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ECONOMIC COMMISSION FOR LATIN AMERICA
Subregional Headquarters for the Caribbean
CARIBBEAN DEVELOPMENT AND CO-OPERATION COMMITTEE
Ad Hoc Working Group on Caribbean/Latin
American Co-operation
Port-of-Spain, Trinidad and Tobago
1-2 February 1984



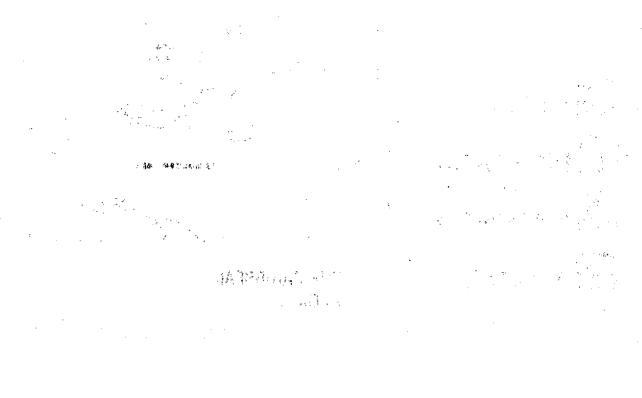
REPORT OF

THE AD HOC WORKING GROUP

ON

CARIBBEAN/LATIN AMERICAN CO-OPERATION





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#### ORGANIZATION OF THE MEETING

- 1. The first Ad Hoc Working Group meeting on Caribbean/Latin American Co-operation was held at the Holiday Inn Hotel, Port-of-Spain, Trinidad and Tobago from 1-2 February 1984.
- 2. Representatives from the Bahamas, Barbados, Belize, Dominican Republic, Haiti, Jamaica, Saint Lucia, Suriname and Trinidad and Tobago and various regional and subregional institutions attended. A list of participants appears at Annex I.
- 3. Election of Officers (Agenda item 1.)

  The following officers were elected to preside over the meeting:

Chairman: Mr. Christopher Thomas (Trinidad and Tobago)

Vice-Chairman: Mr. Eligio Bisono (Dominican Republic)

Rapporteur: Mrs. Cordell Wilson (Jamaica)

4. Adoption of the Agenda (Agenda item 2.)
The following a genda was adopted:

- i) Election of officers
- ii) Adoption of Agenda and Organization of work
- iii) Discussion of Paper "Caribbean/Latin American Co-operation"
- iv) Approval of Future Programme of Action in Caribbean/Latin American Co-operation
- v) Any other business
- Delegates and guests were welcomed and the meeting opened by the Acting Director of the Economic Commission for Latin America (ECLA) Subregional Headquarters for the Caribbean, Mr. Wilfred Whittingham. In his opening address the Acting Director traced the genesis of the meeting and the preparatory activities carried out since the adoption of ECLA Resolution 440(XIX). He said that the meeting marked the culmination of the first phase of activities in the programme for Caribbean/Latin American Co-operation mandated at the Nineteenth Session of ECLA. He indicated that the purpose of the meeting was to refine the text of the main conference document "Caribbean/Latin American Co-operation" (CLAC/WG/83/1) and agreed on a series of preliminary

ideas which would form the basis of the future ECLA work programme in Caribbean/Latin American Co-operation. The document was intended for the Twentieth Session of ECLA and would be circulated for the information of all delegates.

# 6. Discussion of Paper (Agenda item 3.)

In his introductory remarks the representative of the Secretariat listed the background documents on Economic Relations prepared by ECLA subregional offices which provided inputs into the main working document, as follows:

- i) Economic Relations of Central American countries and the Caribbean (E/CEPAL/G.1197) prepared by the ECLA Office in Mexico;
- ii) Economic Relations of Colombia and Venezuela and the Caribbean, prepared by the ECLA Office in Colombia; and
- iii) Economic Relations and Co-operation between Brazil and the Caribbean (E/CEPAL/BRAS/INT.9).
- 7. The Secretariat indicated that the initial contribution of the ECLA Subregional Headquarters for the Caribbean was the document entitled "Caribbean/Latin American Relations" (CEPAL/CARIB 82/16) prepared by consultants Don Mills and Vaughan Lewis. Since that document dealt comprehensively with socio-political aspects of Caribbean/Latin American Relations no attempt was made to incorporate it into the present working document which focused on Economic and Technical Co-operation. Both documents should therefore be seen as complementary to each other.
- 8. Note was also taken of the fact that the Mills/Lewis report on Caribbean/Latin American Relations had been comprehensively analysed at a meeting of the CARICOM working party on Foreign Relations, organised consecutively with the present meeting and which had been attended by most of the present participants.
- 9. The Secretariat indicated that the working document before the meeting therefore attempted to present a brief picture of both groups of countries and a compendium of some of the initiatives being taken between them in economic and technical co-operation. In the Annex it had also

indicated some of the areas in which future action might be pursued. Belegates were therefore requested to give their comments on the general orientation of the document, to ensure its accuracy, as well as on the more specific proposals for future action which would be included in the Annex to the final document.

