

**Thomas Klak, ed..** *Globalization and Neoliberalism: The Caribbean Context*. Lanham, Md.: Rowman & Littlefield Publishers, 1998. xxiv + 319 pp. \$113.00, cloth, ISBN 978-0-8476-8536-3.

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**Published on** H-LatAm (June, 2000)

In 1929, in a publication subsidized by the United Fruit Company, Samuel Crowther celebrated the rise of "a new kind of empire" in the "American tropics" that transcended political sovereignty and nationalistic self interest. The United States had attained leadership of this novel formation, he held, "not by armed force, but by a power greater than can be exerted by arms -- the power of mutual interest." The member states that followed the U.S. lead were "as free and as independent" as their poverty would permit, a cause for optimism in his view, since everyday they were "becoming less poor and therefore more free and independent." [1] Crowther's concept of an empire of mutual interest finds a distant echo some seven decades later. In a recent speech, Shigemitsu Sugisaki, Deputy Managing Director of the International Monetary Fund, labeled the Caribbean "a valued branch of the IMF's global family." Like Crowther, Sugisaki believed that "ultimately, the destiny of any nation lies in its own hands," but he hoped that the countries in the region would "pursue the sort of sound macroeconomic and structural policies which the IMF advocates to its members across the world" while allowing the Fund and other international institutions to "play our part in helping the Caribbean fulfill its economic potential." [2]

Despite the congenial, generally optimistic tone of his remarks, the Deputy Managing Director of the IMF found himself obliged to note that

economic growth in the Caribbean over the last twenty years had proven only "relatively modest," not "strong enough to bring about significant reductions in what remain distressingly high rates of unemployment and poverty." Thomas Klak and the other contributors to *Globalization and Neoliberalism. The Caribbean Context* would fully concur with Sugisaki's observation that the region's "economic performance cannot be considered fully satisfactory until there is a marked improvement in these indicators." In fact, they would go further. From the long-term perspective they exercise in this volume, they would argue that these endemically high rates of unemployment and poverty demonstrate that the Caribbean has never enjoyed any regional or global order built upon the reciprocal principle of mutual advantage, certainly not in the time of Samuel Crowther nor in the current age of neoliberalism.

In an introduction entitled "Thirteen Theses on Globalization and Neoliberalism," Klak contends that the Caribbean today experiences more continuity than discontinuity with past patterns of subjection, a renovation of rather than a departure from earlier forms of economic domination. "The Caribbean's historical global integration, modernization, and industrialization," he writes, "underlie the region's abject dependency, which continues to the present. The Caribbean region is now largely independent from Europe politically but is still reeling under the historical legacies of

dependency on outside authorities, suppliers, markets, and geopolitical agendas. Now that the entire world has entered the present era of (U.S.-dominated) globalization, the Caribbean offers a chronicle of the impact produced by exposure to many previous rounds of transformations of global capitalism" (p. 6). The ten contributors to *Globalization and Neoliberalism. The Caribbean Context*, most of them geographers, share the perspective of analysts such as Jean Grugel who see the Caribbean of the early twenty-first century in the midst of "a series of crises which prevent the people of the region from realizing their potential. Unless these problems are addressed, the region will continue to face deepening poverty for most of the population, *whatever* the macroeconomic situation, and thus potential political instability." [3]

Klak, a geographer at Miami University of Ohio, sets the tone for other authors in the volume when he argues that the concept of globalization has become like the emperor's clothes -- "neither the mass media nor scholars define it, much less interrogate it against evidence. In fact, *globalization* is perhaps the most overused, abused, and dangerous euphemism for the current restructuring of global capitalism." (p. 3) It offers the illusion of a "global village" to which all belong, but, in fact, the countries of Western Europe, North America, and Japan derive most of the benefits from prevailing global economic patterns, marginalizing the vast majority of humanity. Niche markets and global commodity chains today provide new details to economic exchange, but the end results duplicate the legacies of the exports of old -- widening gaps in wealth and power between Core and Periphery. The movement of peoples and cultural influences from South to North may be greater than in the past, but these flows do not alter the vast inequalities in living conditions and opportunities that continue to prevail between developed and underdeveloped societies. Renewed "dependency," not Crowther's "freedom" and "independence" frame

the contemporary horizons of the Caribbean in Klak's opinion. "In essence," he states, "neoliberalism is a movement toward a more laissez-faire capitalism in the global periphery" (p. 17), a "one size fits all" framework that goes well beyond any matter of "not being sufficiently sensitive to the special problems faced by small economies in general, and those of the Caribbean in particular" for which Sugisaki apologized on behalf of the IMF in his address.

