

# EXCURSUS 1

## John Tessitore on CBI: A RITE OF PASSAGE

Conferences, like the people who attend them, have personalities. Even the oddest assortment of bodies, when packed together in a Hyatt or a Hilton, seems to project a single, collective impression.

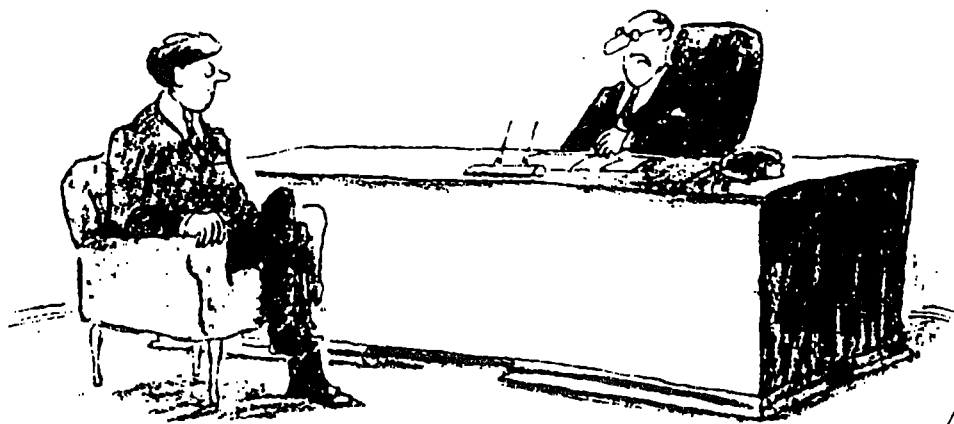
If we accept this anthropomorphic view, then it is fair to say that the Eighth Annual Miami Conference on the Caribbean (MCC) held in December represented a significant stage in the maturation process of that event. Sponsored by Caribbean/Central America Action, a Washington-based nonprofit organization promoting economic development in the Caribbean Basin through private sector investment (David Rockefeller, chairman); supported by the U.S. Department of State, Bureau of Inter-American Affairs; and enthusiastically welcomed by the revenue-conscious elders of "the City of Miami, the State of Florida, and Metropolitan Dade County"—the MCC has matured since last year from a banquet cum love fest to a subdued and well-orchestrated forum wherein government and private sector representatives could discuss the business at hand: investment and development.

When the MCC met a year ago, the Reagan administration had but recently announced passage of the Caribbean Basin Economic Recovery Act, including the Caribbean Basin Initiative (CBI). According to its terms, most Caribbean nations would have twelve years of duty-free access to U.S. markets for nearly all products. Not surprisingly, the conference was upbeat—even euphoric—as dozens of small, underdeveloped nations scrambled to capitalize on this new opportunity. With unemployment as high as 50 per cent and

annual per capita income as low as \$50, one could hardly fault them. Enthusiasm, however, when coupled with desperation, almost invariably leads to inflated expectations and disappointment. The hopes and ambitions of the Caribbean nations' representatives were, in hindsight, as overoptimistic as were those of the conference's sponsors, who set two thousand places in the Hyatt Grand Ballroom—salads at each plate—in a relentless routine of luncheons and dinners attended by only a few hundred conferees scattered among the acres of white linen. In such an environment it was inevitable that hope, like so many salads, would eventually wilt.

The past year has been sobering for all involved. "The CBI is a welcome program," said Marcus de Freitas, St. Vincent's Minister of Trade, Industry, and Agriculture, "and we will try to make use of this opportunity. But things are not moving as quickly as we would like." Only two firms established themselves on St. Vincent's in 1984, a nation of 120,000 with 30-40 per cent unemployment. There have been inquiries from the East, said Minister de Freitas, especially Hong Kong, but these projects have yet to materialize.

A major goal of all the Caribbean countries has been to capitalize on the uncertainties surrounding Hong Kong's future (the British lease expires in 1997, at which time the People's Republic of China assumes the governing role), but initial expectations have been severely dampened. As one Caribbean businessman explained, unforeseen problems among potential investors have arisen, which are forcing governments to make difficult decisions. For example, most companies considering relocation or expansion to the region insist they cannot afford the transition period necessary to train indigenous workers; thus, they want to bring 200 to 300 personnel with them. What does it mean to a small Caribbean island to suddenly have several hundred Asians enter its already underemployed workforce? How shall the unions respond to such an offer? Further, corpo-



G. Thorne  
Punch

*"We're looking for someone who can lie convincingly.  
The hard part is knowing when we've found him!"*

rations claim that it is only a matter of time before the U.S. puts quotas on imports, and so they must be guaranteed an exclusive in their field. Accordingly, St. Kitts might get one sporting goods manufacturer but, by contract, it cannot have two.

