

Why is trade important between the Caribbean and United States

"Caribbean and Latin America the 3rd border to the US: The important role of the Panama Canal contributing to the economic dominance of the US as the economic powerhouse it is today!

The Panama Canal maybe considered one of the 8th wonders of the world, when contemplating the marvels of innovations and natural wonders". (Anthony Weeks)

The United States and the Caribbean

Dr. Raymond J. Barrett

A glance at a map shows why the United States has always been closely concerned with the Caribbean. The American interest in the Caribbean has many facets, and new dimensions are now being added. The common concerns of the United States and the Caribbean lands continue to increase and warrant careful attention.

Historically, the United States has been actively involved in and concerned about the Caribbean. The area has always played a key role in the Western Hemisphere. It was the scene of Columbus's voyages of discovery and the jumping-off place for most of the Spanish conquistadors. One of the main areas of European settlement in the New World was in and around the Caribbean basin. It became a rich source of sugar, indigo, spices, and other highly valued tropical products. The lifelines of the immense Spanish empire converged on the Caribbean Sea, and the imperial treasures became the glittering objects of the legendary struggle between the British buccaneers and the Spanish. Many of the Caribbean lands, Jamaica for one, were valued more than the colonies along the Atlantic coast of the North American mainland. The Caribbean lands were important objectives in the recurrent European struggles, and many changed hands as the tides of imperial conquest shifted.

Even before independence, there were growing ties between the American colonies and the Caribbean lands. The complementary climates produced a natural exchange of goods that led to increasing trade among the colonies despite British mercantilist doctrines. In fact, the British effort to suppress this trade constituted an important practical element among those disputes that produced the American Revolution. After independence, the era of American sailing ships and Yankee traders produced a further vigorous commercial inter-course between the new U.S. and the Caribbean.

American interest in the Caribbean became very direct after the purchase of the Louisiana Territory in 1803. For this vast new continental heartland of the United States, the economic lifeline was the Mississippi waterway and through the port of New Orleans to the outside world. The Caribbean islands lay directly across the access routes to the open seas and the world beyond. American administrations frequently exhibited great sensitivity about the Caribbean lands.

Some of the most pre-emptory episodes in American diplomatic history stemmed from concern about possible intrusions into the Caribbean basin. As early as 1808, the Jefferson Administration made clear its opposition to the transfer of Cuba to either France or Great Britain. Concern about the Caribbean was an important element behind the enunciation of the Monroe Doctrine. President Pierce tried to get control of Cuba, and the Grant Administration came close to annexing what is now the Dominican Republic. One reason behind the Clayton-Bulwer Treaty of 1850 was the desire to limit British hegemony in the Central American isthmus, which had become important for transit to California. Presidents Cleveland and Theodore Roosevelt reacted very strongly to what they felt were European efforts to pressure Venezuela. American activities such as these were hardly benevolent, but their very forcefulness and self-centered character demonstrate the strength and sensitivity of American concern regarding the Caribbean.

The American concerns became an expanded geographic presence as the nineteenth century gave way to the twentieth. In a sense, the Spanish-American War represented a culmination of the earlier American sensitivity regarding the Caribbean islands. The acquisition of Puerto Rico extended the American presence well out into the curtain of islands, in a position to dominate the rest of the Antilles. Cuba, through the Platt Amendment of 1901, became virtually an American protectorate. A naval base, under exclusive United States jurisdiction, was retained at Guantánamo on the southeast coast.

The construction of the Panama Canal represented an enormous increase in the American presence in the Caribbean basin. The highhanded way in which it was done and the complete nature of American control once again testified vividly to American concern regarding the Isthmus's key connecting role between the two littorals of the United States. The American interest had earlier manifested itself in a survey made in the 1850s by Ulysses S. Grant and the subsequent construction of the transisthmian railroad. The presence of the Canal and the heavily traveled trade routes that it engendered greatly increased United States interest in the Caribbean.

