoes" because of the eclipse of the old wealthy class in Nicaragua, El Salvador, or Grenada. Such countries will not be "won" or "lost" in any international gamesmanship. Rather, because of the small size of most of the countries, we must realize that they are what I call Economically Questionable Nations (EQNs).

Table 4 compares GDP and GDP/C for twenty-seven CBI-IB and ten non-CBI-IB countries in relation to the United States, which had a GDP/C of \$11,360 in 1980. Of the thirty-seven political units involved, Cuba's GDP/C of \$1,461 falls into the lower half—it ranked better than only sixteen others. Whereas Cuba has stood for one "model" of development in the West Indies, Puerto Rico has stood for another. Puerto Rico's GDP/C for 1980 was about \$3,000, more than twice that of Cuba. Both Cuba and Puerto Rico are heavily subsidized by the world power on which each depends.

The wealthiest country in terms of GDP/C in 1980 is tourist-rich Bermuda with 96% of the U.S. figure. The next highest ranks for GDP/C about 1980 fall at the mid \$4,000 level—Cayman Islands (off-shore banking and tourism), Trinidad and Tobago (oil production and refining as well as tourism), U.S. Virgin Islands (tourism), and Bahamas (tourism).

The \$3,000 level of GDP/C includes (in addition to Puerto Rico) Barbados (with tourism as its leading earner of foreign exchange), Netherlands Antilles (oil production and refining and tourism), Guadeloupe (tourism), and Martinique (sugar).

The \$2,000 level of GDP/C is represented by Venezuela (oil and manufacturing), Suriname (bauxite), British Virgin Islands (tourism), and Turks and Caicos (fishing and tourism).

At the \$1,000 GDP/C we find Mexico (in spite of its oil, tourism, agricultural exports, manufacturing), French Guiana (forestry and agriculture), Montserrat (retirement colonies, tourism), Belize (sugar, citrus, timber), Jamaica (tourism, bauxite, agriculture), Saint Lucia (tourism, agriculture, manufacturing), Costa Rica (coffee, bananas, retirement colonies), Guatemala (coffee, bananas), Panama Canal, (offshore banking, in-bond shipping), and Antigua-Barbuda (tourism).

Political units with GDP/C less than \$1,000 include (in declining order):

\$960 Dominican Republic

922 Colombia

920 Saint Kitts-Nevis

916 Nicaragua

694 El Salvador

closing the Lesser Antilles Passage between Grenada and the mainland of South America could stop the export of petroleum by Venezuela and the Netherlands, petroleum which is desperately needed in case of a European war with the Soviets. Unfortunately these concerns assume that a U.S.-Soviet war for Europe would remain a limited one and not turn into an all-out nuclear war—a highly unlikely possibility.

I distinguish between EQNs and culturally questionable nations (CQNs) such as those divided, as in so many African cases, along ethnic lines leading to tribal wars.

Methods for calculating the dollar value of Cuba's GDP are open to question especially because the Reagan dollar blockade and Cuba's own problematic evaluation of the peso do not allow us to assess value according to any meaningful money market.

