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Sunday afternoon in the islands. "Cameos of brightness I collect," wrote Trinidadian poet Ian McDonald, "Cane emerald in the ripening sun,/A small church filled with white dresses ... Red bougainvillea on a sunlit wall."

# The Caribbean

Americans are used to worrying about inflation, about the Soviet Union, about war and peace. Few worry about the Caribbean, except, periodically, about Fidel Castro's Cuba. Indeed, to many, the Caribbean is an exotic archipelago where American tourists flee from worldly cares. Yet there are 15 sovereign nations and 17 dependent territories in the region. None of them are rich: few of them are politically stable. Most of them are small island societies, still deeply marked by long centuries of slavery and colonial rule. Millions of the Caribbean's people have migrated, legally or illegally, to the United States, and this controversial influx continues. Currently, the region is the focus of a series of conferences sponsored by the Wilson Center's Latin American Program. Here, the program's secretary, Abraham Lowenthal, surveys the contemporary Caribbean scene, identifies the sore spots, and summarizes the current Washington debate over future U.S. policy.

### by Abraham F. Lowenthal

A legend in Trinidad has it that God created the islands of the Caribbean by shaking loose from his fingers a fistful of earth and letting it fall into the waters below. Geologists are less fanciful. Of the many thousands of islands in the 1.5-millionsquare-mile Caribbean Sea, almost all are the summits of partially submerged volcanoes strung like vertebrae in a gentle arc from Florida to Venezuela. The vegetation is lush, the soil fertile enough in places for a few crops, the rainfall abundant—30 inches a year in the driest locales, up to 200 inches where milehigh mountains capture Atlantic storms. The mean temperature is 80°F, the extremes moderated by prevailing trade winds.

During winter, the climate is perhaps the most hospitable on Earth. Some 10 million tourists visit the region every year, to swim and sail, to ramble through old fortresses or white-washed hilltop towns, to eat lobster, enjoy steel bands, watch cricket,

bask in the sun. Outsiders, mostly from the United States, spent at least \$3 billion in the Caribbean during the 1980 "season," sustaining many local economies for the rest of the year.

Even visitors, however, may come away with the feeling that the area is, in Aimé Césaire's words, "a mock paradise." It is easy to avoid the slums of Kingston, Port-au-Prince, or San Juan, but it is difficult to pretend they are not there. The pages of Caribbean newspapers are peppered with reports of bad economic news, fractious political squabbling, and violent "incidents" on one island or another.

#### **Back in the Headlines**

On the international front, meanwhile, recent events in the Caribbean have prompted a fresh spate of worries, words, and actions in Washington. These events include the sudden takeover of the island republic of Grenada in 1979 by a group openly allied with Cuba and supportive of the Soviet Union; Jamaica's eight-year drift toward socialism, bankruptcy, and violence, and then its sudden political reversal; the gaining of independence by several Caribbean mini-states and pressure for independence by others; the continuing influx of Caribbean immigrants into the United States, including new waves of "boat people" from Fidel Castro's Cuba and Jean-Claude Duvalier's Haiti; and the potential "ripple effect" of revolutionary and counterrevolutionary violence in Nicaragua and El Salvador. All of this has occurred within a changing international environment-heightened tensions between the United States and the Soviet Union, intensified superpower rivalry in the developing world-that lends an added importance to circumstances on America's "third border."

President Jimmy Carter, impelled by a concern for both human rights and the development of Third World nations, determined at the outset of his administration that the Caribbean and its problems merited high-level attention (as did those of sub-Saharan Africa). Secretary of State Cyrus Vance, U.N. Ambassador Andrew Young, and Mrs. Carter all visited the region.

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Under Secretary of State Philip Habib led an important mission there in 1979. The number of U.S. government officials assigned to the region was expanded. The State Department, for the first time, appointed a Deputy Assistant Secretary specifically charged with overseeing U.S.–Caribbean relations.

Later, in the wake of Washington's "discovery" in mid-1979 that a 2,800-man Soviet combat brigade was stationed in Castro's Cuba, a Caribbean Contingency Joint Task Force was established.\* The U.S. Navy staged a series of naval maneuvers and Marine amphibious exercises (including a well-publicized "assault" near the U.S. naval base at Guantánamo Bay in Cuba), and American warships made 125 calls to 29 Caribbean ports during 1980 alone. The Voice of America established a powerful new transmitter in Antigua, capable of beaming medium-wave broadcasts to the entire region.

In all, the Carter Administration nearly doubled U.S. economic assistance to the Caribbean, from \$96 million in 1977 to \$184 million in 1981. Washington also took the lead in 1977 in establishing the Caribbean Group for Economic Cooperation and Development—a consortium of 31 aid-giving and aidreceiving governments and 16 financial institutions, such as the International Monetary Fund. (The group has channeled more than \$300 million to the Caribbean since 1978.) To supplement all this activity, the Carter administration helped to launch, with considerable fanfare, a "private sector entity," Caribbean/Central American Action, supported by 51 U.S. corporations and staffed in part by Foreign Service personnel on leave, to work on improving U.S. ties with these regions.

President Reagan has demonstrated as much if not more interest in U.S.–Caribbean relations. His first official foreign visitor was Jamaica's new Prime Minister, Edward Seaga; even

<sup>\*</sup>The task force, headquartered at Key West, Florida, consists of a modest staff of 75, with representatives from all four services. Its mission: to monitor developments in the Caribbean, conduct training exercises, and devise contingency plans for the use of U.S. forces. It is one component of the U.S. Forces Caribbean Command.

in the new administration's austere 1982 budget, foreign aid to the Caribbean surpassed \$200 million. The President has held lengthy discussions about the region with President José López Portillo of Mexico, Prime Minister Pierre Trudeau of Canada, and other world leaders, and allowed suggestions of a "mini– Marshall Plan" for the Caribbean to filter into the press (although the idea was eventually scrubbed).

The current revival of interest in the Caribbean is not unprecedented. ("Our Caribbean Policy Again Under Scrutiny" read one *New York Times* headline—in 1931.) Time and again, Washington has found itself responding to events in "America's Mediterranean," occasionally sending troops there. This was the case from the late 19th century, notably during the Spanish-American War, until the 1930s, and then once again during the 1960s when the U.S. government was preoccupied with Cuba (the Bay of Pigs invasion in 1961, the Cuban missile crisis in 1962), British Guiana (the CIA-sponsored campaign to destabilize the pre-independence government of Cheddi Jagan in 1964), and the Dominican Republic (where 23,000 U.S. troops intervened in 1965 to prevent what President Lyndon Johnson feared would be a "second Cuba").

But, more often, the U.S. government has tended to take the Caribbean for granted. This it did from the late 1960s until the mid-1970s, as three Presidents dealt with a war in Vietnam, two wars in the Mideast, détente with the Soviet Union, and the "opening" to China. During such periods of neglect, Washington rarely questions long-standing "rules-of-thumb" about the region. When a perceived "crisis" develops, therefore, Washington often sees the Caribbean in terms of old verities; officials hastily formulate policies that ignore the region's dynamics and any changes that may have occurred in the Caribbean since the previous crisis.