Over the years the United States has continued to react to what it perceived as threats to the security of the Caribbean and the Panama Canal. Marines were landed in Haiti, the Dominican Republic, and Nicaragua for what turned out to be lengthy occupations. To counter what was thought might be a wartime flaw in the area's defenses, the United States in 1917 hastily acquired the Danish Virgin Islands to ensure that they were not obtained by imperial Germany. Base rights in Trinidad were an important part of the famous destroyers deal with Great Britain in 1940, a principal justification for these facilities being to provide coverage of the southern routes through the Caribbean islands toward the Panama Canal. Also during World War II the United States kept a wary eye on Martinique and Guadeloupe when these French islands in the West Indies were in Vichy hands; the U.S., in fact, was ready to seize them by force if necessary to preclude their use for purposes deemed unacceptable. As recently as 1962 and 1965 the United States moved forcefully to eliminate Soviet offensive missiles from Cuba and to prevent exploitation of chaos in the Dominican Republic.

Strategically, as these historical developments indicate, the United States has been and continues to be most interested in the Caribbean. Obviously it is essential to ensure that inimical forces are not allowed to obtain additional bases and areas of operation on this doorstep of the United States. Peaceful development in the area and avoidance of conflict or arms competition are similarly in the United States' strategic interest. These goals are essential to our commitment to meaningful human progress and to our national security; instability and violence would increase the opportunities for outside exploitation inimical to American interests. There are a number of practical concerns that have strategic consequences: the many Americans living or visiting in the Caribbean; American investments; the supplies of important materials, such as bauxite for aluminum, manganese, etc.; products such as bananas, certain varieties of coffee, etc.; and the heavy flow of trade and vessels through the Panama Canal. These considerations establish a priority strategic requirement for the United States to protect the Caribbean basin in peace or war.

The geography and climate of the Caribbean also increase the military importance of the area to the United States. The Caribbean area provides the most expeditious access from the United States to South America; continuation of air routes and bases in the Caribbean is important to facilitate American mobility if the South American nations should require assistance in dealing with internal or external aggression. The warm climate of the Caribbean makes ready access to it highly useful for training, maintenance, and research by American military forces. The military facilities in the Caribbean are thus important in many ways for maintaining effective American military forces.

The growing attraction of Americans to the Caribbean lands is adding another dimension to the interests of the United States in the area. To many Americans, "the Caribbean" probably conjures up visions of sunshine, sandy beaches, sparkling waters, balmy evenings, and the other joys of indolent tourism. Anyone who watches the television commercials is well aware of the lures of tourism and warm weather residence in the Caribbean. Not only is the number of American visitors swelling rapidly but so is the number of American citizens who have retired or otherwise established residences in the Caribbean area. Many of the new facilities being established to accommodate this influx are being added or financed by Americans, thus increasing the American investment in the Caribbean. Sheer numbers and dollars aside, an American presence of this magnitude produces a much wider American involvement, culturally, psychologically, economically, and socially. The interconnection between the United States and the Caribbean is becoming steadily larger, closer, and more complex.

The United States also has a sympathetic interest in the political and economic evolution taking place in the Caribbean. The aspirations of the Caribbean peoples for control of their own destinies and for social and economic progress are in accord with fundamental American principles. As a practical matter, too, their peaceful development is important to American interests. It is noteworthy that the change in the Caribbean to date has been largely peaceful. While a good deal of incipient tension exists, the prospects are improved by the fact that the barriers to social mobility are often not great. Another hopeful indicator is that in most Caribbean lands the racial majorities are already in control, with the opportunity to work out their own

destinies.