Table 3

EXTENDED CARIBBEAN REGION (ECR) POPULATION, 28 CSOR, 6 &A,
AND 3 TANGENTIAL COUNTRIES, 1960-79

		т		
Category	1960	1979	Change	PC
Caribbean Sea Oriented Region (CSOR)				
Anguilla	6 <sup>@</sup> .	6 <sup>@</sup>	0	0
Antigua-Barbuda <sup>1</sup>	55	74	19	34.5
Bahamas <sup>1</sup>	112	236	124	110.7
Barbados <sup>1</sup>	232	279	47	20.3
Belize <sup>1</sup>	92	152	60	65.2
Bermuda	45	72	27	60.0
British Virgin Islands <sup>1</sup>	7	12	5	71.4
Cayman Islands <sup>1</sup>	8	17	9	112.5
G. Cuba	7.027	9.824	2,797	39.8
Dominica 1	60	78	18	30.0
H. Dominican Republic 1	3,159	5,551	2,392	75.7
French Guiana	32	63	31	96.9
Grenada <sup>1</sup>	90	106	16	17.8
Guadeloupe	273	312	39	14.3
Guyana <sup>1</sup>	571	832	261	45.7
L. Haiti <sup>1</sup>	3,723	5.670	1,947	52.3
20 - 21 - 20 - 20 - 20 - 20 - 20 - 20 -				
Jamaica 1	1,632	2,215	583	35.7 9.5
Martinique Montserrat	283	310	27	
Netherlands Antilles	12 194	11 240	-1 46	8 23.7
			3.5	
Puerto Rico	2.358	3,395	1,037	44.0
St. Kitts-Nevis	51	51	0	0
St. Lucia <sup>1</sup>	88	121	33	37.5
St. Vincent and Grenadines	81	111	30	37.0
Suriname <sup>1</sup>	285	404	119	41.8
Trinidad and Tobago 1	840	1,150	310	36.9
Turks and Caicos	6	7	1	16.7
U.S. Virgin Islands	33	. 99	66	200.0
Total CSOR	(21,355)	(31,398)	(10,043)	(47.0
II. Central America (CA)				
F. Costa Rica <sup>1</sup>	1,248	2,184	936	75.0
J. El Salvador <sup>1</sup>	2,574	4,662	2,088	81.1
K. Guatemala <sup>1</sup>	3,969	6,849	2,880	72.5
M. Honduras <sup>1</sup>	1,952	3,645	1,693	86.7
O. Nicaragua <sup>1</sup>	1,438	2,365	927	64.5
P. Panama <sup>1</sup>	1,112	1,876	764	68.7
Total CA	(12,293)	(21,581)	(9,288)	75.6
III. Mainland Tangential Countries				
E. Colombia	15,953	26,205	10,252	- 64.3
N. Mexico	36,182	65,770	29,588	81.8
T. Venezuela	7,632	14,539	6,907	90.5
Total Tangential	(59,767)	(106,514)	(46,747)	78.2
Total ECR	93,415	159,493	66,078	70.7
Subtotal CBI-IB <sup>2</sup>	A STATE OF THE STA			
SUDTO(B) CB1-1B	(23,591)	(38,898)	(15,307)	(64.9

<sup>1.</sup> CBI-IB.

SOURCE: US/BC, World Population, 1979, except Anguilla estimated partially also on basis of data in C/CAA and Bermuda estimated from WA, 1961, and C/CAA.

CBI-IB includes CA and CSOR, except Anguilla, Bermuda, Cuba, French Guiana, Guadeloupe, Martinique, Puerto Rico, U.S. Virgin Islands.



Table 4
GDP OF 27 CBI-IB COMPARED WITH 10 NON-CBI-IB AND USA

(US)

			*	GDP	
Category		, Year		,М 👙	PI
I. CBI-IB Countries of Latin Ame	erica .				(8
Costs Rica	(4)	1980	at the second	3,410.3	1,53
Dominican Republic		1980		5.705.6	96
El Salvador		1980		3,342.1	69
Guatemala		1980		8,454.6	1,20
Haiti		1980		1,373.6	27
Honduras		1980		2,420.4	65
Nicaragua		1980		2,219.4	91
Panama		1980	M 0 #	3,325.5	1,75
I. CBI-IB Independent Countries	of CNLA				
Antigua-Barbuda <sup>1</sup>		1981		79.1 <sup>b</sup>	1,03
Bahamas		1980		1,000.0 <sup>a</sup>	4,76
Barbados		1981		950.4 <sup>a</sup>	3.8
Belize		1981		184.5 <sup>a</sup>	1,2
Dominica 1		1980		49.7 <sup>a</sup>	5
Grenada		1980		50.2	4
Guyana		1981		560.7 <sup>a</sup>	6
Jamaica		1981		2.979.0	1,3
St. Kitts-Nevis		1980		48.1ª	9
St. Lucia		1980		210.0	1,6
St. Vincent-Grenadines 1		1980		59.0 <sup>a</sup>	5
Suriname		1978		822.4 <sup>8</sup>	2.3
Trinidad and Tobago		1980		5,700.0	4,8
II. CIB-IB Dependent Territories	s of CNLA				
Anguilla <sup>1</sup>		1976		3.0	4:
British Virgin Islands <sup>1</sup>		1978		28.5 <sup>a</sup>	2,4
Cayman Islands		1977		72.0	4,8
Montserrat <sup>1</sup>		1981		20.0 <sup>a</sup>	1,7
Netherlands Antilles		1978		864.0 <sup>a</sup>	3,4
Turks-Caicos Islands		1980		15.0 <sup>8</sup>	2,0
V. Non-CBI-IB Comparisons		No to make at the comme		name can ran	
Bermuda		1979/80		598.0	10,8
Colombia		1980		24,119.4	9
Cuba		1980		14,300.0	1,4
French Guiana		1976		120.0	1,9
Guadeloupe		1978		957.0	3,0
Martinique		1978		1,135.0	3,5
Mexico		1980		130,613.7	1,8
Puerto Rico	19	1981		11,771,0 <sup>C</sup>	3,0
U.S. Virgin Islands		1978		542.0 <sup>d</sup>	4,7
Venezuela		1980		36,935.2	2,6
United States		1980		2,586,400.0	11,3
. Eastern Caribbean Region as o	defined by U.S. Depa	rtment of State.		I, IDB-SPTF, 1983, p. 345	;
s. GNP.				II, C/CAA;	
- 12			Part	III. C/CAA:	

- b. 1977 prices.
- c. Gross product.
- d. Gross territorial product (comparable to GNP).
- e. 1977.