Subsequent writings in the volume attempt to articulate Klak's overall perspective in the light of specific issues of historical and contemporary import. Dennis Conway of Indiana University examines the experience of the post-independence development strategies pursued by some Caribbean societies from the 1960s to the present. He also analyzes the potential strengths and weaknesses of small sovereignties in a globalizing world economy. Conway argues that Caribbean island societies, whether pursuing relatively conservative or more radical development models, remained unable to break the bounds of neocolonial dependence. National plans, regional integration efforts, and external hegemonic schemes such as the Caribbean Basin Initiative (CBI) have, if anything, left the societies of the Caribbean "even smaller geopolitical players in this globalizing world." (p. 30) He finds that "serious commentary on the place the Caribbean holds in today's globalizing economy is anything but optimistic." (p. 47) Conway tempers this downbeat evaluation by exploring the often-overlooked advantages that, under the right conditions, small states could have in the world economy: strong social cohesion and identity; efficiency in the provision of transportation, communication, and services; and flexibility in adapting locational advantages and labor-capital relations to changing conditions. He concludes that "management skills and human resource development are the keys to a sustainable future for Caribbean peoples." (p. 62)

Dennis Gayle of Florida International University follows with a detailed examination of trade policies and hemispheric integration processes as they have influenced the Caribbean in recent years. By his account, the various workings of the CBI, the Caribbean Community and Common Market (CARICOM), and the North American Free Trade Agreement (NAFTA) seem to have done little to fulfill in practice the potential advantages of smallness that Conway held out. Gayle argues that economic vulnerability continues to hold sway in the region. Global agreements on trade liberalization are scheduled to abolish the preferred access to European markets that some Caribbean banana exports have enjoyed as well as special access provisions that have existed for Caribbean apparel shipments to the United States. Caribbean states scramble to diversify their economies with a plethora of non-traditional exports and services amid an atmosphere of structural adjustment, high unemployment and underemployment, and insecurity about the future.

The next four essays in *Globalization and Neoliberalism. The Caribbean Context* continue with Gayle's theme of the search for economic diversification. Klak combines with Garth Myers of the University of Kansas to examine the ways by which Barbados, Haiti, Jamaica, and St. Lucia "sell their countries and their people" (p. 87) in attempting to induce global investors to establish export processing zones (EPZs) on their territories. They find that the promotion efforts by all four island governments claim to offer low-wage, pliable labor combined with sophisticated, high-tech communications services in an atmosphere of tropical paradise. None of this investor friendliness has reproduced the East Asian experience of gaining economic mastery by moving up the value-added export chain. Instead, the two authors conclude that in the context of the Caribbean, "the promotion of export manufacturing demands a high price from Third World governments and workers in exchange for fleeting and inadequate levels of foreign investment." (p. 109) The article

by Beverley Mullings of Syracuse University on Jamaica's information processing industry obtains the same findings. In a 1986 agreement with the IMF, Jamaica agreed to augment its exports by developing information processing, yet over a decade later, despite the rapid expansion of this new service, its earnings remain but a tenth of those of the garment industry. Basic data-entry jobs still predominate with little sign of movement into more value-added functions with higher earning capabilities.

The contributions by Janet Momsen of the University of California at Davis and James Wiley of Hofstra University provide cautiously favorable assessments of economic diversification efforts in the Caribbean. In a study of tourism and agriculture, Momsen argues that developmental linkages between tourism and local agriculture have begun to emerge as the Caribbean tourist industry has matured and as the globalization of food consumption habits has induced travelers to seek out local specialties. Caribbean farmers, facing low returns on traditional agricultural exports, have emphasized new food products with stronger earning power to be sold within CARICOM markets and increasingly to tourists and resort hotels. Momsen remains hopeful but careful in her assessment. She proclaims no economic "miracles," an approach followed by Wiley in his study of Dominica's moves to establish a variety of special market niches for new exports to replace the island's precarious dependence upon the sales of its bananas in Europe.

