

US POLICY IN GRENADA AND ITS IMPLICATIONS FOR CUBA

Leroy Binns

ABSTRACT

Prior to the demise of the Grenadian revolution in 1983 Washington vigilantly propagandized the Bishop regime as being undemocratic while promising substantial economic assistance to the country once a duly elected popular government took office.

The overthrow of an elected government in an otherwise tranquil region of the Caribbean as described herein sends a message of the limits to tolerance of political abuse disguised under the cloak of democracy with stark reaction as a tool to rectification. Contrast in policy that followed was people oriented nonetheless in mirroring elements of Moscow and openly befriending Cuba drew sharp criticism from neighboring states the likes of Jamaica, Barbados, Dominica and power house Washington.

Leading the charge the White House assumed the role of knight in shining armor by discrediting and later splintering the New Jewel Movement establishment thus creating a backdrop for a coup and subsequent invasion all supposedly attributing to the rebuilding of representational politics. Regrettably since the restoration of the Westminster model, the US has reneged on its pledge of support and the island has returned to a period of economic stagnation. Could similar treatment be in store for a more resourceful Cuba in the absence of communism?

Key Words: Grenada, Cuba, political ideology, US policy

INTRODUCTION

The United States of America has sought to destroy communism in Cuba on the grounds that such promotes Third World struggles against imperialism, enhances the rise of Marxism-Leninist regimes and increases Havana's political status. Therefore the collision course between Washington and Havana has been encouraged over the years by invasion, diplomatic isolation through an expulsion from the OAS, an economic embargo and numerous attempts to assassinate Castro. Based on the notion that Cuba's conduct was Soviet oriented and thus communist in ideology both countries continue to define internationalism and its relationship to solidarity in different ways. Unsurprisingly as Cuba resist military threats and political and diplomatic seclusion, the US defines normalization of relations via Western democracy and capitalism (Robbins, 1992; Patterson, 1994).

In spite of acknowledgement of Cuba's acceptance within a re-established world market (i.e., joint ventures with British, Canadian, Mexican and Spanish companies to name a few) the US has blocked the Fidelistas' efforts to adequately trade by hindering the exchange of goods. The US government prohibits the importation of commodities that contain Cuban contents and restricts US companies that engage in business deals with Havana. These establishments are not permitted to sell Cuban products that contain more than 20% US content. Moreover foreign enterprises attempting to export products to Cuba that contain beyond 20% US material must obtain a license from the US Treasury Department.

The US likewise prevents foreign banks from granting dollar-denominated accounts for Cuba or from pursuing an interest in dollar-denominated commercial transactions involving Cuba. Also US citizens who hold the office of director within establishments on foreign territory are forbidden to do business with Cuba and ships docking at Cuban ports are denied entry to US shores for a six month period. In addition countries are deterred by fiscal sanctions from establishing economic relations with the Castro regime (Zimbalist, 1993).

As the US grappled with the existence of ideological enemies it dismissed the notion of sovereignty and in its stead entertained old prescriptions: the administration of national elections, the removal of Fidel Castro and the introduction of a decentralized sector on the island. However more than 65% of the Cuban populace grants the nation's leadership an overwhelming consensus to govern as do states such as Canada, Germany, Mexico and Venezuela (through strong diplomatic and economic relations). In fact international organizations such as the United Nations and the Organization of American States have publicly denounced the US trade embargo. There are even sentiments towards the Cuban regime within the United States amidst the outcry from Cuban Americans who mainly reside in Miami and the US government that remains bitter regarding Havana's communist stance (Langley 1970; Cardoso 1992).

National elections are often policy-defined by Washington for political change in independent states in this case Cuba. In other words to redress East/West relations and by extension offset regional political influence, the nature and results of the elections in Cuba are predetermined to result in the ouster of Fidel Castro. Movement towards decentralized government as well would redefine Cuba through the lens of her Northern neighbor as the idea of a large private sector awaits local consensus.

An examination of Grenada in the 1980s and beyond though smaller and less resourceful is meaningful in projecting US/Cuban relations in a post-revolutionary Cuba. Both share pre and post-colonial historical similarities and as indicated within, isolation in response to alliances with the Soviet Union. In fact the essay suggests the island is still the subject of alienation as the US fails to fulfill its promises with regards to an economic revival.

Identical pronouncements of goodwill are in the offering to a pro-democratic Cuba but the outcome when weighed against consistency as demonstrated in Grenada remains a concern (Kaplowitz 1993).