The resurgence of official U.S. attention provides an opportunity for a new look: How is the Caribbean evolving? What are the real U.S. interests in the region, and how are they changing? What are the different ways in which U.S. aims might be promoted, and the likely risks and benefits of each? To what extent is it feasible or desirable to fashion special policies toward the Caribbean? What kind of approach might work?

# THE PENCIL OF GOD

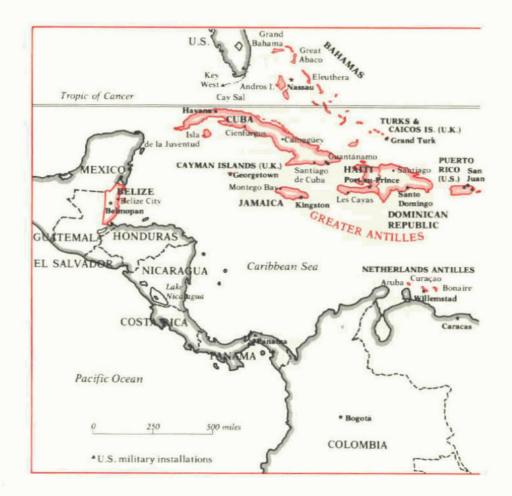
The Caribbean now comprises no less than 32 political entities with a population totalling some 30 million people.\* Fifteen of these entities are now independent countries, twelve having achieved independence since 1960. The natives in several British territories (including Montserrat, Anguilla, and St. Kitts-Nevis) are actively seeking independence. Residents of other "dependent" islands (France's Guadeloupe and Martinique, for example) seem happy with the status quo. Puerto Rico's future, perennially under discussion, is less clear than ever, after the nearly equal vote registered in the 1980 gubernatorial election by the pro-statehood and pro-commonwealth forces—with the *independentistas* getting less than six percent of the vote.

The Caribbean territories are remarkably diverse, yet they are also surprisingly alike in important ways. As historian Franklin Knight has noted, the people of the region "have more in common than the Texan and the New Yorker, or the Mayan Indian and the cosmopolite of Mexico City."

To begin with, most of the territories are tiny. Two-thirds of the islands of the Caribbean could fit together into the King Ranch in Texas, or inside the Everglades. Cuba is by far the largest island, 745 miles long, but even Cuba is smaller in area than the state of Ohio. Trinidad is smaller than Rhode Island; Grenada is not much larger than the District of Columbia.

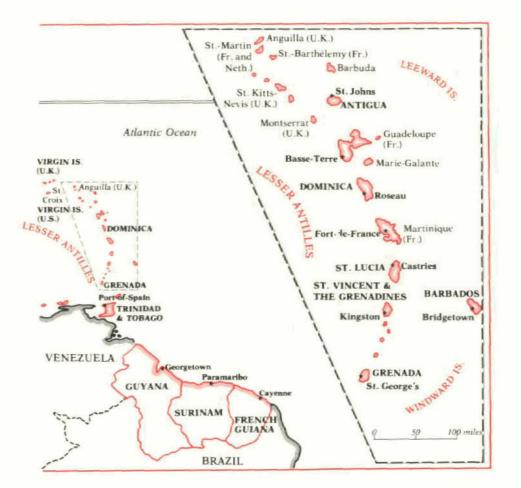
None of the territories is ethnically or culturally homogeneous. Five different racial groups (black, white, Oriental, native Indian, and East Indian) and their numerous subgroups and combinations mingle with varying degrees of integration and hostility. A certain color and shade consciousness persists. Numerous languages and dialects are spoken within the region, including Dutch, Spanish, French, and English and their derivatives, plus the Creole mixtures with African and Indian tongues. The result is at once a linguist's feast and nightmare. In Bar-

<sup>\*</sup>Analysts differ about how to define the Caribbean. For the purposes of formulating U.S. policy, it is helpful to conceive of the Caribbean region as that set of territories, in or bordered by the Caribbean Sea, concerning which the United States has historically felt a special security interest, arising primarily from their proximity and their perceived vulnerability to external penetration. All the Caribbean islands, together with Belize on the Central American isthmus and Guyana, Surinam, and French Guiana on the South American mainland, would fit this definition of the region. While there has been much fashionable talk of late about the larger "Caribbean Basin," the experiences of Venezuela, Colombia, Mexico, and most Central American nations differ in significant ways from those of the Caribbean territories I deal with in this essay.



bados, Antigua, and elsewhere, many archaic English words are still in use, augmented by local inventions—*birdspeed* (for "very fast"), for example, or *dontcarish* ("indifferent").

Caribbean religious sects include mixtures of the borrowed and invented, the traditional and the ultramodern. Thus, a blending of West African religions with French or Spanish Catholicism produced voodoo in Haiti and Santería and Nañiquísmo in Cuba, Puerto Rico, and the Dominican Republic. In the English and Dutch Caribbean, there are Moravians, Anglicans, Catholics, and Pentecostals; in Trinidad and Guyana, large communities of Muslims and Hindus flourish. Rastafarians, "black Israelites," wear their long hair in braided "dread-



locks" and look to Ethiopia as the Promised Land. Originating in Jamaica, they have since spread their message to other islands and even to New York and Washington.

The economic organization of the Caribbean runs the gamut from the tax havens of the Bahamas, reportedly the largest single Eurocurrency market outside London, to Cuba's brand of socialism (where free market transactions are beginning to be permitted again), with all manner of hybrids in between.

In the Dominican Republic, because dictator Rafael Trujillo's vast personal fiefdom passed to government ownership after his assassination in 1961, a big share of the economy is now in the public sector; the government tries through generous incen-

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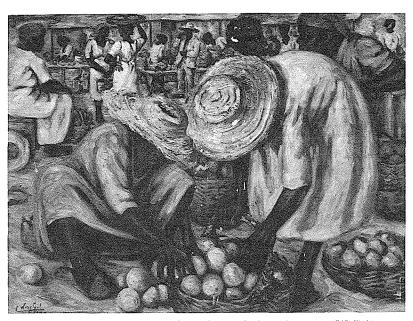
tives to encourage private investment, domestic and foreign. Jamaica and Guyana, whose leaders chose to build various forms of socialist-oriented "mixed" economies, are now concerned about how to re-attract and stimulate private investment. Grenada, whose principal exports are bananas and nutmeg and whose main economic potential lies in tourism, is apparently opting for Cuban-style "socialism" in a mini-state where no form of economic organization can much alter the obvious constraints on growth: scant resources, a small island, a tiny population.

#### In Mocking Splendor

Economic productivity ranges from the abysmal showing by Haiti—"the land of unlimited impossibilities," whose chief local growth industry may be the smuggling of refugees to the United States (at up to \$1,500 a head)—to the uneven but impressive performances of Martinique and Guadeloupe, the Bahamas, Puerto Rico, Trinidad and Tobago, and Barbados. The region includes four out of six of the countries with the lowest GNP per capita in the Western Hemisphere (Haiti, Dominica, Grenada, and Guyana). But it also boasts eight territories with GNP per capita among the highest (Martinique, Trinidad and Tobago, the Netherlands Antilles, Guadeloupe, Puerto Rico, Surinam, the Bahamas, and Barbados). Trinidad and Tobago has been lucky. It is the only Caribbean nation to have struck oil and today produces 200,000 barrels per day.