- 10. In opening the substantive discussions it was stated that if co-operation between the two sets of developing countries was to have the special significance implied in South-South co-operation it would have to mean more than merely switching the same type of economic relations from the North to the South. The focus would need to be placed on development in its truest sense which implied optimizing the use of domestic resources. This objective could only be realised if partners in co-operation recognized the special needs and constraints of small developing island states. In this context it was repeatedly stressed that for economic relations to be effective they would have to take due account of the framework of socio-political and cultural relations existing between the Caribbean and Latin America.
- 11. Industrial complementarity was proposed as one mechanism that would advance Caribbean countries from being purely producers of primary products and increase the proportion of value added retained in the region. In this regard bauxite processing provided a concrete example of what might be possible. Similar initiatives had been pursued in the past and benefits might be derived from a study of these attempts.
- 12. It was recognized that for the initiative on Caribbean/Latin American relations to be successful the broadest participation of all sectors would be necessary. While the public sector had taken the lead in this initiative the involvement of academic and research institutions, professional associations, trade unions and Chambers of Commerce was necessary to create a heightened awareness of the present state of relations be tween both areas and of the potential benefits to be derived from increased economic and technical co-operation.
- 13. It was noted that there was a large gap in the perception of the public and private sectors with respect to South-South co-operation and the need was recognized for an increased dialogue between them.

This could take the form of providing the private sector with greater access to information on third world developments and the facilities being evolved to serve their interests. A greater level of contact between the businessmen of the Caribbean and Latin America was also seen to be necessary and the view was advanced that subregional organizations such as the Caribbean Association of Industry and Commerce (CAIC) should be used to facilitate such contacts.

- Note was taken of the fact that special arrangements regarding market access had been negotiated between Caribbean countries and major markets. These arrangements were however to be seen in the context of the special needs of small Caribbean states to allow them to compete more effectively on the international markets. Increased emphasis was now needed to be placed on production of non-traditional goods with high local content to enter these markets.
- 15. The view was advanced that some Caribbean countries had advanced directly to the services sector without being either producers of primary products or of manufacturers. It was envisaged that in future emphasis would also continue to be placed on the services sector, primarily tourism, although financial services of the off-shore type had been found beneficial to some countries and seemed to have potential for expansion. Note was also taken of the strategic location of the Caribbean mid-way between Latin America and the markets of North America and Western Europe, a fact which might signify some potential advantage in the field of trade and transportation services.
- 16. Trade was considered to be an area which held potential for an increase in activity. The fact that both sets of countries were suffering severe hard currency shortages created a constraint to increased trade but measures such as special settlements schemes were regarded as a possible palliative to the problems. Trade information also was deficient and ways would need to be found to increase the flow of information between the regions so as to identify potential trading opportunities. Trade promotion activities would need to be undertaken to interest potential purchasers in cases where competitive products were identified.

# 17. "Approval of Future Programme of Action in Caribbean/Latin American Co-operation"

Note was taken of the fact that the major elements of a future work programme were contained in the Annex to the main conference document. A comprehensively revised version was prepared as a result of discussions and is attached at Major additions to the original were made with respect to Private sector co-operation and Education, Culture and Information based on the general discussions.

- 18. It was also noted that this report and the revised main document and Annex would be submitted for consideration of Ministers at the Eighth Session of CDCC this year.
- 19. It was agreed that from the areas of interest identified in the Annex projects could be defined for implementation by the various institutions within the region. The projects could then be divided into categories appropriate for action in the short, medium and long terms, in accordance with the provisions of ECLA Resolution 440(XIX).
- 20. Some delegates expressed the view that the socio-political cultural aspects of Caribbean/Latin American co-operation would need to be carefully considered before effective programmes of economic and technical co-operation could be implemented. In this regard cognizance would need to be taken of the conclusions and recommendations of the task force on Caribbean/Latin American Relations once they had been approved by the CARICOM Standing Committee of Ministers responsible for Foreign Relations.

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# SOME PRELIMINARY PROPOSALS FOR ACTION

Programmes of Economic and Technical Co-operation between developing countries should adhere to the policies evolved and subscribed to by the 'Group of 77' developing countries aimed at establishing a new international economic order.

Initiatives developed between the Caribbean and Latin American countries should therefore seek to develop new relationships based on mutual co-operation and not on exploitation. They should give cognizance to the special needs of, and the constraints to development faced by small island developing states. Development should be seen as a dynamic process and investment should be directed to the objective of deepening the production process by maximizing the use of domestic resources.