Dominica's tiny size (its land area is less than one-fourth that of Rhode Island, its population about three-quarters that of Peoria, Illinois) creates a singular test case for Conway's theorizing about the economic possibilities of small sovereignties in the era of globalization. Wiley argues that "the issue of scale strongly suggests that small island states will be unable to compete with any large country that seriously pursues production for export of a given good." (p. 165) A niche

marketing strategy makes some sense for Dominica, he notes, since it is "oriented toward overcoming the disadvantages of the country's small size by focusing on production of specialty goods for which a factor other than the price is the primary purchase consideration. This alleviates the need to achieve the economies of scale that Dominica can never realistically expect to attain and accentuates those items for which the island's endowments are well suited" (p. 174). He judiciously concludes that this new approach for Dominica "may reduce the vulnerability that has always characterized its highly specialized economy, but it is never likely to achieve stability. The niche market approach will require continual effort if it is to be sustainable. Its flexibility will be tested regularly by consumer tastes that change frequently, especially those tastes emanating from upscale markets . . . . [Diversification] may ultimately come to represent a new, more benign form of economic dependency than the colonial or neocolonial versions that preceded it" (p.176).

If the case of Dominica provides sober suggestions about the optimum likely conditions of survival for small island communities in the future, Cuba asks "the question of whether there is such a thing as limited capitalism" (p. 207) in the opinion of Paul Susman of Bucknell University. His account of the "special period" that followed the loss of Soviet subsidies with the end of the Cold War describes the contradictory conditions and "tense pressures" involved when "attracting foreign capital is one side of Cuba's policy, while the other side is trying to shelter the internal economy from global capitalism and trying to maintain an extensive (socialist) safety net" (p. 196). Susman remains unsure of what the outcome of the Cuban experiment will be. He asks whether "in the face of new domestic profit incentives, market relations, and the growing presence of foreign capital, will the Cuban people maintain the will and the consciousness to strive for a more just society" (p. 208)?

Even under the most optimistic of expectations, the changing economies of Cuba, Dominica, Jamaica, and the other Caribbean societies struggling to cope with globalization will not be able to employ all of their young. The essays by Roger-Mark De Souza of the World Resources Institute and the late Aaron Segal make clear that migration to centers of work in the United States and Western Europe will continue to constitute a central element in the economic, social, and cultural life of the region. As De Souza remarks, "Caribbean mobility patterns reflect a growing complexity of interwoven transnational relationships among a people accustomed and historically disposed to migrate" (p. 250). Creative power lies within those relationships, as Klak and Conway note in their conclusion to *Globalization and Neoliberalism. The Caribbean Context*. "The future of every Caribbean society is inextricably tied to the wider world, which would include overseas enclave sojourners, emigrant relatives, and expatriates as essential functionaries, not lost emitters" (p. 272). They end the volume by highlighting how many Caribbean issues are, in fact, global issues. "Caribbean peoples and researchers," they contend, "are united with many others in the world community who are concerned about the human and ecological impacts and future viability of a political economy based upon neoliberalism and globalization" (p. 274).

While *Globalization and Neoliberalism. The Caribbean Context* clearly articulates the vulnerability of the Caribbean in the midst of globalizing economic forces, a perspective presented by other recent evaluations of the region,[4] it lacks specific introductory economic information. Naturally, any edited collection on the Caribbean can always be faulted for having omitted something that a reviewer would have wished to see. Nevertheless, *Globalization and Neoliberalism. The Caribbean Context* should have provided a basic economic information context in order to make itself suitable for undergraduate and other non-specialist audiences.[5] Nowhere does this volume offer an

up-to-date economic profile of the Caribbean with discussion of the relative size of its economies, their export shares and labor force activities, their income distribution and quality-of-life patterns, their levels of international debt, and their public investment in critical services such as education. The establishment of a economic background chapter by either Klak or Conway at the start of the book would have enhanced the utility of the detail on Caribbean trade and migration patterns contained later in the essays written by Gayle and by Segal.