Although per capita incomes in the region are high by Third World standards, bitter poverty is still widespread. Two-thirds of Haiti's rural population were reported in 1978 to have annual incomes below \$40; 50 percent of Haiti's children under five suffer from protein-calorie malnutrition, with 17 percent classified as severely undernourished. Seventy-five percent of preschool children in the Dominican Republic suffer from malnutrition, four percent severely. One-third of Jamaica's people have annual incomes under \$200, barely enough to cover a tourist's stay for a single night at one of Montego Bay's fancy hotels. In the slums of West Kingston, writes Trinidadian V. S. Naipaul, "hovels of board and cardboard and canvas and tin lie choked together on damp rubbish dumps behind which the sun sets in mocking splendour."

The poverty of the region is highlighted, and its psychological effects aggravated, by the juxtaposition—through migration, tourism, the media—with American affluence. Between 60 and 80 percent of the programs shown on Caribbean television are



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"Vendors" by Celeste Wos y Gil: A market in the Dominican Republic.

U.S. imports—*Sesame Street, Peyton Place, Marcus Welby.* At the Mallard's Beach–Hyatt in Jamaica, a Canadian Club on the rocks costs \$4.75, about three times the hourly wage of a local security guard. Shop windows taunt the poor with duty-free items they cannot afford but which tourists perceive as bargains. Poet Derek Walcott of Barbados has written how

my small-islander's simplicities can't better our new empire's civilized exchange of cameras, watches, perfumes, brandies for the good life, so cheaply underpriced that only the crime rate is on the rise.

Overall, the island economies are in deep trouble. Caribbean shares of world production of sugar and of bauxite are falling, and even absolute levels are declining in many cases. (This is true of sugar in Barbados, Guadeloupe, Guyana, Haiti,

Jamaica, Trinidad and Tobago, and Puerto Rico, and of bauxite in Guyana, Surinam, and the Dominican Republic.) The region's share of world tourism revenues is also dropping.

At the same time, higher prices for oil and other imports burden economies in the Caribbean as elsewhere in the Third World.\* Jamaica has had seven consecutive years of negative growth. Cuba's economic growth, even by Castro's own account, is not much more impressive. The Dominican Republic's significant progress counters regional trends, but the Dominicans have been hard hit by the price of oil. In 1973, the Dominican Republic earned almost twice as much from sugar exports as it spent on oil imports; by 1979, oil imports cost about \$75 million more than the country's total income from sugar.

The Caribbean islands share other painful characteristics. They are densely populated and heavily dependent on exporting a few primary products. They are extremely susceptible to international market fluctuations and the vagaries of disease and weather. The epidemic of dengue fever in Cuba last summer (infecting 100,000 people) and the erratic path of Hurricane David in 1978 (sparing Barbados at the last moment and devastating Dominica instead) vividly illustrate this point.

#### **Running Out of Steam**

Most islands have few known resources beyond the sun and sea, and this fact will never change; "the pencil of God has no eraser," is an old Haitian proverb. Those places with a broader resource base—Jamaica, for example, with its bauxite (used in aluminum) and the Dominican Republic with its nickel and gold — have seldom been able to exploit these assets fully. Christopher Columbus's assessment of the Arawak Indians on Hispaniola in 1492 remains valid when applied to Caribbeans today: "They very willingly traded everything they had. But they seemed to me a people very short of everything."

All of the islands have limited domestic markets, insubstantial local savings, and inadequate financing capacity. Agriculture is weak and declining through most of the region. "King Sugar" is now, at best, a princely pretender, its dominance undercut during the 20th century by large cane growers in Louisiana and Brazil and by the thriving European sugar-beet industry. Most of the islands have deliberately sought to diversify their economies, moving toward manufacturing

<sup>\*</sup>Only Trinidad and Tobago is self-sufficient in oil, but many other nations—Surinam, Cuba, Barbados, Guyana, Jamaica, the Dominican Republic—are exploring. Because Caribbean countries are small, even modest discoveries could be of major importance.

#### DEPENDENCE AS A STATE OF MIND

Eric Williams, Prime Minister of Trinidad and Tobago until his sudden death in 1981, pondered the "Caribbean character" in From Columbus to Castro (1970). Much has changed during the past decade, but Williams' essential point remains valid:

Dependence on the outside world in the Caribbean ... is not only economic. It is also cultural, institutional, intellectual, and psychological. Political forms and social institutions, even in the politically independent countries, were imitated rather than created, borrowed rather than relevant, reflecting the forms existing in the particular metropolitan country from which they were derived. There is still no serious indigenous intellectual life. The ideological formulations for the most part still reflect the concepts and vocabulary of nineteenth-century Europe and, more sinister, of the now almost defunct Cold War. Authentic and relevant indigenous formulations are either ignored or equated with "subversion." Legal systems, educational structures, and administrative institutions reflect past practices which are now being hastily abandoned in the metropolitan countries where they originated.

Even though both in the Commonwealth Caribbean countries and in the French Departments literature of world standard and universal validity has been produced, and even though in Trinidad and Tobago the steel band and calypso have emerged, nevertheless artistic, community, and individual values are not for the most part authentic but, to borrow the language of the economist, possess a high import content, the vehicles of import being the educational system, the mass media, the films, and the tourists. V. S. Naipaul's description of West Indians as "mimic men" is harsh, but true.

Finally, psychological dependence strongly reinforces the other forms of dependence. For, in the last analysis, dependence is a state of mind. A too-long history of colonialism seems to have crippled Caribbean self-confidence and Caribbean self-reliance, and a vicious circle has been set up: psychological dependence leads to an evergrowing economic and cultural dependence on the outside world.

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(Puerto Rico, for example), textiles (Barbados), petroleum refining (Aruba and Curaçao), financial services (the Cayman Islands), mining (many places), and tourism (everywhere). As they did elsewhere, people moved off the farm and into the towns. The result: Food production per capita—of pineapples, bananas, beans—has fallen during the past 15 years in Jamaica, Guyana, Haiti, and Trinidad and Tobago. The region as a whole now imports more than \$1 billion worth of food annually, costing the equivalent of at least 10 percent of total exports.

While agriculture is declining, so is the push toward industrialization. The region-wide burst of industrialization-byinvitation begun during the 1960s has run out of steam. Most of the islands have found that it is easier to "take off" than stay aloft. Constrained by small size, they cannot generate enough power, in the form of capital, local markets, and so on, to sustain altitude. And capital must generally be imported, with much of the profits—from the making of watches or socks, the retreading of tires, the refining of oil-therefore exported. Few Caribbean islands show any growth since the mid-1970s in the share of GNP accounted for by manufacturing. Industrial stagnation, combined with a rural exodus and populations that are growing by two and three percent a year (versus 0.7 percent in the United States), have produced unemployment rates exceeding 30 percent in some countries - according to official statistics.