GRENADA

Political evolution in the British West Indies began in Grenada, a small country with a population of 110,000 located in the Lesser Antilles in 1979. The island was ruled by trade unionist Sir Eric Gairy, its first local head of state but his corrupt behavior hindered its growth.

In 1973 Gairy's secret police suppressed strikes initiated by the opposition the New Jewel Movement (NJM) and severely attacked its leader Maurice Bishop. In addition during the following year a demonstration held on what became known as bloody Monday resulted in government retaliation that took the life of Bishop's father Rupert Bishop. There is also the assumption of a manipulated general election in 1976 (Searle 1983; O'Shaughnessy 1984).

In an ongoing effort to uproot the Grenadian leadership, the New Jewel Movement, a composition of the Movement of Assemblies of the People (MAP) and the Joint Endeavor for Welfare, Education and Liberation (JEWEL) finally succeeded on March 13th 1979 making history by being the first successful revolutionary organization in the English Caribbean. This protracted and arduous confrontation to dislodge Gairy had its roots in radicalism demonstrated by the likes of Guyanese historian Walter Rodney who was expelled from Jamaica but acknowledged by UWI distinguished professor Rupert Lewis as "committed to an overriding concern to avoid manipulation of the working people which characterized the politics of the mass parties in the Caribbean and the centralism of the left-wing organizations which facilitated middle-class hegemony." Nevertheless in spite of rejoicing surrounding the ouster, Washington aware of unfavorable political ramifications feared Bishop's left wing approach.

At this juncture with East/West rivalry on the rise particularly in the Americas, the American government deployed containment the normal course of action to rid neighboring turf of Soviet persuasion. Subsequent to the formal commencement of relations between St Georges and Havana, State Department spokesman Tom Reston said that the United States would be concerned about the establishment of any military or security arrangement between Grenada and Cuba and the US ambassador Frank

Ortiz is quoted by author and expert on international conflicts Jiri Valenta as saying “we would view with displeasure any tendency on the part of Grenada to develop closer ties with Cuba” (Valenta 1986; Collins 2013).

Consequences ensued as Bishop ignored the White House by accepting economic and military aid from Cuba. Despite an increase in private investment by 130% in the first year following the revolution President Reagan’s Caribbean Basin Initiative Plan of 1982 excluded the government of Grenada along with Cuba and Nicaragua. These nations were exempted from \$350 million in US emergency assistance in 1982 and a promise of \$750 million over the next three years. They were also denied US investments and duty free passage of commodities to the United States. Besides, the American government later used her leverage to prevent Grenada from obtaining loans from the World Bank and the International Monetary Fund.

At the regional level, the Grenadian government encountered negative reactions in line with US propaganda by Caribbean leaders such as Jamaica’s Edward Seaga who was quoted as saying to the Jamaican parliament “we will not tolerate subversion and revolution.” Barbados’ Tom Adams would also join the tag team by expressing “we have a view of our future that is democratic, peace loving, devoted to constitutional and not arbitrary government” while Dominica’s Eugenia Charles provided a voice of urgency that was lacking throughout the rest of the Anglophone Caribbean. In addition discomfort arose from the strengthening of armed forces in El Salvador and Honduras to confront the expansion of socialism in the West Indies and Latin America. But amid these forces of destabilization Grenada promoted survival opportunities.

Employment: As a result of state projects unemployment dropped from 49% in 1979 to 14% in 1983.

Housing: The NJM introduced low cost housing through affordable grants and loans that benefited approximately 1,600 families.

Health: Free medical and dental services were finally made available to the public.

Education: Free primary and secondary education was introduced and scholarship for overseas studies improved significantly. In 1978 three Grenadians studied abroad while the numbers increased by three hundred twenty seven by 1982.

The regime maintained a mixed economy by centering its attention on agriculture, agro-industry (e.g., the exportation of cocoa, bananas, nutmeg and mace) banking and tourism. It established a marketing and national import board to promote the import-export industry, the National Commercial Bank to regulate financial institutions and the Grenada Resorts Corporation to oversee the island's hotel industry. Such transformations were noted for outstanding returns. The country's gross domestic expenditure increased by 8.8% from \$324.3 million to \$352.8 million in 1982 during which period domestic investment increased from \$41.5 million to \$73.8 million (Payne 1984; Williams 1983).