Part III, C/CAA;

Part IV, C/CAA, except Colombia, Mexico, and Venezuela from IDB-SPTF, 1983, p. 345; USA from IMF-IFS-Y, 1983; and Cuba

from note 2 in the text.



### xx Preface

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690 Guyana 654 Honduras 598 Dominica 513 Saint Vincent-Grenadines 459 Grenada 420 Anguilla

The above range of GDP/C for 1980, then, shows the following distribution:

\$10,000s 1 4,000s 4 3,000s 5 2,000s 4 1,000s 11 under 1,000 12

Haiti

To say that many of these countries are EQNs is to understate the magnitude of the problem. For example, El Salvador has an area of only 8,000 square miles, about twice that of Los Angeles County. Even if the country did not have several million people too many for it to support, El Salvador would still have a hard time playing the role of a nation. Without the possibility of a diversified economy, it maintains diplomatic representatives around the world while it tries to modernize a backward economy. With regard to the civil war now going on there, which is supported by outside influences on both sides, it should be obvious that there can be no "winner." Whoever wins the war will really lose because the long-term battle will involve very costly development in a grossly overpopulated country with little potential for tourism. El Salvador needs to reduce its population by one to two million persons in order to become an economically viable nation (EVN).

One dozen countries in the region have higher density than El Salvador, as shown in table 2, but those countries all have the potential to or already have made tourism their major industry. Yet how much tourism can the region support? The building of economically viable nations (EVNs) requires long-term diversification beyond one industry, especially an industry such as tourism, which depends so much upon the economic health of the areas from-whence the tourists come.

The ECR is still grappling with the issue of self-identification. The region means different things to different people. If policymakers inside and outside the region fail to understand its diversity and its divided internal loyalties (outlined in table 5), they cannot hope to identify some of the major problems, let alone resolve them. An analysis of summary data for ECR as a whole, then, must include CLA and CNLA, CSOR, CA, and mainland tangential countries. As Sidney W. Mintz has written:

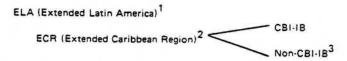
The "Caribbean" is a region of perhaps fifty insular societies scattered over more than

two thousand miles of sea, as well as certain mainland subregions—the Guianas in particular—which all passed through broadly similar historical experiences. These societies range in scale from a few square miles and populations of a few hundred or a few thousand inhabitants, up to the 44,000 square miles and nearly ten million inhabitants of contemporary Cuba. Whether one examines the region from a racial, a demographic, or a sociocultural perspective, it is as differentiated as it is complex. Any attempt to evaluate the experience of Afro-Caribbean peoples must lead the generalizer to despair.

As suggested by the complexity of the initialisms discussed above and summarized in tables 2 and 5, the task of understanding the groupings of forty-five entities in Extended Latin America in relation to the subtotal of twenty-

### Table 5

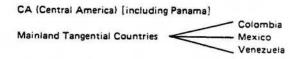
# SUMMARY OF CONCEPTS DEFINING ELA AND ITS "CARIBBEAN" COMPONENTS



CSOR (Caribbean Sea Oriented Region)

CLA (Caribbean Latin America)

CNLA (Caribbean Not Latin America) [including the island countries and colonies of the West Indies, 4 and Belize, Bermuda, Guyana, French Guiana, and Suriname]



- 1. Includes Latin America and CNLA.
- The concept of "Middle America" includes Mexico, CA, and the West Indies (CSOR except Belize, Bermuda, Guyana, and French Guiana).
- Anguilla, Bermuda, Cuba, French Guiana, Guadeloupe, Martinique, Puerto Rico, U.S. Virgin Islands.
- 4. See note 8 in table 2. From another point of view, Robert C. West and John P. Augelli, Middle America (Englewood Cliffs, N.J.: Prentice Hall, 1976), p. xv, write: The West Indies are "often differentiated on the basis of size into the Greater Antilles (Cuba, Hispaniola, Puerto Rico, and Jamaica), and the Lesser Antilles, which generally include all other islands in the chain. The Lesser Antilles are further subdivided into the Leeward and Windward Islands. Originally, this division was supposed to be based on the location of the islands with reference to the northeast trade winds, but such a climatological basis is not tenable."