All of the Caribbean countries—including Haiti, which has been independent since 1804 - bear the mark of centuries of colonial rule and of plantation societies. Ninety percent of the region's population are descendants of the four million slaves imported from West Africa, beginning in 1506. The history of the Caribbean has always been largely shaped, and even written, from outside. A few outstanding Caribbean intellectuals-V.S. Naipaul, Frantz Fanon, Aimé Césaire, C.L.R. James, Eric Williams, Juan Bosch, William Demas, and Arthur Lewis among them — have projected the Caribbean condition onto a much broader canvas. Their work, and the common experiences of Caribbean peoples, have reinforced the outsider's notion of this as a region. As Demas, president of the Caribbean Development Bank, has written, "The [Caribbean] countries have a common historical legacy: the sugar plantation, slavery, indentured labor, monocultural economies producing what they did not consume and consuming what they did not produce ... and perhaps the longest period of external political dependence in any part of the Third World.'

#### Mini-States, Mini-Rivals

Most Caribbean societies are still not well-integrated internally. Many, indeed, are more fragmented socially and politically now than they were a generation ago. The Dominican Republic's civil war in 1965; Trinidad's 1970 Black Power uprising; Bermuda's 1977 race riots; the 1980 general strike in Martinique; Jamaica's recurrent urban violence—all exemplify this trend. Cuba is not immune. Recall the 10,800 Cubans who

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sought asylum within the garden walls of the Peruvian embassy in Havana in April 1980, and the subsequent sealift that brought 125,000 Cuban refugees into the United States.

The Caribbean islands are even less well-integrated "horizontally"—with one another, that is. Although a sense of regional identity is slowly emerging—enhanced by the creation of certain regional institutions, such as the University of the West Indies—local efforts to forge a "common market" have come to naught. The West Indies Federation of 10 territories established in 1958 lasted only until 1961; it could not survive inter-island rivalries, especially between Jamaica and Trinidad. The eastern Caribbean, the last portion of the Americas to shed colonial rule, is shattering into mini-states so small as to raise the possibility that one or another could be taken over by international criminal elements, such as those involved in the narcotics trade.\* Interchange between the British Commonwealth Caribbean countries and the Spanish-, Dutch-, and Frenchspeaking countries is still minimal.

#### "Doctor Politics"

Politically, the Caribbean territories face contradictory currents. All but four of the 15 independent countries are formal democracies. "Nowhere else in the world," Jamaica's Edward Seaga has said, "does a conglomeration of parliamentary democracies exist as it does in the Caribbean." But democracy is not always deeply rooted. For every Barbados, there is a potential Grenada or Surinam. Grenada's Prime Minister, the eccentric Sir Eric Gairy, was ousted in a 1979 coup while he was in New York to address the United Nations General Assembly on the subject of flying saucers. In 1980, 16 Surinamese Army sergeants occupied several public buildings in a bid for higher pay—and accidentally toppled the government. "We only wanted a union," one of them said, "but ended up with a country."

While Grenada and Surinam have joined Haiti and Cuba as the Caribbean's only nondemocratic sovereign states, an extended period of deceptive political "stability" elsewhere may be coming to an end. Many long-standing practitioners of "doctor politics"—Lloyd Best's unimprovable phrase to describe the

<sup>\*</sup>In 1980, the FBI arrested 10 men in New Orleans who were allegedly planning to overthrow the government of Dominica (population: 77,000) using mercenaries drawn from the ranks of the Ku Klux Klan. The plot was reportedly bankrolled by a Texas millionaire (who hoped to establish a free port in Dominica), supposedly with the blessing of a former Dominican Prime Minister.

#### THE CARIBBEAN LANDS: HOW THEY COMPARE

	AREA (square miles)	POPULATION AND PERCENT AGE ANNUAL INCREASE	PER CAPITA GNP (1979)	INFANT DEATHS /1,000	TOURIST RECEIPTS (% of GNP)	ANNUAL FOREIGN AID (millions of U.S. dollars)
Independent states	A State					and the second
ANTIGUA	171	74,000/1.4%	1,070	25	46%	\$3.3 million
BAHAMAS	5,000	231,000/3.6	2,780	25	87	1.3
BARBADOS	166	253,000/1.0	2,400	28	31	11
BELIZE	8,866	131,000/3.1	1,030	34	5	20.7
CUBA	43,533	9,865,000/1.7	1,410	23	NA	3,100
DOMINICA	290	79,000/1.7	410	24	7	9.1
DOMINICAN REPUBLIC	5,683	5,286,000/2.9	990	44	2	77.7
GRENADA	133	108,000/0.4	630	24	21	2.8
GUYANA	83,000	843,000/2.4	570	51	NA	34.7
HAITI	10,808	4,963,000/1.6	260	149	5	92.6
JAMAICA	4,411	2,184,000/1.6	1,240	21	7	97.5
ST. LUCIA	238	122,000/1.5	780	37	35	2.1
ST. VINCENT	150	106,000/2.9	490	100	18	5.7
SURINAM	55,143	402,000/2.7	2,360	31	2	94.5
TRINIDAD & TOBAGO	1,719	1,152,000/1.5	3,390	27	2	4.1

Source: British Development Division in the Caribbean, Barbados; British Embassy, Caribbean Office; Caribbean Tourism Research Center, Barbados; Government of the District of Columbia; Organization for Economic Cooperation and Development; Government of Puerto Rico; Statistical Abstract of the United States, 1980; UN Statistical Yearbook, 1978; UNESCO, Statistical Yearbook, 1979–80; University of the West Indies; U.S. Central Intelligence Agency, World Fact Book, 1981; U.S. Department of Commerce, Bureau of Economic Analysis; U.S. Department of State; U.S. Travel Data Service; U.S. Virgin Islands, Federal Program Office; World Bank Atlas, 1979–80; World Health Organization.

role of Caribbean scholar-statesmen such as Eric Williams (Trinidad and Tobago), Juan Bosch (Dominican Republic), and Luis Muñoz Marín (Puerto Rico)—are either dead or out of power. Their passing has ushered in an era of uncertainty.