Albeit government policies (e.g., the investment code, the national budget of 1982 and the fiscal incentive act) were evidence of Georges' commitment to mutual cooperation with the private sector, overtures associated with productivity did not overshadow the government's affiliation with communist elements. Grenada's political organization was tainted by the Soviet government in that the implementation of a central committee had its origin in Russia as did the Grenada Peace Council. Moreover the New Jewel Movement and the Castro establishment concurred that their relationship should include regular meetings to exchange experiences between the various departments and secretaries of both parties. In essence there should be coordination of government organizations of both countries at local and overseas events.

There were also formal relations between the NJM and the communist party of the Soviet Union (CPSU) from which sprang a commitment by the Soviets to assist the revolutionary government. According to the 1980 agreement, inter-party cooperation was the most important basis for development within these countries. Therefore relations were to be handled primarily through party organizations. The accord also promoted political and economic cooperation at all levels.

Grenadian/Soviet kinship was solidified by the previously discussed arrangement between the USSR and Grenada for the delivery of special equipment assumed to be arms. A 1981 contract signed in Havana regarding a shipment of arms and a similar agreement concluded in Moscow in 1982 would enable the flow of arms from Russia to Grenada during the period 1982-1989. Added requests attached to the 1982 USSR/Grenadian military agreement included the need for training of Grenadian soldiers at Soviet military schools and an invitation for Soviet advisors to physically aid in the technical aspects of the island's military complex. Meanwhile the East Germans sent technical and military equipment, the Czechoslovaks provided explosives, ammunition and automatic rifles and North Korea agreed to provide armaments worth \$12 million.

This radical approach later gained prominence through conferences of nonaligned movements. It is alleged that such activities soon prompted association with anti-imperialist, anti-Zionism, anti-racism and anti-reactionary bodies. The association likewise advanced the training of Grenadians in the area of foreign relations and re-enforced similar bonding with East Germany and Bulgaria (Valenta 1986; World Bank Report 1982).

The People's Revolutionary Government (PRG) nevertheless faced an internal struggle arising from constant US agitation regarding suspension of the constitution, censorship of the media and information pertinent to the construction of an enlarged runway at Port Salines International Airport that was assumed to be a Soviet military base. "The Coard faction" comprised of Bernard Coard, Deputy Prime Minister, Lt Colonel Liam James, Minister of the Interior, Leon Cornwall, Chief of the Armed Forces and General Hudson Austin, Minister of Defense and Construction among others insisted on compliance with Leninist principles. In contrast "the Bishop clan" most notably Unison Whiteman, Minister of External Affairs, George Louison, Minister of Agriculture and Fitzroy Bain leader of the Union of Agricultural Workers supported a gradual socialist transformation.

In an effort to demonstrate their allegiance, the orthodox wing voiced opposition within the central committee to what was defined as "a state of demoralization" and later suggested a compromise of joint leadership between Prime Minister Maurice Bishop, the charismatic figure and deputy

Prime Minister Bernard Coard, the technocrat. This alternative was introduced by Commander Laim James as a means to promote communism in the face of what was being identified as right wing opportunism.

With growing defiance to the notion of elections Bishop was later expelled from the central committee and confined to house arrest. Later he was freed by the mass and taken to Fort Rupert with the hope of gaining a political advantage but under the direction of Coard, Maurice Bishop and his cabinet supporters Unison Whiteman, Fitzroy Bain, Vincent Noel and Jacqueline Creft were executed (Politburo doc 1983; Central Committee doc 1983).

In disregard of the Organization of Eastern Caribbean States (OECS) (article 8), UN (articles 2, 42 & 51) and OAS charters (articles 15, 17, 18 & 21) on matters of peaceful coexistence and under the pretext of protecting Eastern Caribbean states and rescuing American hostages the US interceded and led the invasion Operation Urgent Fury in pursuance of the restoration of parliamentary democracy and tranquility to the island (Lewis 2013).

Such shift in focus suddenly curtailed Soviet access to proxy forces/local intermediaries such as the Cubans, control over internal policy and security forces and support for local communist parties. Moreover a loss of centralized political control over revolutionary insurrection in the region hindered unity among otherwise disparate groups in Nicaragua and El Salvador.

The metamorphosis drew attention as well to expectations which unfortunately never materialized due to a lack of substantial evidence. Albeit the Reagan administration unveiled assistance packages to the tune of \$18.5 million in 1984 a large portion was allocated to repair damage caused by the invasion and to dismantle the program instituted by the PRG.

Herein lies revelations of scarce resources

Employment: With the fall of major enterprises within the public sector such as the spice isle agro-industry plant, the coffee processing plant and the Sandino prefabricated housing factory to name a few unemployment increased and production declined. In real terms, within fifteen months of the invasion, unemployment rose from 14% to 33%. Further, unofficial

estimates since then referred to an all high rate of 49% which the PRG claimed was existent under the Gairy government.