The Caribbean is witnessing several pioneering political and economic efforts. Four countries in the area have become independent in recent years. These are Jamaica, Trinidad and Tobago, Barbados, and Guyana (formerly British Guiana). The French and Dutch territories have been assimilated by the homelands: Martinique, Guadeloupe, and French Guiana are overseas departments of France, and the Netherlands Antilles and Surinam are internally autonomous and constitutionally equal in the Kingdom of the Netherlands. An interesting experiment in self-government is under way in some of the smaller territories in the Caribbean, known as the Associated State concept. These lands are tied to the United Kingdom but are internally self-governing. There are now six Associated States: Antigua, Dominica, Grenada, Saint Kitts-Nevis-Anguilla (modified by the recent dissatisfaction in Anguilla), Saint Lucia, and Saint Vincent. The Bahamas have achieved a comparable status but call themselves a commonwealth. British Honduras also is in transition toward associated statehood or independence. Not to be overlooked, either, in terms of political and economic experimentation, is Puerto Rico, now a commonwealth associated with the United States⁵ and its economic progress under Operation Bootstrap. The arrangements governing the Associated States and the Bahamas allow them to opt for independence if they so desire; at present, Puerto Rico does not have this power.

The topic of political change is a sensitive one. The working out of their own destinies is the prerogative of the peoples of the Caribbean. They are well aware of the shadow of the American giant, which most of them accept realistically. But they are very conscious of having just left colonial status. Many elements in these lands also deeply resent the past and the continued affluence and influence of whites in their midst. The Caribbean peoples, in short, are not about to allow themselves to become, or to feel that they have become, beholden to another master. It is in this sense—in the achievement of viable and peaceful arrangements that fulfill Caribbean aspirations—that the United States has a legitimate and sympathetic interest in the political development now in process and likely to continue in the Caribbean.

Similarly, and realistically, the United States cannot help being aware of the difficulties in the Caribbean. A primary point to note immediately is the great diversity in the area. Looking southward from the United States, and having climate and tourism in mind, we tend to think of the Caribbean as an entity. The Caribbean basin is not nearly as compact as a casual glance at the map might suggest. The distance across the basin, from British Honduras to French Guiana, is about 2700 miles, or close to the continental width of the United States. Two of the Dutch territories, Aruba and Surinam, are more than a thousand miles apart. The Caribbean lands also differ greatly in size. Many of them are handicapped by their small size, particularly of arable or habitable land. Anguilla, which proclaimed during the recent disturbances there that it wanted to be independent, is only 35 square miles in area. Barbados, which is independent, covers but 166 square miles, only one-eighth the area of Long Island. Even the largest Caribbean land, which is Guyana at 83,000 square miles, is but the size of Idaho or half the size of Sweden.

The human diversity is also great. Population density in most of the Caribbean islands is high; in the territories on the mainland littoral the densities are very low. The density is very high on little

Barbados, with some 1445 persons per square mile (the equivalent of almost 2 ½ persons per acre), and in Puerto Rico and Martinique it approaches 800 persons per square mile. By contrast, the density in French Guiana is hardly more than one person per square mile, and in British Honduras only twelve. The range in per capita gross national product is also great: it is only \$120 in the British Virgin Islands and \$70 in Haiti, while it is more than \$1000 in the Bahamas, Puerto Rico, and the Netherlands Antilles. The literacy rate is surprisingly high in comparison to most of the developing countries of the world—generally 80 to 90 percent, and in fewer than one-quarter of the Caribbean lands is it below 70 percent. Only in French Guiana and Haiti is the literacy rate low.

Another element in the human diversity is the linguistic and racial variety. The English, French, Dutch, and Spanish languages were inherited from the colonial powers. However, in many places the people actually use a dialect or patois very different from the official language. Among these local tongues are Papiamentu, French Creole, Taki-Taki, and Creole English. While the black race predominates in most Caribbean islands, the racial composition varies considerably. In addition to the Negroes and various European and American whites, there are Bush Negroes, mulattos, and East Indians and Amerinds of various types. In some lands, notably Guyana, the East Indians appear to be, or to be approaching, a majority. One can imagine the varieties and complexities of linguistic, racial, social, and cultural considerations to be accommodated within and among the Caribbean lands.