Jamaica, once considered highly developed politically, verged on chaos as the 1980 election approached; some 600 per-

	AREA (square miles)	POPULATION AND PERCENT- AGE ANNUAL INCREASE	PER CAPITA GNP (1979)	INFANT DEATHS /1,000	TOURIST RECEIPTS (% of GNP)	ANNUAL FOREIGN AID (millions of U.S. dollars)
British territories	Ser H	Market Street		No. of the	Constant of	的东西
BERMUDA	21	59,000/1.3%	9,440	19	42	0.1
BRITISH VIRGIN ISLANDS	59	12,000/2.6	2,600	19	74	1.7
CAYMAN ISLANDS	100	11,000/0.7	4.500	18	73	0.7
MONTSERRAT	39	13,000/2.1	1,250	49	25	1.3
ST. KITTS-NEVIS	101	44,404	780		15	1.7
ANGUILLA	35	7,000	1,000	41	NA	2.2
TURKS & CAICOS ISLANDS	112	6,000/0.8	800	32	83	2.3
French territories	To start of			N. Start	and the second	
FRENCH GUIANA	34,740	69,000/2.9	2,580	43	NA	92.5
GUADELOUPE & STMARTIN	687	344,000/1.6	3.260	26	6	232.5
MARTINIQUE	425	326,000/1.5	4,680	19	5	296.0
Dutch territories	thansing	the states	1 44	a day		A PARA DE
ARUBA	71	260,000/1.0	3,540	20	27	56.9
BONAIRE	112					
CURAÇÃO	266					
STMARTIN	16					
U.S. territories		State State	, Sala	E Week	it lades	all and a second
PUERTO RICO	3,423	3,415,000/2.8	2,970	19	6	4.100
U.S. VIRGIN ISLANDS	132	105,000/2.7	5,580	25	41	44
UNITED STATES	3,618,467	223,186,000/0.9	10,820	14	0.5	
District of Columbia	67	656.000/-1.5	11.509	43	13	370

sons were killed in pre-election violence. In the Dominican Republic, the first peaceful transition from one elected President to another came in 1978 only after the Carter administration "jawboned" the local military and thereby made sure the ballots were fairly counted. Even Barbadians, who "consider that they and their institutions are perfect," as one 19th-century

British governor put it, are nervous about the influence of leftist activists on small neighboring islands. Haiti, long ruled by "Papa Doc" Duvalier, is now ruled by his son "Baby Doc"; no one knows when or how this dynasty will end. And in Cuba, where Fidel Castro, 53, has directed a highly authoritarian regime for 22 years, overt dissidence is increasingly evident.

Indeed, polarization seems to be the prevailing political trend. Grenada's leftist coup and the quasi-leftist coup in Surinam have been matched by a rightward swing (albeit through elections) in the politics of Dominica, St. Vincent, St. Kitts-Nevis, and Antigua, and especially by the decisive election in 1980 of Edward Seaga as Prime Minister in Jamaica after eight years of Michael M. Manley's "democratic socialism." The prospects for some sort of "pan-Caribbean" consensus grow dim as the islands' politicians move in diverging directions.

#### **Artificial Economies**

On the world scene, most of the Caribbean countries are satellites in search of an orbit, or perhaps of multiple orbits, in the sense of regular and predictable relationships with Big Powers. The United States acts increasingly as the principal *métropole;* France and Britain have been slowly withdrawing from the area. Mexico and Venezuela have shown some interest in expanding their relations with the Caribbean, an interest that reached its most concrete expression in mid-1980 with a Venezuelan-Mexican commitment to sell oil to nine Caribbean and Central American states on extremely favorable terms. The Soviet Union's close relationship with Cuba makes the Kremlin a Caribbean actor, although direct Soviet influence has so far been slim outside of Cuba itself, where Moscow underwrites the island economy with some \$3.4 billion annually and equips Havana's military.\*

Cuba's situation is not the most extreme case of dependence on a foreign power, contrary to popular belief. Almost all of the island states have special trade and aid agreements with various powers. Martinique, Guadeloupe, and French Guiana, for example, are juridically part of metropolitan France; their citizens participate in French elections and send voting delegates to the National Assembly in Paris. These three territories (combined population: 702,000) receive some \$570 per capita a year from

<sup>\*</sup>Cuba has the best air force in the Caribbean and a modern "gunboat navy." The Soviets have supplied the island with MiG-23 "Floggers" and missile attack boats. Russian pilots reportedly help patrol Cuban skies to free Cubans for duty in Angola, Ethiopia, and elsewhere in Africa.

France, making their economies, in William Demas's words, "the most highly artificial in an area in which there is considerable artificiality." The residents of the Netherlands Antilles receive about \$200 per capita, courtesy of The Hague. The U.S. subsidy to Puerto Rico, in the form of transfer payments, amounts to more in per capita terms than the USSR's subsidy to Cuba. In all, the Caribbean islands benefit from more foreign aid per capita than any other group of countries in the world.

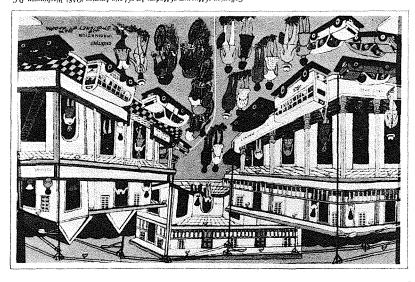
The volume of trade with the United States—\$12 billion in 1980—reflects one characteristic shared by most of the Caribbean: a high degree of dependence on the U.S. mainland. Not counting Puerto Rico, the United States has more than \$4.7 billion in direct private investment in the Caribbean. Some 75 percent of the bauxite that the United States imports (more than half of our total consumption) comes from the Caribbean, as does about \$4.5 billion worth of refined petroleum products.

The most significant ties between the United States and the Caribbean involve people. As I have noted, Caribbean economies depend heavily on tourism and cater primarily to U.S. travelers. Thousands of young Americans attend "last chance" medical schools in the Dominican Republic, Grenada, and Dominica. U.S.-based criminal syndicates find in the Caribbean congenial bases for narcotics and gambling operations, more lucrative than the rum and slave traffic of old. And American culture and technology—high and low—pervades the islands, at all levels and in all classes, from top-40 music and college T-shirts to Ford Mustangs and illegal arms shipments.

#### **Island-Hopping**

The most dramatic link of all is the stream of Caribbean migrants to the United States. Migration has long been a fact of life in the region, beginning with the arrival of the Indians from the South American rain forest and augmented, after 1492, by an influx of Europeans, of slaves, and, during the late 19th century, of indentured laborers from India, China, and Java. Up until the 1930s, however, Caribbean migration was essentially migration *into* the Caribbean or *within* the Caribbean. Today, the primary trend is migration *out* of the Caribbean.

Since World War II, some 4.5 million Caribbeans have left the islands and entered the United States. (Many others have gravitated toward France, Britain, the Netherlands, and Venezuela.) Puerto Rico has exported 40 percent of its total population to the mainland since 1945, primarily to New York, Chicago, and other Northern cities. More than one million Cu-



Collection of Museum of Modern Art of Latin America (OAG), Washington, D.C.

"Creative Imagination" by Sidney McLaren: A street scene in Jamaica.

bans have come to stay since 1960, more than 400,000 Dominicans, at least 300,000 Haitians, and about one million West Indians—all of this over and above the continuing shift of populations from island to island in the Caribbean itself. These movements of people are not unrelated events. They reflect a fundamental, continuous, and probably irreversible response to regional overpopulation and the magnetic attraction that any stronger economy exerts on any weaker one.

Haitian peasants flock to the Dominican Republic, where they can earn up to \$1.50 for every ton of sugar cane cut, stripped, carried, stacked, and loaded—a princely wage compared to the 30 to 75 cents offered back home. Dominicans, meanwhile, head for more prosperous Puerto Rico. Citizens of all Caribbean countries seek opportunity in the United States, where jobs that native Americans, black or white, will not accept go begging. The flow of people back and forth between the Caribbean and the United States is today the most salient feature of U.S.-Caribbean relations.