Moreover, *Globalization and Neoliberalism. The Caribbean Context* pays no attention to the two societies with the largest economies in the region, Puerto Rico and the Dominican Republic. Each merited an essay in this volume. Puerto Rico has the longest experience in the Caribbean of an economy highly integrated with that of the United States on the basis of low-wage manufacturing exports and extensive labor migration.[6] The Dominican Republic, "in terms of assembly-manufacturing and services exports, has gone the furthest of any Caribbean country in linking itself to the world economy." [7] Since the essays by Klak and by Conway rely heavily upon conceptual abstractions, a factual examination of the economies of these two societies might well have contributed to fortifying the empirical basis for the book's arguments about the negative impact of neoliberal policies upon the Caribbean. One study of the Dominican Republic, for example, found that "heightened precariousness and informalization are the most evident labor-market consequences of the country's export-oriented policies and economic change." [8] The Inter-American Development Bank recently cited the Dominican Republic as one of the most critical examples of a wide gap between elite income levels and those of the rest of society.[9]

Social issues also deserve more extensive empirical treatment from *Globalization and Neoliberalism. The Caribbean Context*. Some essays rely

too heavily on rhetorical expression of social concern when they should have paid more attention to concrete investigation of changing social conditions. Not all Caribbean societies have experienced the same social consequences as a result of globalization and neoliberalism, at least to the extent that social conditions are measured by the Human Development Index (HDI) of the United Nations Development Programme (UNDP). Between 1993 and 1998, for example, the UNDP reported improved HDI rankings for Antigua and Barbuda, Dominica, the Dominican Republic, Grenada, St. Kitts and Nevis, St. Vincent, and Sta. Lucia, while Barbados, Cuba, Jamaica, Guyana, and Trinidad and Tobago all fell, and the Bahamas and Suriname remained the same.[10]

Specific forms of labor struggle in the contemporary Caribbean, such as the successful effort of Dominican maquiladora workers to gain greater rights to organize and bargain, merit examination.[11] So do issues of gender, mentioned on occasion in the volume, but not extensively explored, a curious omission since Momsen has previously written on gender relations and Mullings counts them among her research interests. Studies have long since established the importance of women's work in Caribbean economic change. [12] Moreover, the prevalence of "sex tourism" in the Caribbean in the age of globalization, particularly in Cuba and the Dominican Republic where it has become "embedded in the economy," [13] should have made this notorious activity a subject for analysis in this volume. Susman's discussion of "Cuban socialism in crisis" remains woefully incomplete without discussion of this burgeoning "industry." In Cuba, "State support or tolerance of this form of tourism is evident." [14] Cuban sex tourism constitutes a powerful example of the "illegal solutions" and corrosion of order that have been part of the efforts of the Cuban system to survive in a post-Cold War context.[15]

Any publication concerned with migration as part of the age of globalization should have seri-

ously taken into consideration the research questions and concepts of the growing field of international migration theory.[16] The two articles by Segal and De Souza provide useful information, but they need to link their findings to contemporary U.S. labor market demands for Caribbean workers and particularly to other scholarship on "transnational communities." In the view of scholars like Alejandro Portes, for example, the contemporary movement back and forth between homeland and land of adoption has generated "an option to ordinary people not present in the past. As the process acquires momentum, grass-roots transnationalism has the potential of subverting one of the fundamental premises of capitalist globalization, namely that labour stays local, whereas capital ranges global." [17] Portes' suggestion would have fit well with Klak and Conway's recommendation for "focusing on the creative energies of Caribbean people" and on their retention of identity "despite absences, transnational experiences, and even transnational lives" (p. 267).