SOURCE: Adapted from tables 1 and 2 above.

<sup>1</sup>º "The Caribbean Region," in Roberta M. Delson, ed., Readings in Caribbean History and Economics, Caribbean Studies, vol. 1 (New York: Gordon and Breach, 1981), p. 8.

eight in the Extended Caribbean Region is quite a task in itself, not to mention the difficulty in providing consistently comparable data for countries and territories that have very different conceptions about which statistics are important and how they are best recorded. An additional problem in statistics is that in the ECR three of the countries concern Caribbean Latin America (Cuba, Dominican Republic, and Haiti) while the rest belong to Caribbean Not Latin America. I have met few experts on the area who could tell me how many entities are involved in the "Caribbean," a problem compounded by political discussion of the CBI, which does not include eight of the ECR entities.

A major problem for the Reagan administration as it attempts to implement the CBI is that the legislation is one-dimensional and is oriented toward U.S. private investment, whereas the region is multicultural and hardly amenable to "simple" solutions. Thus, there seems to be a fatal flaw in the thinking behind the CBI concept.

The CBI legislation features twelve-year duty-free entry to the U.S. market for a wide range of Caribbean products (except sugar, tuna, textiles, footwear, handbags, luggage, work gloves, leather apparel, and petroleum products). 11 Other aspects include new U.S. tax breaks to private investors in CBI-IB countries and concessional military aid, balance of payments assistance, and technical (non-human related) project development funds. 12

The postulates of the CBI, rooted in the old private sector investment ideas of the Marshall Plan and Alliance for Progress, are based upon two ideas. One is that if U.S. private sector investment creates jobs in the Caribbean, then the population of the region will not move in massive numbers to the United States. A second idea is that the CBI can effectively counter the Cuban model for development by providing private sector jobs. Relevant to both ideas, however, is the question of which work force we are speaking about. The pool of Latin American workers may be quite different in training and goals from the non-Latin American pool.

Yet another way in which the Reagan administration has sought to counter Cuban influence has been to cut off tourism to the island. Whereas President Carter had lifted travel-related foreign exchange and passport barriers in March 1977, Reagan decided that such a policy was a mistake and in April 1982 reimposed travel controls as he successfully set out to economically isolate Cuba.<sup>13</sup>

<sup>11</sup>See Paul Houston, "House OKs Reagan Bill on Duty-Free Caribbean Exports," Las Angeles Times, Dec. 18, 1983. Exclusions were made by the House of Representatives to appease U.S. labor, including the provision that to gain duty-free entry products must have a Caribbean-content share of at least 35% (COHA, Oct. 4, 1983).

12 As summarized in COHA, May 4, 1982.

The appreciations of Reagan and Castro about respective U.S. and Cuban goals are replete with irony. While Reagan has correctly stated that Castro has turned Cuba into an "economic basket case," What Reagan has failed to understand is that Castro is not an unpopular leader because he has done so.

Castro has correctly stated that he has the backing of most of the people in Cuba, and to prove it he has armed a popular militia of more than 500,000 persons to defend the Cuban Revolution which he administers. What Castro has failed to understand fully is that his support comes from his "featherbedding" of the Cuban labor force so that most people work little, if at all. The basis for Castro's support, then, rests not so much on the health services (which in any case involve long waits and bureaucratic inefficiency) and educational programs (based on propaganda rather than learning), but on the fact that the labor force almost has "on-the-job-retirement"—certainly an advantage in the tropics.

Not requiring the Cuban people to work much has given Castro a long-term way to maintain himself in power while being convenient for the post-1959 generation which filled all of society's positions in the early 1960s, but it is hardly conducive to the long-term economic viability of Cuba. I question how long this situation can continue without making Cuba the "leader" (literally and figuratively) of the world's EQNs.