Naturally, investors are jockeying for the most favorable terms possible, and few are above playing one nation off another: "If country A won't meet our demands, maybe country B will." In the absence of regional solidarity, it is likely that investors will very nearly dictate terms. If this happens, the entire Caribbean Basin Initiative may become just one more good intention leading—not to hell, perhaps, but certainly not out of it.

*John Tessitore is Editor of Worldview.*

## EXCURSUS 2

### Thomas Land on SPYING FOR FOOD

Eighteen Asia-Pacific countries representing a vast combined land area have launched a cooperative program to share their space-communications skills for the remote sensing of their natural resources, a program likely to lead to significant improvement in crop yields. Virtually the entire Asia-Pacific region will be covered this year by satellite ground stations in Bangladesh, India, and Thailand, together with existing stations in Australia and Japan. China is about to erect twenty-six ground stations, and other stations are planned in Indonesia and Pakistan. The program will make use of the United States' Landstat satellites and France's second-generation Spot satellite due to be launched early in 1985.

Member countries intend to improve their capacity to use satellite imagery by pooling their scientific resources in joint trading schemes, research and pilot projects, and a liberal exchange of information. This represents an important new departure from existing policy. Only a year ago a group of developing countries, including India, sought—with emphatic Soviet support—to introduce stringent global regulations to outlaw the launching of powerful civilian satellites—such as the Spot—with potential military capabilities. Pictures of the earth taken from space can provide accurate crop forecasts halfway through the growing season, give early warning of diseases spreading through cereal fields and forests, and identify minerals, water, and other resources. Military satellites—until now the exclusive domain of the two superpowers—can also detect troop movements and missile installations anywhere. The arrival of the Spot, the world's most powerful commercial satellite, will blur the line of distinction between military and civilian space surveillance by making a wealth of hitherto sensitive intelligence widely available.

The Asia-Pacific program of educational and scientific collaboration has therefore brought together such hostile neighbors as India and Pakistan, China and Vietnam, joined in a mutual desire to spy on each other from space. But

their endeavor will also improve nutritional standards in one of the poorest and most populous regions of the earth. China's satellite earth station building program, for example, to be carried out by Spar Aerospace of Canada under a recently announced large contract, is part of an immense national effort to approach a measure of self-sufficiency in cereal production.

This accounts for the backing for the project by several global development agencies such as the United Nations Food and Agriculture Organization. The U.N. Development Program has raised \$1.8 million for the higher-education component of the program, which has already led to fifteen fellowships at the Asian Institute of Technology near Bangkok. The first specialist training program held at the institute's Remote Sensing Centre concerned the application of sky-spy technology to vegetation mapping and mangrove ecosystems.

Most of the countries participating in the program have already entered commercial agreements to receive remote-sensing data either from various Asian ground stations or directly from the U.S. space authorities. Data from the French system are to be marketed through Spot Image, which has already mounted a convincing "simulation campaign" using high-flying aircraft to demonstrate the abilities of its space sensors. Said a specialist in charge of the Asia-Pacific collaboration program: "The difference between having the satellite imagery and deriving its full benefits is what the project is all about."

*Thomas Land writes from Europe on global affairs.*

## EXCURSUS 3

### Christopher Flavin on SMALL-SCALE POWER

Electric power has largely supplanted oil as the most controversial energy issue of the 1980s. Soaring costs, high interest rates, and environmental damage caused by large power plants have wreaked havoc on the once booming electricity industry. In most countries, electricity prices have risen faster than the general rate of inflation since the mid-'70s. Nuclear reactors, once expected to be the main source of power in the 1980s and beyond, have been plagued by technical breakdowns and staggering cost overruns.

Coal also faces serious hurdles. Coal-fired power plants are a major cause of air pollution and are implicated in the predominant environmental issue of the decade: acid rain. There is growing evidence that acid rain is damaging the world's forests, and this has sparked efforts to limit coal-related air pollution. Technologies are being developed for cleaner coal combustion, but the uncertainty and cost of these solutions clouds the future of coal as a power source.

Third World nations now spend over \$40 billion each year on electricity projects, making this the third largest investment after agriculture and transportation. A portion of these funds is supplied by loans and grants from international aid agencies. The World Bank loaned \$18.7 billion for 413 elec-