*Globalization and Neoliberalism. The Caribbean Context* should have gone further with its own lines of inquiry. To do so would have required a less dismissive view of globalization. Klak is simply wrong when he categorically states that scholars have neither defined the concept of globalization nor interrogated it against evidence. Researchers such as Saskia Sassen, Manuel Castells, or David Held have devoted considerable critical thought to both defining globalization and questioning many of the widespread facile assumptions that are made about it.[18] Sassen's attention to the experiences of working people and the role of place within globalizing processes should have great import for students of the Caribbean.[19] Klak makes a serious mistake in identifying the concept of globalization exclusively with the ideological proponents of unfettered markets and technological change.[20] The fact that propagandists are engaged in "selling globalization" through a series of illusions about the present and future does not mean that globaliza-

tion itself does not exist or that it is simply the same old story of past capitalism and imperialism in a new disguise. If globalization really is, as Klak states, "the current restructuring of global capitalism," then the characteristics of that restructuring have to be empirically researched.[21] The best essays in *Globalization and Neoliberalism. The Caribbean Context*, those of Gayle, Momsen, Mullings, and Wiley, did just that.

Similarly, the term "neoliberalism," defined only as "a country's ticket or passport to the globalizing economy" and "globalization's policy affiliate" (p. 3) needs to be both explicated and disaggregated. Neoliberal policies in the Caribbean and Latin America have involved strict fiscal management, the liberalization of trade and financial markets, privatization of state firms, and the restructuring of labor markets in the direction of greater flexibility.[22] The execution and impact of these policies have not been uniform throughout Latin America and the Caribbean. Therefore, they need to be discussed in a more precise fashion rather than constantly lumped together into a monolithic whole. Some "neoliberal" measures, in fact, involve advocacy of the same sort of investment in human capital favored in *Globalization and Neoliberalism. The Caribbean Context*. [23]

These critical comments should not be taken as either a defense of "neoliberalism" or as a rejection of the value of this edited collection. Like all academic works seeking to explore complex contemporary processes of great import, *Globalization and Neoliberalism. The Caribbean Context* possesses some notable limitations. It is, nevertheless, a worthwhile volume worthy of the attention of students of the global economy and of the Caribbean.

#### NOTES

[1]. Samuel Crowther, *The Romance and Rise of the American Tropics* (Garden City: Doubleday, Doran, and Co., 1929), 2.

[2]. Shigemitsu Sugisaki, "Challenges and Opportunities: The I.M.F. and the Caribbean," ad-

dress to the High Level Seminar on the Caribbean, St. Peter, Barbados, 8 February 2000, <<http://www.imf.org/external/np/speeches/2000/020800.htm>> (24 February 2000).

[3]. Jean Grugel, *Politics and Development in the Caribbean Basin. Central America and the Caribbean in the New World Order* (Bloomington: Indiana University Press, 1995), 233.

[4]. See, for example. Rosemary Thorp, *Progress, Poverty, and Exclusion. An Economic History of Latin America in the 20th Century* (Washington: Inter-American Development Bank, 1998), 267-272.

[5]. Klak has provided more ample economic information suitable for non-specialist audiences in a recent essay in another edited volume: Thomas Klak, "Globalization, Neoliberalism, and Economic Change in Central America and the Caribbean," *Latin America Transformed. Globalization and Modernity*, eds. Robert N. Gwynne and Cristobal Kay (London: Arnold; New York: Oxford University Press, 1999), 98-126.

[6]. See Emilio Pantojas-Garcia, *Development Strategies as Ideology. Puerto Rico's Export-Led Industrialization Experience* (Boulder: Lynne Rienner; Rio Piedras: Editorial de la Universidad de Puerto Rico, 1990).

[7]. Jose Itzigsohn, "The Dominican Republic: Politico-Economic Transformation, Employment, and Poverty," *Global Restructuring, Employment, and Social Inequality in Urban Latin America*, eds. Richard Tardanico and Rafael Menjivar Larin (Miami: North-South Center Press, 1997), 47.

[8]. Ibid, 64.

[9]. Inter-American Development Bank, *Facing Up to Inequality in Latin America. Economic and Social Progress in Latin America. 1998-1999 Report* (Washington, D.C.: Inter-American Development Bank; Baltimore: Johns Hopkins University Press, 1999), 15.