In short, the irony of Caribbean development is that even as the CBI tries to put people to work, Cuba has found a way so that they do not have to labor. In the end, neither approach will stop the migration of workers. Some will leave Cuba when they see that it is impossible to advance in an

<sup>13</sup> Reagan's decision to economically isolate Cuba is based upon the 1917 Trading with the Enemy Act, which allows the president to deny hard currency to countries if it is determined that trade with them would hurt U.S. interests. (Although President Carter had allowed unrestricted travel to Cuba, he left in place economic and commercial restrictions.) For discussion of the travel issues and the legal attempt to overturn regulations that limit travel to Cuba with-

out U.S. Treasury Department license to spend dollars benefiting Cuba, see Katharyn Pinder, "U.S. Supreme Court to Make Decision on Travel to Cuba," *Times of the Americas*, Nov. 8, 1983. The only persons allowed to travel to Cuba (but with license) are professional researchers, news media persons, government officials, and close relatives of Cuban citizens.

<sup>&</sup>lt;sup>14</sup> Quoted by, e.g., David Treadwell, "Cuba 'Hungry, Roving Wolf,' Reagan Says," Los Angeles Times, March 20, 1984.

<sup>15</sup> The following observation indicates how little is expected of the workers: While I was staying at the Havana Libre Hotel, the staff was reduced suddenly for one day so that what little services existed nearly vanished altogether. Upon their return to the hotel the next day, the workers told me that they had been drafted for the potato harvest, which they looked upon as a trip to the countryside rather than arduous work. Government officials fully realized that the hotel workers could not be expected to work efficiently in the fields, as did the workers themselves, and both realized that the work in the fields served mainly as a civic rite symbolizing support of the Cuban Revolution. In any case, the hotel workers left the daily urban routine behind and enjoyed the camaraderie of an outing in the countryside. (The election process in Mexico serves much the same purpose. There the Official Party of the Revolution assures that workers receive a "day off" with pay when they are trucked to a political rally. When the rally is over and the "oneparty" system has been duly "ratified," the workers are free to enjoy a government-sponsored picnic and fiesta. In the meantime, the government has demonstrated mass support and can proceed with its oft-rigged elections.)



"over-tenured society" and others will leave the Caribbean to find work outside the heat and humidity of the tropics.

Like its Soviet supporter, Cuba is falling farther and farther behind the modernized world. Both countries seem to be efficient only at mobilizing troops and/or armaments. Because they cannot seem to "succeed" in developing modern, efficient economies that could supply consumer goods, 16 they have little option except to use their forces. The tragedy is that as they fall ever farther behind the advanced developing countries (ADCs), sheer frustration seems to require that they take increasingly greater risks so that they can appear to remain on the world's center stage.

Sincerely yours, James W. Wilkie

P.S. Mayagüez, Puerto Rico, March 13, 1984. As I look westward across the Mona Passage toward Hispaniola and Cuba, I muse how differently the Caribbean appears from a different place and time. In contrast to Trinidad and Havana where I experienced nighttime blackouts in preparation for a feared U.S. bombing, the concern here in Mayagüez and Puerto Rico is not about any military threat but with the October 25 U.S. invasion of Grenada and the challenge presented to Puerto Rico by Reagan's CBI policy.

The U.S. "rescue" operation to "save Grenada from Communism," thought by many at the time to have permanently damaged U.S.-Latin American relations, has been forgotten by most people in the region, if not by intellectuals who continue to analyze it as a dramatic setback for Castro as well as the United States. Although in November the UN General Assembly voted 100 to 9 (only Antigua, Barbados, Dominica, Jamaica, Saint Lucia, Saint Vincent, El Salvador, and Israel voted with the United States) to deplore the U.S. "flagrant violation of international law and of the independence, sovereignty and territorial integrity" of Grenada, 17 perhaps the Grenada affair prevented U.S. actions of much more far-reaching consequence.

During early 1983 Reagan had been under tremendous pressure by the right wing of the Republican Party to "smash Communism" somewhere in the Caribbean. By undertaking a quick and easy invasion of Grenada, where the population tended to welcome U.S. troops as saviors, <sup>18</sup> Reagan was able

to avoid, for the moment at least, the political pressure from the right that called for invasion of Cuba, Nicaragua, or El Salvador.

Although some observers thought originally that the Grenadian operation was necessitated by the disastrous loss of 241 U.S. Marines in the Beirut terrorist attack of October 23, leaders from Jamaica, Barbados, Antigua, Dominica, Saint Lucia, and Saint Vincent as well as Grenada's Governor General, Sir Paul Scoon, had already asked the United States to undertake a military operation to restore "order and democracy" to Grenada (with opposition coming mainly from Trinidad and Guyana), and on October 22 Reagan authorized the operation-one day before the Beirut loss.19 Whereas some commentators such as Robert C. Toth and Oswald Johnston wrote that "Foreign Policy Luck Runs Out for President"20 because Reagan faced simultaneous crises in the Middle East and the Caribbean, I told the press that Reagan's luck had held because he was able to redirect U.S. public attention from the Beirut loss to a victory in Grenada.