In sum, much of the Caribbean is in turmoil as a new decade begins. Underlying the contemporary uneasiness is a conflict among goals. Caribbeans of whatever race, religion, or nationality all want economic growth, more equity, full employment,

1982 Sning2lyherno nosliW edT 130 political participation, enhanced national autonomy, and more self-respect. These goals are not necessarily compatible. Cuba has achieved full employment at the cost of underemployment and severe limits on political freedom. Martinique is prosperous in large part because it is not autonomous. Barbados has grown "birdspeed," but not equitably.

The truth is, no single development strategy in the Caribbean has really worked. As Lloyd Best summed up the postwar experience: "We hoped for economic transformation by borrowing capital, by borrowing management, by borrowing technology, by borrowing this and borrowing that, and by kowtowing before every manner of alien expert we could find." Yet sustained progress has been elusive, and high expectations have turned, here and there, to frustration and violence.

# TT **DEFINING U.S. INTERESTS**

What is at stake for the United States in the Caribbean? What are U.S. interests? How are they changing?

Most discussions of U.S. interests in the Caribbean emphasize our military security and economic ties. The security interest has usually been seen in terms of keeping hostile political and military influences away from this country's "soft underbelly." That was the aim of both the Monroe Doctrine (1823) and the so-called Roosevelt Corollary of 1904. (Theodore Roosevelt stated then that the United States, in the face of "wrongdoing" in Latin America, would act, "however reluc-tantly," as an "international police force.")

U.S. military installations dot the region, from the Roosevelt Roads naval base in Puerto Rico to Guantánamo Bay in Cuba. The Caribbean provides access to the Panama Canal, long considered vital to U.S. commerce and defense. The sea lanes on which much U.S. trade depends (including one-half of our imported oil) pass through or near the Caribbean. The economic interest, as traditionally conceived, turns on protecting American commerce in the region, as well as U.S. access to various local strategic minerals and raw materials. For all these reasons, it has long seemed crucial that, if nothing else, the United States maintain what Secretary of State Cordell Hull once called "orderly and stable governments" in the Caribbean.

Many U.S. diplomats and scholars continue to think in these terms. They cite the presence of Soviet fleets in the Caribbean

#### THE BLACK WEST INDIANS IN AMERICA

Beginning in the early 20th century, a stream of black immigrants moved to New York's Harlem from Jamaica, Barbados, Trinidad, and other parts of the British West Indies. West Indians today make up only about one percent of the U.S. black population—but they have long been overrepresented among black professionals, businessmen, and public figures. In Ethnic America, economist Thomas Sowell explains why:

While not racially distinct from American Negroes, West Indians have had a different cultural background. During the era of slavery, the British West Indies, like the North American colonies, received a mixture of Negroes representing many African tribes. In general, the most bitterly criticized features of slavery-callous overwork, sexual exploitation, Negro fragmentation, and self-denigration of blackness-were worse in the West Indies than in the United States. However, several other features of West Indian slavery may help explain the greater success of West Indians in the United States. For example, unlike slaves in the United States, West Indian slaves were assigned land and time to raise their own food. They sold surplus food in the market to buy amenities for themselves. In short, they had the kind of incentives and experience common in a market economy but denied American slaves for two centuries. Moreover, West Indian slaves were emancipated a generation earlier than blacks in the United States.

Significant numbers of black West Indians began to arrive in the United States—principally in New York City—in the 20th century. About 30,000 arrived in the first decade of the century, more than twice as many in the second decade, and about 40,000 during the 1920s. The occupational level of the early West Indian immigrants was not very different from that of the Southern black migrants who arrived in the urban Northeast at about the same time.

The real contrast was in their behavior patterns. West Indians were much more frugal, hard-working, and entrepreneurial. Their children worked harder and outperformed native black children in school. As early as 1901, West Indians owned 20 percent of all black businesses in Manhattan, although they were only 10 percent of the black population there. American Negroes called them "black jews."

As of 1969, West Indian incomes were 28 percent higher than the incomes of other blacks in New York City and 52 percent higher nationally. Second-generation West Indians had higher incomes than whites. While native blacks had an unemployment rate above the national average, West Indian blacks had an unemployment rate below the national average. As of 1970, the highest ranking blacks in New York's Police Department were all West Indians, as were all black federal judges in the city.

From Ethnic America: A History by Thomas Sowell. Copyright © 1981 by Basic Books. Inc.

(since 1969, 21 Soviet naval deployments, varying in size from two to five ships, have visited the Caribbean); the possible construction of a submarine base capable of handling Soviet vessels at Cienfuegos on the southern coast of Cuba; and the KGB's electronic intelligence-gathering installations, also based in Cuba. In addition, they say, U.S. commercial interests in the Caribbean are being threatened by political instability.

Ray Cline, former deputy director of the Central Intelligence Agency, and now on the staff of Georgetown University's Center for Strategic and International Studies, has urged the White House to "reproclaim" the Monroe Doctrine. To support their views, Cline and others have drawn on the writings of Admiral Alfred Thayer Mahan and Sir Halford John Mackinder, leading geopolitical theorists of the 19th century.

#### **A Contrary Opinion**

Other observers, mostly in academe, ask whether the Caribbean is really still so important to the United States.

Changing technology—jet aircraft, long-range missiles have reduced both the military significance of the Caribbean and the feasibility of excluding foreign influence. U.S. naval bases and other outposts in the region are no longer vital; U.S. power can easily be brought to bear from the mainland. Indeed, most of the remaining U.S. military installations in the Caribbean are currently due for phase-out by the mid-1980s, primarily for budget reasons. The Panama Canal, although still useful, is no longer *essential* in the old sense. A shrinking share of U.S. trade passes through the canal; many of the world's new oil supertankers are too big to negotiate it, as are almost all of the aircraft carriers around which U.S. fleets are organized.

In practical terms, the United States can no longer exert the total control over this region it once enjoyed. From 1898 to 1969, no hostile naval force (aside from German submarines during World War II) entered Caribbean waters. But, as noted, Soviet surface ships and submarines have been visiting regularly to "show the flag." The primary means for protecting U.S. strategic interests now lies in great-power agreements, exemplified by the apparent U.S.–USSR "understandings" of 1962, 1970, and 1979, which, seriatim, are said to have banned from Cuba land-based nuclear missiles, Soviet submarines carrying nuclear missiles, and further deployments of Soviet combat troops.

In economic terms, too, the relative significance of the Caribbean for the United States has waned. Before World War II, the region accounted for more than 11 percent of direct U.S.



"To Each His Own" by Mary Armstrong: The fishermen of Barbados.

Courtesy of Museum of Modern Art of Latin America (OAS), Washington, D.C.

foreign investment and an even higher share of overseas trade. By 1978, U.S. investment in the Caribbean (excluding Puerto Rico) amounted to only 2.5 percent of direct U.S. foreign investment, and considerably less if the \$2 billion in "paper" investment in the Bahamas is excluded. The share of U.S. petroleum imports coming from or passing through the Caribbean, though still significant, has been declining in recent years, as imports from the Middle East, Nigeria, and Mexico have risen. Today, the United States depends on no commodity imported from the Caribbean. Bauxite, the principal strategic import, is available from many other countries.