Housing: The revolutionary leadership had devoted \$0.35 million to housing concerns and was therefore able to offer \$350 in loans to low incomes families. Nevertheless the political upheaval led to the replacement of prefabricated material with rigid panel that produced a few houses and a major debt to the sum of \$1 million. As a result by 1988 funds for government housing was reduced from \$0.55 million to \$185,000 (See **Table 1** on housing inadequacy).

Table 1: Housing
<p>According to a government report carried out by an expert from the Commonwealth Fund for Technical Cooperation, Grenada's housing requires huge investment in order to raise standards from near slum conditions. The report contains the following statistics:</p> <p>Of a total of 21,016 registered homes, 32% are comprised of one or two rooms.</p> <p>40% of the homes contain 5 to 13 people.</p> <p>33% are considered totally unfit for human habitation.</p> <p>61% are made of woods</p> <p>34% depend on water from public standpipes while 17% depend on rain collection and wells</p> <p>62% have pit latrines</p> <p>Noting that Grenada's housing requirement up to the end of the 1990s will be approximately 14,000 new units, the report recommended that the government strengthen the PRG-designed Housing Repair Program to provide more funds to households to carry out systemic repairs and to provide for toilet and bath. Government spending on the Housing Repair Program has in fact dropped since the publication of the report</p>
<p>Source: National Democratic Congress. Cry Deliverance! April 1988</p>

Health: Deteriorating services were evident with poorly equipped and understaffed hospitals (in 1988 at General Hospital there was record of outdated x-ray machines and twenty nurses were performing duties usually assigned to a team of thirty) while private practice was frequently encouraged. Most importantly there were severe cuts in government expenditures that adversely affected medical services notably the termination in 1988 of a major health project valued at \$250,000.

Education: The post-revolutionary regime eliminated many functional PRG programs and drastically reduced funding for education. Case in point is the replacement of the Center for Popular Education that played a crucial role in the advancement of literacy with the ineffective Continuing Education Program whereas at a secondary level limited attention was paid to the need for trained staff and modern syllabi.

In 1985 50% Grenadian pupils who sat the Caribbean Council Examination (CXC) failed and in 1986 and 1987 the failure rate rose by 11% and 4% respectively. There was likewise a decrease in the national scores assigned to students participating in the General Certification of Education, Advanced Level Examination (GCE A level). In 1988 and 1989 the success rate stood at 40% and 33.6% respectively. Identical experiences were prevalent as well within institutions of higher learning subsequent to the replacement of experienced college instructors with ill-equipped staff.

The above mentioned complications may best be attributed to the emergence of power-seeking political parties frequently resulting from splinter groups and coalitions to contest national elections (e.g., the 1984 collapse of the National Democratic Congress and the creation of the New National Party coalition thereafter). (See **Figure 1**)