With regard to the lawfulness of the Grenada operation, I argue that it was "legal."21 It should be noted that the post of British-appointed governor general had been retained by Maurice Bishop's "New Jewel" (Joint Effort For Welfare, Education, and Liberation) Revolution after 1979. With the execution of Bishop on October 19, 1983, by left-wing fanatics in his own party, Scoon stood as Grenada's only legally constituted authority.22 Reagan's own case for undertaking the "rescue operation" was based explicitly on the grounds of saving U.S. citizens (including hundreds of medical students studying in Grenada) from a hostage situation and of answering the formal call on October 23 of the Organization of Eastern Carribean States (OECS) for help.23 His legal rationale for the U.S. operation based upon the call by the OECS has been shown to be inadequate by Larman C. Wilson,24 who reminds us that the 1981 treaty creating the OECS requires decisions on defense and security to be unanimous-the OECS call for help was not supported by Montserrat and Saint Kitts.

With regard to the CBI (Plan de la Cuenca del Caribe), there is much Puerto Rican concern that the legislation will jeopardize the island's special relationship with the United States and will aggravate already serious economic problems. Of the 3.2 million residents of Puerto Rico in 1980, some

<sup>16</sup> Presumably consumer goods are dangerous in such countries as Cuba and the Soviet Union because they would corrupt the "new man," who will want to work for more goods rather than for the spartan existence required to support international revolution.

<sup>&</sup>lt;sup>17</sup>Los Angeles Times, Nov. 3. 1984. Twenty-seven nations abstained, including Great Britain.

<sup>18</sup> A poll of "Public Opinion in Grenada" conducted January 14, 1984, by Dr. William C. Adams of George Washington University, showed that 84% of the population was "glad that the United States troops came to Grenada"; 12% were opposed; and 4% were undecided. Further, 75% said that they would like Grenada to become part of the United States, according to Adams's forthcoming article in Public Opinion (data reprinted in Times of the Americas, Feb. 1, 1984). Reagan's Grenadian operation won widespread domestic popular (if not academic) support; a Washington Post/ABC poll in November 1983 showed 71% approving, 22% disapproving, and 7% having no opinion (Los Angeles Times, Nov. 10, 1983, p. 8).

<sup>&</sup>lt;sup>19</sup>See Los Angeles Times, Nov. 1, 1983, p. 14, and Ralph Kinney Bennet, "Grenada: Anatomy of a 'Go' Decision," Reader's Digest, Feb. 1984, p. 74.

<sup>&</sup>lt;sup>20</sup> Los Angeles Times, Oct. 24, 1983.

<sup>&</sup>lt;sup>21</sup>See Will Thorne, "UCLA Expert Calls Invasion Proper," Evening Outlook (Santa Monica, Calif.), Nov. 2, 1983, p. A-10.

<sup>&</sup>lt;sup>22</sup> See Anthony P. Maingot, "U.S. Should Keep Hands Off Grenada," Los Angeles Times, Nov. 4, 1983, p. II-7, who suggests that Scoon already was a functioning governor general following Bishop's 1979 coup because Grenada's parliament did not meet as constitutionally required and therefore could be considered to have been dissolved, thus activating the governor general's constitutional authority.

<sup>&</sup>lt;sup>23</sup> Los Angeles Times, Oct. 26, 1983, p. 16.

<sup>&</sup>lt;sup>24</sup> Larman Wilson, "In Crisis, Politics and Law Must Strike a Balance," Times of the Americas, Dec. 7, 1983.

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25% are now unemployed and almost half of all Puerto Ricans receive U.S. "negative income tax payments" in lieu of food stamps which are issued in the continental United States. As a commonwealth, Puerto Rico has enjoyed the status of not having to pay federal income taxes, hence attracting U.S. private industrial investment. Puerto Ricans are U.S. citizens, but because the island is neither independent from nor a state within the United States, Puerto Ricans.cannot participate in U.S. federal elections and have no voting Congressional representation in Washington, D. C.

