
THE CARIBBEAN

'Free-market' plan boosts dirty money

by Valerie Rush

The much-heralded Caribbean Basin Initiative, promised by Reagan administration officials for months as a new policy framework for dealing with the Caribbean and Central America, was finally unveiled last month by President Reagan in a speech before the Organization of American States in Washington. With all the lip-service paid to "economic health" as the key to stability in that volatile region, the program announced by the President on Feb. 23 is in fact a *carte blanche* to Rockefeller and the drug-related interests behind his U.S. Business Committee for Jamaica to turn the Caribbean into a "Hong Kong West" of slave labor and drugs.

Marijuana production, along with transshipment of cocaine, heroin, quaaludes, and black-market weapons, are today the single largest "industry" in the Caribbean. For most of the English-speaking islands, independence has been a cheap cover for the British colonial interests to retain control over their properties and the old rum-smuggling routes now turned to drugs. The Spanish-speaking Caribbean and the "banana republics" of Central America are run as private plantations of United Brands Company and its interlocking financial interests. It is the "magic" of this dirty-money marketplace which the Caribbean Basin Initiative is intended to promote; its chief sponsor is David Rockefeller, the former chairman of Chase Manhattan Bank, which in recent years has increasingly depended on "hot-money" flows from Hong Kong and the Bahamas for its solvency.

The philosophy of the CBI, according to Reagan's OAS speech, is based on the "fresh view of development" which he had taken into the Cancún meeting on North-South cooperation last October: a long-term "free-enterprise" model to "help our neighbors help themselves." The \$350 million in supplemental U.S. aid will be directed toward the drug-linked "private sectors" while U.S. technical assistance and training programs will be geared toward "creative private entrepreneurship."

Jamaica is the model of "making freedom work," Reagan told the assembled Latin American diplomats, because its strategy of "reducing bureaucracy and dismantling unworkable controls" is pulling in investment.

By making Jamaica the model Reagan told the governments represented at the OAS gathering that the United States will promote drug-based economies. Jamaica's Prime Minister, practicing voodoo priest Edward Seaga, has never been shy about what constitutes the essence of his nation's "recovery": drug revenue. During a January 1981 tour of the United States Seaga bluntly declared on national television that his government could not and would not stop the marijuana trade—and the United States should learn to live with it. In one of his first statements after taking office in November 1980, Seaga told Jamaica's bankers to ask no questions about the origins of money offered for deposit, just "grab it!"

The centerpiece of the plan—granting Caribbean products duty-free entrance into the United States—may result in some increase in the legal side of the economy such as goods produced in Hong Kong-like sweatshops. The increasingly drugged and impoverished people of the Caribbean are to be put to work assembling gadgets from semi-manufactured parts shipped in by U.S. manufacturers, items which will then be "re-exported," duty-free, back into the United States.

Colombia: drug money put to work?

A new element in the Caribbean Basin Initiative could be Colombia, reportedly peeved at its exclusion from last fall's Nassau summit of the United States, Mexico, Venezuela, and Canada to discuss the Caribbean/Central America region.

Vice-President Bush's visit to Bogotá last October included an explicit invitation to join the Nassau Four in their efforts "to try and stabilize the political and economic situation" of the Caribbean. In Reagan's OAS speech Feb. 23, Colombia received honorable mention as a "potential donor" to the CBI program.

What Colombia is likely to donate, however, is a well-oiled apparatus for laundering the dirty money expected to flow in increasing amounts through the Caribbean's free-enterprise economies. Colombia, whose own economy is today fully dominated by the financiers of a mammoth and highly lucrative trade in illegal drugs, is now prepared to export its expertise.

Until recently, the Colombian government's aggressively publicized "opening" into the Caribbean has been more word than deed, with Colombia's credit-starved productive sector unable to expand operations to meet the challenge of a new market and its banks unwilling to take the risk. A series of monetary measures announced by the Turbay government on Feb. 15 was ostensibly designed to free up the credit and provide the incentives for just such a move. Those measures, combined with an official green light to Colombia's drug-bloated financial sector to set up shop in the Caribbean, are Colombia's credentials for participation in Rockefeller's new "Hong Kong West."