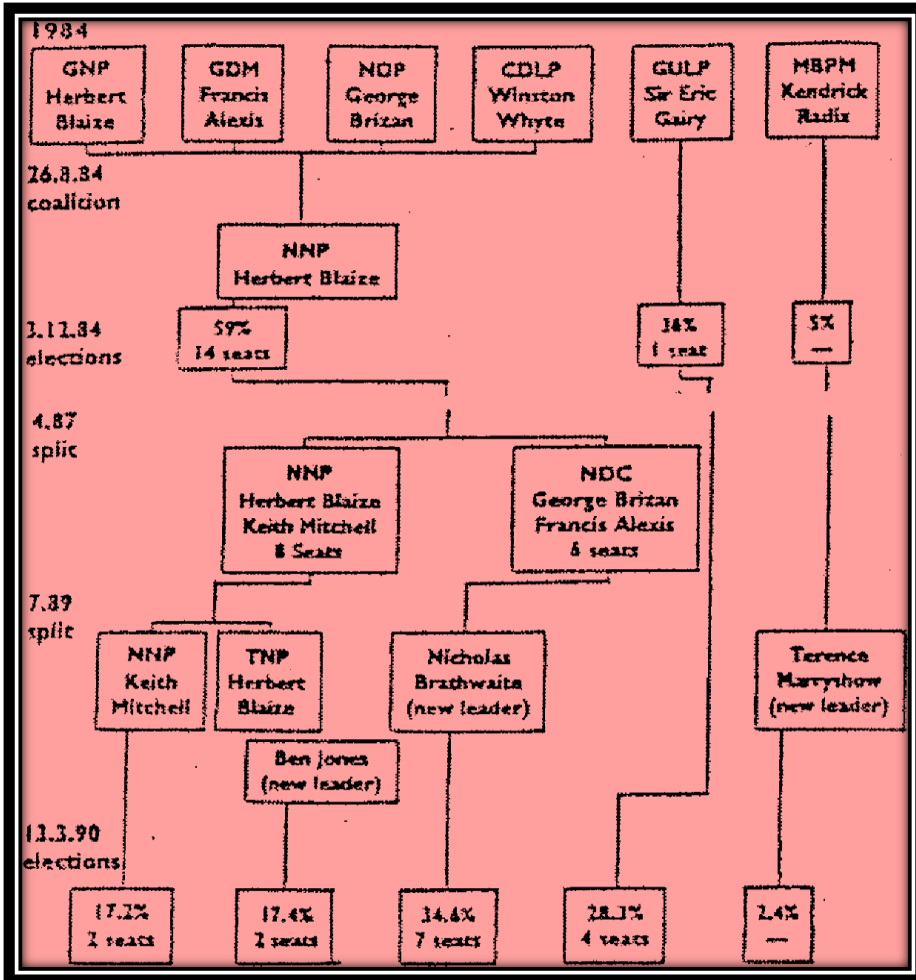


Figure 1: A Terrain of Grenadian Political Parties/Coalitions

Political chaos nonetheless gave way to unison on the following platform.

Reforms resulting from policy dialogue associated with assistance from Washington have included 1) liberalization of import licensing requirements, 2) development of a program to privatize major state-owned enterprises, commencement of divestiture of government-owned agricultural lands and transfer of management of the principal commodity association to the private sector, 3) rationalization of the public sector programs, 4) commencement of a fiscal (budget and tax) reform program, 5) revision of the investment code, 6) interest rate ceilings raised, 70%

removal of price controls on domestically produced items 8) elimination of the import monopoly on cement and 9) relaxation of foreign exchange controls.

Under US tutelage, the New National Party (NNP) coalition which was comprised of the Grenada National Party (GNP) was created in 1984 to prevent the return of Gairy and won overwhelmingly thanks to the fear factor. Yet it was incapable of providing a political agenda as well as securing promised American dollars for reconstruction.

To make matters worse, the implications of 20% value added tax (VAT) to improve revenue has produced a disappointing outcome. Following its implementation in 1986, the Grenadian leadership was forced to admit that added revenue of \$11.42 million amounted to only 29% of the expected target and therefore failed to stem an escalating cash flow crisis.

On the international note attempts to bolster a strong private sector through US government agencies (e.g., USAID, OPIC and CBI) also created an atmosphere of discontent. Even though USAID provided \$12 million and \$11 million during 1984 and 1985 – 1986 respectively in many instance the aid did not address shortfalls in the Grenadian budget. Moreover due to a lack of commitment anticipated benefits led to only \$7 million in grants in 1988 and the minimum in private investments from the likes of Smith Kline, Beckman Abbott laboratories, Shering/Plough and Johnson & Johnson (Ferguson 1990).

As Grenada resettled into the “old school” mode of politics as usual the domino effect uprooted containment policy by casting a shadow on Eastern Europe. Aside from Poland the weak economics of Hungary, East Germany, Bulgaria, Czechoslovakia and Romania crumbled on short notice under the weight of nationalist movements that led the dissent against communist ideology. This highly charged conviction would also fuel border disputes and/or ethnic strife in countries such as Yugoslavia, Tajikistan and Georgia all of which culminated in a revision of the Eastern European landscape inclusive of the USSR.

Closer to home Latin America experienced tremors limiting its ability to maneuver locally and abroad. Cuba lost her hefty subsidies of \$3 billion annually while Nicaragua cognizant of the dismantling of the socialist empire and its domestic state of affairs was finally forced into submission to engage in a national election in 1991 endorsed by Washington. In fact the Chilean economist Fernando Fajnzylber constructed a double entry matrix for Latin America to record both growth and equity. He discovered between the years 1965 to 1985 Brazil, Columbia and Mexico obtained a growth rate of 2.4% annual whereas in relation to equity the lower 40% of Argentina and Uruguay’s population received more than 0.4% of the earning available to the top 10%. Unfortunately the majority of nations failed miserably on both accounts.