Given the challenge of the CBI legislation which opens the Caribbean to U.S. markets that formerly were the exclusive preserve of Puerto Rico, many Puerto Ricans are now concerned that since their island must pay the U.S. minimum wage, U.S. investment may shift to the poorer CBI-IB countries. Such a shift not only would damage the Puerto Ricaneconomy but also would cause a reevaluation of the island's status. In 1980, 47.2% of the voters cast their ballots for statehood (which would grant the right to elect senators and representatives to Washington, D. C., at the cost of losing federal tax exemption), 47.1% voted to maintain their commonwealth status, and 5.7% voted for independence.<sup>25</sup>

Regardless of such factors, a number of observers have predicted that the CBI will fail. Professor Albert Fishlow (University of California, Berkeley) warned the Senate Foreign Relations Committee that "exclusive reliance on private sector decisions guarantees neither equitable development nor efficient market responsiveness, and predictably will not be enough to help the Caribbean nations break out of the vicious cycle of economic downturn."26 Senator Joseph Biden, Jr. (Dem. Delaware) has said that in comparison with the large number of CBI-IB countries, the predicted \$500 million in new investment will hardly compensate for the net \$1 billion flowing out in the form of capital flight and payments on imports.27 Further, the argument has been raised that the CBI violates the Geneva-based General Agreement on Tariffs and Trade (GATT). Although the United States has requested an exemption to reduce tariffs to zero for up to twelve years as contemplated in the CBI legislation, GATT could reject the request. Even GATT approval could require up to one year.28

By the end of 1983 eleven nations had qualified for CBI status with the United States: Barbados, Dominica, Jamaica, Saint Lucia, Saint Vincent-Grenadines (all of which supported the U.S. operation in Grenada), as well as Costa Rica, Dominican Republic, Netherlands Antilles, Panama, and Saint Kitts-Nevis. To qualify, "countries must not be Communist, have no pending claims from U.S. citizens arising from expropriation, maintain a positive human rights record, and adhere to international trade laws." 29

January of 1984 nine more nations had been certified by the U.S. government as meeting the above qualifications: Antigua-Barbuda, Belize, British Virgin Islands, Guatemala, Honduras, Montserrat, Grenada (newly eligible under U.S. "occupation"), El Salvador, and Haiti.<sup>30</sup>

That such certification involves some unrealism is not surprising in relation to other aspects of deception. Given the fact that El Salvador and Haiti have not maintained positive human rights records, the CBI-qualifying of these two countries would appear to be a macabre joke played by. the Reagan administration on world opinion and U.S. law. But that fiction of "certification" is perhaps no more strange than the fiction accepted by both the U.S. and Nicaraguan governments, namely, that the United States has not declared war on Nicaragua even as it arms the anti-Sandinistas to overthrow the Sandinista government in Managua. Apparently it is not in the interest of Managua to break relations with Washington, nor does it seem to concern the majority of the U.S. Congress that non-secret but officially "covert" aid to the anti-Sandinistas violates the U.S. 1794 Neutrality Act, which makes it a criminal offense to furnish money or engage in military action against a country at peace with the United States. Needless to say, the "openly covert" actions of the United States against Nicaragua violates the UN and OAS charters as well as the Rio Treaty of Inter-American Reciprocal Assistance, but so does the Nicaraguan support of the El Salvadoran guerrillas, which I saw on my July 1981 visit to Managua to observe the second anniversary of the Sandinista victory over the dictator Somoza.

Other ironies come to mind in speculating about Caribbean politics as seen from Mayagüez:

- The U.S. government plans to "buy off" Puerto Rican concerns about CBI damage to its economy by remitting the rum excise taxes to the Puerto Rican government—but it is the private sector economy that will be damaged in ways that go far beyond rum. The excise taxes will not be returned to most of the Puerto Rican industries that would lose under the CBI system.
- The threat to Puerto Rico is not Cuba's expansionism but the challenge that the CBI poses to Puerto Rico's special relationship to the United States
- 3. The CBI legislation is intended implicitly to keep Caribbeans in the Caribbean. Just as land reform has failed universally to keep people on the farm, however, the CBI cannot succeed because the EQNs of the Caribbean have reached their carrying capacity while their populations continue to expand. If implemented, the CBI could perhaps speed migration to the United States because more money will be available to undertake the move.
- 4. The concept of the CBI assumes that the region has internal relationships, yet aside from tempo-

<sup>&</sup>lt;sup>25</sup> Connie García and Arthur Medina, eds., The Travel Guide to Puerto Rico, 2d ed. (Santurce, P.R.: Puerto Rico Almanacs, 1983), p. 19. The respective percentages in 1976 were 45.3% in favor of the status quo, 48.3% for statehood, and 6.4% for independence.

<sup>26</sup> Quoted in COHA, May 4, 1983.

<sup>27</sup> lbid

<sup>28</sup> COHA, Dec. 27, 1983.

<sup>29</sup> lbid.