Numerous economic difficulties confront almost all the countries of the Caribbean. Natural resources are low, and most of the countries depend heavily on a few products. Their trading patterns, reflecting their colonial histories, focus on the metropolises. Many of them still have a considerable financial dependence on the metropolitan powers. France and the Netherlands provide a high level of assistance to the French and Dutch territories. The United Kingdom provides budget support for many of the Associated States and direct financial assistance in the British colonies; it also offers preferences and markets for sugar, bananas, and citrus fruits. With generally low levels of income, most of these countries have inadequate domestic markets and limited financial sources. The supply of professionally and technically trained people is similarly limited.

The most difficult aspect of the economic problems is the chronic and large-scale unemployment. The unemployment rate ranges around 10 to 15 percent in virtually all areas. Only in the American Virgin Islands, with 3.4 percent, is unemployment as low as the rates generally considered tolerable in the United States. In four Caribbean lands the unemployment rate exceeds 20 percent. This situation has traditionally been alleviated by large-scale emigration; in some areas the emigration in the postwar era has been equivalent to more than a quarter of the entire population. However, the two main escape routes have been closed; recent changes in the immigration laws in the United Kingdom and the United States have reduced to a trickle the number of people able to move to those countries from the Caribbean. Furthermore, over a third the population in the Caribbean is now in the 2- to 14-year age bracket; the numbers of those looking for work and needing support will thus increase sharply in coming years. The unemployment problem threatens to get worse.

The United States thus has a variety of wide-ranging and important interests in the Caribbean and, therefore, in the continued peaceful development of the region. Certainly more change will occur. Difficult problems lie ahead. Will the Associated State concept continue to evolve? If so, how? And can it be viable in the long run? What will be the future of the remaining colonies in the area? What will be the complications in terms of such things as sugar, investment, tourism, and trade patterns when Cuba finally returns to the American family of nations? How might the relationships between the Organization of American States and the Caribbean lands evolve? What might be the role of the OAS in the region?

What role regionalism will play could be important. Efforts in the past to form regional organizations, such as the British-inspired Federation of the West Indies, 1958-62, have not been notably successful. The diversities in the Caribbean make the question of regional approaches a sensitive one. However, on a pragmatic basis, some cooperation is under way in a few specific areas. The University of the West Indies survived the demise of the Federation of the West Indies and continues to serve the British Commonwealth areas. A Caribbean Free Trade Area has come into being, and a Caribbean Development Bank is being established. Conceivably, areas of common interest, such as tourism, transportation, and communication, may lead to other areas of regional cooperation.

Economic viability seems essential to reasonable prospects for peaceful development. The metropole powers seem inclined to continue their aid programs. Canada has taken a considerable interest in the Caribbean and has an aid program under way. Continuation of modest aid from the United States seems desirable. Economic discontent can be emotional and destabilizing. When discontents manifest themselves, the United States and things American are obvious targets.

There is no guarantee that the road ahead in the Caribbean will be peaceful. The recent disturbances in Trinidad, Anguilla, and Curaçao indicate the problems that are often not far below the surface and demonstrate how quickly difficulties can flare up. The coming of the Castro regime in Cuba and the 1965 chaos in the Dominican Republic illustrate how profoundly United States interests can be threatened by difficulties in the Caribbean. Protection of American interests will require a careful and perceptive approach.

The logic of geography places the Caribbean within the ambit of American protection against attack or subversion from outside the hemisphere. The growing number of Americans in the area may increase the need to evacuate American citizens if trouble should occur. Unilateral intervention by the United States is indicated only when a well-documented external threat or subversion clearly endangers vital U.S. interests and a multilateral effort is not feasible. Military assistance for the armed forces in the area seems limited to internal security needs in selected instances. Similarly, some technical assistance and equipment for the police may be indicated. The existing American military installations are and will continue to be valuable, and certainly the Caribbean will remain highly important to the national security of the United States.

Constructive change in the Caribbean is obviously most desirable. The changes under way are profound. Clearly, concern and understanding will be crucial for both the Caribbean lands and the United States.

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