All be told a region wrestling to achieve a glimmer of hope was coerced to surrender and accept added constraints regarding credits, investments and exports thus furthering the disparity between the wealthy and disadvantaged. A return to this global order expectedly rang hollow for Grenada (Goldman 1997; Craig 2007; Castaneda 1993).

Back on the tiny Caribbean island incompetence accompanied Nicholas Braithwaite’s National Democratic Congress (NDC) in 1990. This apparatus which has been the product of an uneasy relationship (a coalition of former Grenada United Labor Party (GULP) and the NNP’s affiliates the TNP) has focused its primary concerns on issues of political self-interests. In sum, with varying political persuasions it too and subsequent one term administrations fell short of an agenda and the support to prescribe the appropriate medicine for the dying patient (See **Table 2** for post invasion successions).

TABLE 2: CHANGING OF THE GUARDS

DURATION	Leaders	Affiliation
1983-4	Nicholas Brathwaite	National Democratic Congress
1984-90	Herbert Blaze/Ben Jones	Grenada National Party
1990-95	Nicholas Brathwaite	National Democratic Congress
1995-08	Keith Mitchell	New National Party
2008-2013	Tillman Thomas	National Democratic Congress
2013	Keith Mitchell	New National Party

The country received a shot of adrenaline in the mid-1990s with growth of 6% only to be confronted with contrasting realities of capitalism – a practice with a checkered history. In 2001 the unforgiving combination of a global economic descent and the wrath of Mother Nature in the form of Tropical Storm Lily the following year increased a deficit registered at 3.2% of GDP in 2000 to 19.2% of GDP in 2002.

As early as 2004 it became apparent selective engagement and its offshoot “trickle down” economics were overshadowed by the infusion of a soft loan of \$4.4 million at an interest rate of 0.5% from the IMF – an international lending agency of last resort notorious for subjecting Third World countries to hostile fiscal measures to redress structural economic defects namely poverty and a stagnant private sector (See **Table 3** on IMF).

Table 3: IMF Conditions

<i>Requirements</i>	<i>Effects</i>
<i>Wage control</i>	Wage freeze and job loss within the public sector
<i>Expenditure cuts</i>	Loss in essential social services
<i>Additional taxes</i>	Added consumer cost
<i>Devaluation of currency</i>	Reduced purchasing power

Exacerbating the crisis was the overpowering presence of hurricane Ivan that wreaked havoc on the island with damages estimated at \$1.1 billion or 200% of GDP inclusive of 14,000 impaired homes and the destruction of 30% of the housing stock. In addition appraisals make reference of damage or devastation of 90% of the country’s buildings leaving 18,000 citizens homeless and according to the Network Information Service approximately 8% of the labor force lost the means to a livelihood thus increasing unemployment to 20%. Rippling effects are likewise accountable for a negative downturn of 3% in 2004 in contrast to a positive growth of 5.8% 12 months earlier and public debt at 110% of GDP over a 7 year period (See **Table 4** on public debt/GDP) (IEDP- Grenada, 2010).

Table 4: Public Debt by % of GDP

<i>Period</i>	Percentage of GDP
1997-2000	20%
2001	30%
2002	100%
2004	130%

Source: 2010 IEDP - Grenada

A combination of past contractual obligations, dependence on a tourism industry in need of a revival, and exports and imports for domestic consumption subsequent to hurricanes Ivan and Emily heightened the nation's expenses beyond EC\$12.5 million in the year 2005. In fact between capital expenditures, the wage bill and revenues the island was responsible for a fiscal deficit of EC\$72 million which translates to 6% of its annual income. By 2006 this predicament required the generation of EC\$150 million up EC\$100 million from the previous year to shrink expanding fiscal cavities.

The year 2006 will also be remembered unfavorably for a debt service burden on the rise and reflective of the end of a grace period from the Paris Club during which interest rates stood at 1.0% but soared to 2.5% in 2009. Adding insult to injury, the same year GDP fell by 7.7% as a consequence of the contraction of economic activity largely due to a decline in tourist arrivals and a southern shift in FDI financed construction.

A depressing conclusion was anticipated unemployment at 30% by the last quarter of 2009 originating from terminations in the tourism industry. Unfortunately the dismissal of an estimated 10% of employees at Caribbean Agro Industries, a flour company in June and 40% of staff in September at the telecommunications company LIME escalated the grave situation. Moreover the prolonged recession influenced the incurring of additional loan arrangements with the IMF between the years 2006 and 2008 and in 2010 recorded at \$18.2 million and \$13.3 million respectively to offset food and fuel prices and bolster economic transformation (IMF transcript 2005; Go Jamaica press release 2006; IMF press release 2006, 10; IMF/World Bank doc 2010).