[10]. United Nations Development Programme, *Human Development Report 1993* (New

York: Oxford University Press, 1993), 135-136 and United Nations Development Programme, *Human Development Report 1998* (New York: Oxford University Press, 1998), 128-129.

[11]. Henry J. Frundt, *Trade Conditions and Labor Rights. U.S. Initiatives, Dominican and Central American Responses* (Gainesville: University Press of Florida, 1998), 207-227.

[12]. See, for example, Helen Safa, *The Myth of the Male Breadwinner: Women and Industrialization in the Caribbean* (Boulder: Westview Press, 1995).

[13]. Kamala Kempadoo, "Introduction. Globalizing Sex Workers' Rights," *Global Sex Workers. Rights, Resistance, and Redefinition*, eds. Kamala Kempadoo and Jo Doezema (New York: Routledge, 1998), 16.

[14]. Ibid.

[15]. On the changes in post-Cold War Cuba, see Susan Eva Eckstein, *Back from the Future. Cuba Under Castro* (Princeton: Princeton University Press, 1994), especially chapter 4. While Eckstein does not examine sex tourism, discussion of it in the Caribbean can be found in other articles in *Global Sex Workers*, eds. Kempadoo and Doezema; Lois M. Smith and Alfred Paddle, *Sex and Revolution. Women in Socialist Cuba* (New York: Oxford University Press, 1996), 178; and two articles by Alma Guillermoprieto: "A Visit to Havana," *The New York Review of Books*, 45.5 (1998) and "Love and Misery in Cuba," *The New York Review of Books*, 45.10 (1998). For a novel whose plot is constructed around the complicity of state security elements in the sex tourist industry, see Martin Cruz Smith, *Havana Bay* (New York: Random House, 1999).

[16]. See, for example, Douglas S. Massey, Joaquin Arango, Graeme Hugo, Ali Kouaouci, Adela Pellegrino, and J. Edward Taylor, *Worlds in Motion. Understanding International Migration at the End of the Millennium* (Oxford: Clarendon Press, 1998).

[17]. Alejandro Portes, Luis E. Guarnizo, and Patricia Landolt, "Introduction: Pitfalls and Promise of an Emergent Field," *Ethnic and Racial Studies* 22.2 (March 1999): 227.

[18]. For Saskia Sassen, see *The Global City. New York, London, Tokyo* (Princeton: Princeton University Press, 1991); *Cities in a World Economy* (Thousand Oaks, Calif.: Pine Forge Press, 1994); and *Globalization and Its Discontents. Essays on the New Mobility of People and Money* (New York: New Press, 1998). See also Manuel Castells, *The Information Age: Economy, Society, and Culture*, 3 vols. (Cambridge, Mass.: Blackwell, 1998); David Held, Anthony McGrew, David Goldblatt, and Jonathan Perraton, *Global Transformations. Politics, Economics, and Culture* (Stanford: Stanford University Press, 1999).

[19]. Sassen, *Cities in a World Economy*, 6-7, and *Globalization and Its Discontents*, xx.

[20]. For such views, see Kenichi Ohmae, *The End of the Nation State. The Rise of Regional Economies* (New York: The Free Press, 1995).

[21]. Arif Dirlik calls globalization "the new global capitalism," a term he uses to talk about its distinctive new features. See Arif Dirlik, "The Post-colonial Aura: Third World Criticism in the Age of Global Capitalism," *Dangerous Liaisons. Gender, Nation, and Postcolonial Perspectives*, eds. Anne McClintock, Aamir Mufti, and Ella Shohat (Minneapolis: University of Minnesota Press, 1997), 517-519.

[22]. Robert N. Gwynne and Cristobal Kay, "Latin America Transformed: Changing Paradigms, Debates and Alternatives," *Latin America Transformed*, eds. Gwynne and Kay, 14.

[23]. Inter-American Development Bank, *Facing Up to Inequality in Latin America*, chapter 5.

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**Citation:** Arthur Schmidt. Review of Klak, Thomas, ed. *Globalization and Neoliberalism: The Caribbean Context*. H-LatAm, H-Net Reviews. June, 2000.

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