Yet there are other reasons why Washington should keep its eye on the Caribbean.

First, the sovereign Caribbean nations constitute a significant bloc of votes at the UN and in other international bodies. That puts them in a position to help or hurt. The Caribbean democracies have voted, en bloc, to condemn the Soviet invasion of Afghanistan; they have consistently supported the U.S. position on Israel. Caribbean hostility could prove to be a considerable irritant. One can imagine, for example, the trouble that might ensue if the island nations went on record in the UN in favor of Puerto Rican independence.

Second, the Caribbean has become, by reason of its proximity to the United States and the increasing international prominence of the region's leaders, a kind of litmus test of the attitudes and policies that Washington will adopt toward Third World countries generally.

Third, and most important, there remains the sheer scale of the human interpenetration between the Caribbean and the United States. The United States and the Caribbean import from each other music, dance, crime, literature, and political ideas and techniques. Grenada's radical New Jewel Movement is led primarily by men who were influenced, as students in U.S. universities during the 1960s, by the Black Power movement. Jamaica's Prime Minister, Edward Seaga, was born in Boston and educated at Harvard. People of Caribbean descent are making their presence felt in America, as they have, indeed, been doing since the 1920s, when the arrival in New York of some 40,000 black West Indians helped touch off what is now called the "Harlem Renaissance." The large, active, and growing Caribbean communities in this country are already a fact of political life in Florida, New York, and New Jersey, just as the Mexican influence grows in the U.S. Southwest.

In short, an intimate relationship exists between the Caribbean and the United States, whether either party likes it or not. What remain to be determined are its nature and consequences.

#### III

## **CHARTING A POLICY**

In pursuing its relationship with the Caribbean region, the United States has, in essence, four policies to choose from.

The first of these, not now in vogue, is what may be called the "traditional" policy, its chief principle well expressed by Assistant Secretary of State Francis Butler Loomis in 1904: "No picture of our future is complete which does not contemplate and comprehend the United States as the dominant power in the Caribbean Sea." The traditional policy combines studied indifference to the Caribbean's underlying economic and social realities with keen sensitivity to potential threats to the military security of the United States. At its crudest, it appears as the "gunboat diplomacy" of Roosevelt, Taft, and the Republican Presidents of the 1920s—or of Democrat Lyndon Johnson during the Dominican civil war in 1965. This is a deceptively attractive policy because it seems cheap and simple. But it is also shortsighted. It amounts, indeed, to putting out the fires while doing nothing to remove the flammable material.

A second approach would be for the United States to "disengage" itself from the Caribbean altogether. The assumption here is that the region is economically and strategically

irrelevant—and would perhaps fare better if left alone. This policy, too, has a certain appeal. Given all the other issues with which Washington must deal, how tempting to let the Caribbean stew in its own juices, to lavish upon each of these 32 struggling entities the "benign neglect" customarily reserved for Burma or Sri Lanka.

Again, such a policy is not really feasible. The United States cannot withdraw from involvement in its border region by a unilateral act of will. Even if the U.S. government tried to tighten restrictions on immigration, the movement of people to the mainland would continue. American businessmen operating in the Caribbean would still demand protection. American tourists would still migrate south in winter.

#### Going to the Source

A third Caribbean policy—the "activist" approach—is essentially the one pursued (in different ways) by the Carter and Reagan administrations. Its tenets are two: The United States must retain its special concern for the region's military security and political stability, and it must, at the same time, increase economic and technical aid to the Caribbean.

The activist approach, which underlies the Reagan administration's "Caribbean Basin Initiative," calls for beefing up the U.S. presence throughout the area: politically, militarily, economically, culturally, through both the public and private sector. Its proponents favor adjustments in trade and tariff policy (rather than outright injections of money) to facilitate the transfer of capital and technology to the islands. When money changes hands, activists think it should be done via *bilateral* agreements to emphasize the American "partnership."

The activists also hope to turn the Caribbean away from Cuba. From its very first days, the Reagan administration moved to counter Cuban diplomatic efforts and tighten restrictions on commerce and exchange. It is currently planning to establish a Radio Free Cuba. Secretary of State Alexander Haig has threatened repeatedly to "go to the source" to stop Cuban arms shipments to guerrillas in Central America.\*

The activist policy has some obvious plusses. Focusing more attention—and aid—on the Caribbean gives Washington a cer-

<sup>\*</sup> Fidel Castro charged in July 1981 that the United States had also employed germ warfare in Cuba, accounting for the dengue epidemic as well as for the appearance of blue mold tobacco blight and roya rust, which attacks sugar cane. I have no evidence to support this, and I do not believe it, but one U.S. official's observation that Castro is "now as paranoid as he was at the time of the Bay of Pigs" was not unambiguously reassuring.

tain leverage in the region. Most Caribbean states are so small that even limited American assistance would go a long way. The timing is also good: Cuba's internal difficulties are growing, while general Caribbean trends are toward greater cooperation with the United States.

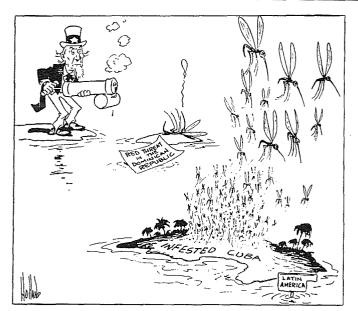
But there are also risks. One danger is creation of unrealistic expectations. Jamaica's Prime Minister Seaga hopes for a U.S. commitment of \$3 billion annually to the region—perhaps 10 to 15 times what is likely to be forthcoming. (The total U.S. foreign economic aid budget is currently \$7.5 billion.) Moreover, the preoccupation of the State Department and the White House with Fidel Castro's Cuba does not sit well with most Caribbean leaders, who perceive Castro as only one of many Caribbean actors rather than as a Cold War instrument. Indeed, most of them are not above "playing the Cuba card" to please domestic voters or curry favor in Third World meetings. Washington's obsession with Cuba diminishes the chances of cooperating with Canada, Mexico, and Venezuela-all of which maintain diplomatic (if not cordial) relations with Castro's government-to develop the Caribbean. This issue, more than any other, helped to dampen enthusiasm for any "mini-Marshall Plan" that depended on close U.S. cooperation with the three.

More generally, the activist approach to the Caribbean carries the risk that Washington will become too "interventionist." Even assuming benign intent, active or covert U.S. pursuit of political goals could stifle local initiative or provoke nationalist reactions. And, to the extent that U.S. interest in the Caribbean appears to be merely expedient—not really concerned with the region's people but rather only with potential threats to the United States—the chances increase that an active U.S. presence in the Caribbean will backfire.