In short, besides uncontrollable natural calamity the deteriorating state of affairs is rooted in capitalistic disposition in the form of surging oil prices on the global market, competition from low cost producers the likes of China and India and an addiction to foreign aid (See **Table 5** on IMF assistance).

Table 5: IMF Loans to Grenada

<i>Month/Year</i>	Amount
<i>February 2003</i>	\$4 million
<i>November 2004</i>	\$4.4 million
<i>April 2006 - July 2008</i>	\$18.2 million
<i>June 2010</i>	\$13.3 million

Source: IMF Press Release. May 12, 2005, April 17, 2006, April 2, 2010.

By 2011 the Grenadian Ministry of Finance summarized the dismal showing as follows:

- Inflation is higher
- FDI flows have dried up
- Travel receipts have declined
- Private sector credit has declined
- Import-Export gap remains wide
- Fuel prices are high
- Debt to GDP ratio remains high
- Expenditure is growing faster than revenue
- Wage bill dominates government spending

On February 19, 2013 the severity of the damage caused the electorate to call into question the effectiveness of the Tilman administration with a crushing rejection at the polls that returned the New National Party to office and left the outgoing government without a seat in parliament.

If dreams were true past and present governing bodies would reap credit from a false notion of achievement on the island as defined by the United

Nations Development Program's (UNDP) Human Development Index (HDI). Yet such barometer distorts proper interpretation of the economic situation on the ground as its acknowledgement of investments in health (life expectancy) and education (literacy and gross enrollment) and associated contributions are at times at odds with the country's economic growth. During the period 1990 to 1999 both HDI at 0.776 and economic growth of 6.1% are elevated as opposed to the next decade which records both at 0.777 and 1.8% respectively (**Table 6** on discrepancy).

Table 6: Grenada's Economic Growth

<i>Period</i>	Growth
1990-99	6.1%
2000/10	1.8%

Source: Vanus James, in collaboration with Heather Ricketts and Rosalea Hamilton (2012), Development Paths in the Caribbean: A complex relationship between Competition and Integration. Report prepared for UN ECLAC

The contradiction widens with an examination of specifics on social status. While the mean HDI stood at 0.776 during 1991-1999, the value fluctuated downward to 0.754 at the start of the 21st century and soared to 0.777 in 2007/8. Such HDI disclosures are unreliable as they conflict with social performance in 1996, 1998 and 2007/8 (See **Table 7** on inconsistency).

Table 7: Grenada's Poverty and Unemployment Rate (1996, 1998 and 2007/8)

<i>Period</i>	Poverty Incidence	Unemployment Rate
1996		17.5
1998	32.1	
2007/8	37.7	24.9

Source: Central Statistical Office, Grenada and cited by Kairi Consultants Ltd, 1999/2009.

Apart from the standard statistical calculations a true picture of the crisis may more so be gleaned from a household survey conducted in 2007/8 in which 42% of the respondents felt the economic situation was much worse, 24.4% were of the opinion it was a little worse, 16% felt it was the same and 16.2% concluded it was getting a bit better since 1998 (Ricketts 2013).

At present turbulence fills the air as does prematurity to return a verdict regarding the performance of new management but the incoming party must confront its promises of employment and productivity amidst a national debt of \$EC2.3 billion, a March 2013 default of \$EC19 million due to US bondholders that laid the foundation for the reduction of the country's credit rating by Standard & Poors to SD, a public sector wage bill of approximately \$EC30 million per month and the insistence of international creditors that debt restructuring involves collaboration with the IMF. Can the NNP resist embarking on a high interest borrowing binge to gain the confidence of its people or can she adopt a structural adjustment program void of massive layoffs, intrusive value added tax (VAT) and income tax that commences the reversal of a cycle of doom? (The New Today 7/3/13; 7/10/13).

Frankly Grenada's post-revolution aftershock was coupled with disadvantages primarily US priorities elsewhere. In fact the following citation though decades old is a testament to such reality.

“To put it mildly, our presence particularly in the poorer western and northwestern sections of the island no longer occasions the universal adoration that is supposed to be our due as heroic champions of democracy... The reason for our cool reception is not entirely clear but it seems to have less to do with our invasion/imperialist rescue/adventure mission itself than with the follow up. That vast flood of American investment in Grenada, much anticipated in the years following the invasion has not materialized. Although the Agency for International Development has helped build some dandy roads, airport facilities and a mental hospital on a hill below Fort George (presumably to replace the one we accidentally bombed), US companies have overwhelmingly

decided that wonderful opportunities lie elsewhere. And now Uncle Sam is starting to cut back on the economic aid (to a still hefty \$10 million a year after pumping \$110 million into the country over five years), people are getting the impression that Grenada having served its public relations function will now be cast aside like a jilted lover. And to be honest who can blame them? What started out as a marriage made in heaven has begun to look more like a one night stand.”