<sup>30</sup> Times of the Americas, Jan. 18, 1984.

Table 6

# CACM TRADE WITH 18 ECR COUNTRIES, 1970-80

(%)

1 0761	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	Average 1970- 1980
	1.4	1.6	1.8	2.2	1.7	Ξ	0.1	=	1.0	1.08	1.2 <sup>b</sup>
	ų.	7	7	4	c.	c.	1.0	1.8	1.8	1.5	1.0
	-	-	-	-	7	£.	7	ų	7	1	.20
	æ	1.2	1.5	1.6	1.5	80	9	τċ	9.	9	œί
	6.1	7.7	8.7	13.0	8.7	5.0	4.2	2.7	2.4	1.5	4.7
	.7	ī,	4	ō.	κi	9.	ci.	E.	7	τ.	4.
	Ξ	9	1.0	1.0	1.0	2.9	3.5	2.8	5.2	4.5	2.9 <sup>b</sup>
	œ		6	=	.1.3	2.5	6.1	2.2	8.8	2.0	3.3
	ų	4	-	7	£.	£.	.2	7	.2	ì	2
	œ	πċ	1.0	89;	1.9	4.0	4.2	5.3	7.0	9.3	4.7
	2.4	4.	2.4	2.7	ĸ	7.5	5.4	4.1	3.7	3.7	3.6
	4.1	1.0	6	Ξ	6.	1.2	1.7	1.8	=	1.4	1.3

Includes CARICOM countries (see table 2 above) and Bahamas, Cuba, Dominican Republic, Haiti, Netherlands Antilles, and Suriname.

a. Excluding El Salvador.
 b. Excluding El Salvador in 1980.

c. To 1979 only.

SOURCE: ECLA, Economic Relations of Central America and Mexico with the Caribbean (Santiago: E/CEPAL/G.1197, April 1, 1982), p. 35.



rary political phenomena, there is no economic basis for regional interchange. Table 6 shows that during the 1970s the share of Central American Common Market trade with Caribbean Common Market (CARICOM) countries and the Bahamas, Cuba, Dominican Republic, Haiti, Netherlands Antilles, and Suriname averaged 1.2% for exports and 2.9% for imports:

If the CBI "solution" appears so flawed, what are the solutions to the complex problems and ironies touched upon here? Unfortunately there are no simple answers. There has, however, been a positive beginning to the study of the pertinent issues at the "Seminar on Regional Integration and Alternative Development Models in the Caribbean," now under way in San Juan under the auspices of the Centro de Estudios de la Realidad Puertorriqueña (CEREP)."

Fortunately CEREP has recognized that meaningful questions about the complexities of the Caribbean cannot even be posed unless the principal scholars assemble to become acquainted and to examine the issues. CEREP has made an important point here at the Seminar, one not yet realized by the world in general. Whereas CARICOM was dead economically, the CBI has spelled its death politically and has ended any hope of its revival because the CBI encourages the EQNs of the region, through access to the U.S. market, to negotiate bilaterally with the United States rather than with one another. Yet, and this is the final irony, it is only through cooperating to develop large internal markets that the Caribbean islands can absorb enough

locally produced industrial goods to allow production with economies of scale which will permit industry to prosper. Under the CBI production must practically remain limited to goods aimed at the U.S. economy. And that is bound to keep the CBI-IB countries in the same weak position of minor supplier to the United States.

To help Puerto Rico escape its dependency on U.S. mainland research centers and approaches, CEREP is engaged in the monumental task of tracing the statistical patterns of the island's economy, society, and polity since 1900. Under a timely grant from the U.S. National Endowment for the Humanities, CEREP has developed a computer matrix of 5,000 tables of data. The CEREP approach to historical statistics (gathered to examine from whence Puerto Rico is coming and to suggest where it can go given the real frameworks of data which condition its every move) offers a model for research that can be fruitfully applied to other countries.32

In the meantime, the following political graffiti that I have seen here in Mayagüez suggest that the ironies of simplistic ideology will continue to drive much of the politics in the Extended Caribbean Region:

"Today Grenada, Tomorrow the World!"

"Nicaragua, A Better Vietnam!"

J.W.W.

<sup>31</sup> CEREP's address is Apartado Postal 22,000, Estación de Correos U.P.R., San Juan, Puerto Rico 00931

<sup>32</sup> An alternative approach to the historical statistics of a country is seen in the work of Markos Mamalakis, Historical Statistics of Chile, 3 vols. (Westport, Conn.: Greenwood Press, 1978-82).