#### The "Developmentalist" Alternative

The fourth possible U.S. approach—one favored, not surprisingly, by many Caribbean leaders—is the adoption by Washington (and others) of a sustained commitment to Caribbean development. Such a commitment would emphasize underlying economic progress rather than immediate military security; concentrate on the long-term rather than the short-term; and tolerate diverse political and economic approaches.

This "developmentalist" policy would involve large sums of money, channeled primarily through multilateral rather than bilateral channels; imaginative efforts to provide "non-aid" concessions to help Caribbean development; and a scaling down by



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"Why Not Get the Breeding Ground?" was the caption of this cartoon, published during the 1965 Dominican crisis. Of late, U.S. officials have been raising the same question—with respect to crises in El Salvador.

Washington of its efforts to contain or reverse the Cuban revolution. Rather than building up U.S. visibility, Washington would downplay its own role and lay the foundations for a healthier future U.S.–Caribbean relationship by focusing on the region's economic stagnation, extreme inequities, malnutrition, illiteracy, and poor social and health services.

The developmentalist approach responds to a fundamental U.S. interest—"security," in a broader sense than the strictly military—in having stable, working societies on our third border. It reflects both a moral concern (that one *is*, to an extent, one's brother's keeper) and a practical realization that festering problems in societies so intertwined with our own will eventually affect this country.

Three drawbacks are apparent, however.

One problem is, again, the danger of exaggerated expectations. It is not likely that the high aspirations of Caribbean peoples can all be achieved, even with substantial foreign aid. Some of the obstacles to sustained, equitable growth—meager

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resources (material and human), insufficient size, extreme vulnerability to bad weather and world market slumps—cannot be wished away.

Second, there is an inevitable tension between accepting any form of economic and social organization—even Cuba's—and reassuring domestic and foreign investors about the region's prospects. Stanching the flow of capital from the Caribbean (not to mention attracting more investment) depends in part on giving businessmen confidence that their role will be valued and their assets protected. The prospect of nationalization or outright expropriation undermines that confidence, to say the least.

Finally, the developmental approach would be hard to sell at home. Congress is not likely to go along with what would be portrayed as a "no strings" commitment to aid a bewildering cluster of small countries—at least not until Americans come to realize that their own future well-being depends, in some measure, on that of their neighbors. No administration so far has been willing to make that case, and it may be that none can.

#### IV

### **TOWARD THE FUTURE**

Whether Washington maintains its current policy, or adopts a longer term developmentalist approach, several steps could be taken to better the Caribbean's lot:

¶ Strengthening Caribbean agriculture, by earmarking aid funds for research and development, improving access to farm credit, and encouraging private U.S. investment in rural areas.

¶ Improving access to U.S. markets for both farm products and manufactured goods. Tariff barriers could be lowered or even eliminated (as the Reagan administration has suggested). Indeed, Washington has already done this for one Caribbean country by granting duty-free status to 27 Jamaican products, including peppers and tomatoes. Reduction or elimination of the U.S. tariff on rum and cigars would have a more positive short-term effect on several Caribbean countries than almost anything else Washington could do.

¶ Stabilizing the export earnings of Caribbean countries that depend on the export of one or two major products by bolstering international commodity and stockpiling arrangements.

¶ Setting up regular procedures to help Caribbean territories cope with hurricanes and other natural disasters, as

chronic as they are unexpected.

¶ Expanding tourism—and making it more "efficient." Shared air transport facilities, jointly agreed routings, and other measures would help Caribbean countries divide the annual revenue from tourism more equitably—and it would be far preferable to the current cut-throat island rivalry. A decision by the United States to increase the dollar value of duty-free imports permitted to returning tourists would be hailed by island merchants. So would a revision of U.S. income tax codes to allow expenses for business-related conventions held in the Caribbean to be treated as are conventions in Canada and Mexico.

¶ Promoting the transfer of U.S. capital and technology. For example, American companies could be induced, via tax and other incentives, to "export" many of their operations to the Caribbean.

¶ Expanding the existing "guest worker" programs and upping the current immigration quotas for the Caribbean. (U.S. quotas are now 20,000 annually from any sovereign nation, 600 from any dependency.) This would enlarge the "safety valve" for the many islands plagued by overpopulation and unemployment.

¶ Helping the Caribbean cope with its energy problem. No other region of the world has been harder hit by the rise in the price of oil since 1973. A breakthrough in solar energy, if it ever comes, might do more for Caribbean development than all other steps combined. But a solar collector that is both practical and economical does not yet exist. Because of the research costs involved, developing one is something only the United States and other industrialized nations can hope to achieve.

These steps, taken together, would cost money and stir much opposition. Letting in more agricultural produce would anger growers of winter fruits and vegetables in Florida and California. Lowering the tariff on rum would hurt Puerto Rican firms. A tax deduction for Caribbean conventions would raise the hackles of U.S. innkeepers. Encouraging added American investment in island industries would be labeled "exporting jobs" by the AFL-CIO and could hurt marginal businesses in the United States (although manufacturers in Asia may, in fact, sustain the biggest loss from Caribbean competition). Permitting more migration from the Caribbean would contribute to social tensions and the demand for public services.

What is more, the American taxpayer would certainly have a larger bill to foot: To implement *all* of these measures, the current \$600 million aid package to the Caribbean (not includ-

ing U.S. payments to Puerto Rico) from all noncommunist countries would, I estimate, have to be doubled; as usual, a large share of that increase would have to come from Washington.

The costs are undeniable. On the other hand, because the Caribbean countries are so tiny, the benefit to their economies from these measures would be greatly disproportionate to any expense the United States might incur. And one should not forget that doing nothing also has its costs: unregulated and illegal immigration, regional instability, and the quality of 30 million lives—not to mention the strains put on the health of democracy and free enterprise by the persistent failure of democratic societies to "make it" in the shadow of the United States.

Taking a special interest in the economic and social health of the Caribbean countries is the right thing for the United States to do. At the same time, Washington should refrain from proclaiming a "special relationship" and from promising "regional preferences" that significantly contradict basic U.S. policies on trade, finance, immigration, and the like. U.S. stakes in the Caribbean are fairly high, but there is even more at stake *outside* the Caribbean. On a practical level, history suggests that American interests in the Caribbean, however important they may appear from time to time, would not long sustain the adoption of policies and practices that contravene universal rules. Preferential policies that substantially hurt some other region important to the United States simply would not last.

For their part, local leaders in the Caribbean are uneasy about the idea of a special relationship. Historically, U.S. promises of "special treatment" have meant singling out the Caribbean for rhetorical or military attention: the approach either of Arpège ("Promise her anything ...") or of Hallmark Cards ("When you care enough to send the very best"—the Marines).

The Caribbean is too near the United States to take for granted, yet too far—historically and politically—to integrate comfortably into a U.S. "sphere." The challenge for policymakers in Washington is to keep that in mind. It is up to U.S. officials to understand how sensitive the Caribbean is to the impact of the United States and how much our country is affected by the Caribbean. It is important for them to understand the Caribbean for what it was, for what it is, and for what it could become. And it is essential to focus on the realistic possibilities that exist for the United States to affect the region positively for our sake as much as for the Caribbean's.