The New Republic, April 1989

Considering this account of subordination and political and economic confusion experienced by Grenada, a former socialist state, plus a current US economic meltdown, why should Cuba, the lone communist nation in the region adhere to America’s dictates knowing her fate could be the same?

CONCLUSION

The predictable comportment illustrated by Washington, jolts memories of Thucydides’ account of the Melian debate on the Peloponnesian wars in which the Athenians consciously sidestepped issues of sovereignty and morality in favor of dominance. Centuries later Dominique Moisi, an authority on international affairs in his book entitled “Geopolitics of Emotion” concedes continuity to the notion of control by magnifying hazard and its connectedness to fear. “Emotions,” he conceives, “are essentially subjective if not purely irrational. To mix emotions and geopolitics can only be a futile perhaps dangerous exercise leading ultimately to the abyss of unreason epitomized by the pagan mass at Nuremburg during Germany’s descent into barbarity under Hitler” (Thucydides 431 BC; Moisi 2009).

Regardless of variations in wealth and size, and by extension economic significance and potential, the tale of both islands are entwined and strikingly similar in its relationship to a common denominator – domestic

and external misdeed. Throughout the 1930s-1950s Cuba was party to distorted democracy and commercialization orchestrated by the likes of unscrupulous figures such as Ramon Grau, Fulgencio Batista and Carlos Prío among others whereas by the early 1970s Eric Gairy's corruption manifested itself through the extortion of money from national enterprises and the terrorization of his political adversaries.

Amidst poverty which stood at an alarming 66.6% in the countryside Batista sustained power through uninterrupted Washington/Havana relations and US commercial endorsements. By the 1950s American investments included two of three oil refineries, over 90% of telephone and electric utilities, 50% of public railroads, most of the tourist and mining industries and seven of the ten largest agricultural ventures. Meanwhile US commodities (approximately 60% of all imports) received preferential tariff treatment in Cuba whereas a similar percentage of Cuban exports to the US were purchased below fair market value (Cardoso 1992).

In the case of Grenada, Washington's political and financial endorsement was also menacing. Gairy's continuous electoral return to office was always acknowledged by US administrations and encouraged through official channels. The dubious champion of the Westminster model of government received monetary subsidies as well from his northern neighbor prior to the Carter administration's approval of the Caribbean Group for Cooperation in Economic Development which promoted five aid projects.

By the same token the White House's defiance towards socialism triggered a disturbing response to the abrupt termination of a dictatorship and its replacement with a new Cuban directorate which included the severing of diplomatic and economic connections with Havana. The White House later utilized the State Department particularly the CIA to instigate the Bay of Pigs, the Cuban Missile Crisis and numerous assassination attempts on the life of Fidel Castro.

An analysis of US department concerning revolutionary Grenada highlights said traits. Diplomatic affiliations were strained and fiscal support withheld as the State Department engaged in political warfare with the Bishop regime

which subsequently propelled the CIA's infiltration – the disguised demise of the four year administration.

Following a short lived conversion Grenada is reminiscent of the past. Despite financial promises by the West namely America and changing elected governments the country has failed to address its infrastructure and the economic plight of an ever expanding lower class. In fact limited foreign investment while benefiting a few, prompted the flight of capital to overseas interests.

Albeit slow in execution, in light of current global economic circumstances Cuban society is undergoing transformation in relation to the ownership of property, business practices and partnerships and access to goods and services which would suffer with the return to imperialism. The Obama administration's overtures on travel and access to US remittances are welcomed but shock therapy void of consensus would introduce a rebirth of the Gairy/Batista epoch as US public policy scenarios would articulate foreign dominance within the nation's private sector, disregard local development and regrettably cultivate graft. Once again local elected officials would demonstrate compliance with Washington's directives resulting in the emergence and subsistence of American ownership of lucrative industries at the expense of the working class.

With the Cold War a relic of the past, Washington should reconsider its stance on Cuba or else its accountability for a lost revolution could erase the existing national pride of resoluteness and in its place resurrect a ghost – servitude on the island (Pastor 2000).

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