On the basis of the foregoing and taking into account the potential that the two groups of countries have for strengthening and multiplying their co-operation links, specific proposals need to be made in order to realise this potential. Some preliminary proposals are presented below and are intended to assist in the preparation of specific projects. Since it is recognized that efforts in this area cannot be the sole responsibility of the public sector a basic criterion utilized in the identification of these proposals has been their capacity to stimulate the direct involvement of various agents either at the multilateral or bilateral levels, and specialized institutions in the public or private sectors.

#### A. TRADE

# Mutual Trade Settlement Arrangements

Inadequate access to traditional markets and foreign exchange scarcity havemade countries increasingly interested in different kinds of trade arrangements which may help to alleviate these problems. Among these arrangements, bilateral and trilateral barter trade agreements and the multilateral reciprocal payments systems are often first considered.

Latin America can supply the Caribbean countries with a wide range of raw materials and manufactured products which the latter presently obtains from the developed countries. The Caribbean has an exportable supply of such important products as crude oil and its derivatives, some minerals such as bauxite, nickel and asphalt, and some light manufactured products. Both groups of countries have experienced difficulties in selling one or more of these products in the markets of developed countries while at the same time they are confronted with a scarcity of foreign exchange for covering their import needs. Different forms of trade arrangements can be analysed which might make a useful contribution to alleviating these problems. Barter trade arrangements can be more easily negotiated when packages of products are involved, while the inclusion of more than two countries may increase the possibilities for beneficial exchange. Several countries of the region have already entered into such arrangements (Mexico, Cuba, Brazil, Guyana) and might be willing to make their experience available to others.

Payments systems have been operating for some time in both regions. Their existence has contributed to the sustenance of intraregional trade, while permitting savings of foreign exchange to the member countries. Trade between the regions might benefit if the aforementioned payments systems could be inter-connected. Individual countries or groups of countries might also explore the possibility of becoming members of the payments systems in the other region. Ways should also be explored to increase the funding of existing reciprocal payments arrangements.

In order to evaluate the possibilities outlined above, studies will need to be carried out to evaluate:

- (a) the range of products produced in the Caribbean for which an export potential to Latin America exists;
- (b) the range of products produced in Latin America for which an export potential to the Caribbean exists; and
- (c) the most appropriate payments mechanisms which will be necessary to facilitate trade between the regions in these products, given the scarcity

of foreign exchange. This should include a range of options from the use of hard currencies to barter operations and should provide an indication of the operating modalities as well as the relative costs and benefits of each option.

#### Trade Information

Countries generally are not adequately informed about trading opportunities in the other regions. The UNCTAD/GATT International Trade Centre co-operates with the individual countries in both regions in the establishment and the improvement of the national information systems while at the same time endeavouring to interconnect those national systems. The Secretariats of the Integration Schemes of the region also operate or are in the process of developing subregional trade information systems.

Efforts could be developed in the future to establish more fluid and organic contacts between the existing trade information systems, in order to make local trade information available to interested countries in the other regions. Countries with significant experience in trade information can pass such specific knowledge on to countries which want to establish similar systems or which want to improve existing ones.

Another important channel for exchanging trade information may be through national and regional associations of Chambers of Commerce and Industry. To facilitate such exchanges increased contact between the Chambers of Commerce in both regions should be encouraged. The organization of trade missions and the participation in national and regional trade fairs offer yet other means for increasing information on trade opportunities between the regions.

### Trade Promotion

Activities which can be developed in this field resemble those proposed for trade information. Many countries in the region have a great deal of experience with trade promotion systems and activities (Barbados, Brazil, Colombia, Jamaica, Mexico, Dominican Republic).

These countries have already expressed interest in sharing this know-how with other countries. An effective and inexpensive means of organizing this exchange of knowledge is by providing training and exchanging experts.

# Joint Marketing Activities and Joint Defense of Basic Products Exports

Caribbean and Latin American countries are already involved in joint marketing or defense of basic products exports, generally under the aegis of the UNCTAD or within the context of producers associations. It is felt that these common efforts can be stepped up, basically through the co-ordination of individual positions and possibly through the joint participation of Caribbean and Latin American countries in the international fora where these interests are being negotiated.

Joint marketing has proved to be difficult in practice, but its need has increased in the present adverse economic situation which has negatively affected demand and prive levels of basic products. For several of these products, Latin America and the Caribbean together account for a fairly high proportion of total world exports, a fact which gives the countries, as a group, an important potential negotiating power. Opportunities should be further explored to co-ordinate marketing and production decisions. Joint marketing could also be considered for certain manufactured products. Trading companies could be set up among several countries to take care of the international marketing operations which frequently cannot be undertaken effectively on the individual country level.

#### Investment

Caribbean countries have not been able to fully exploit the markets available to them due in part to shortfalls of exportable supplies. At the same time some Latin American countries have found it difficult to improve the terms of access to some markets.

Caribbean and Latin American countries might therefore find it beneficial to establish joint ventures producing for export to third countries in cases where articles are identified which can meet the origin criteria. They might take the form of multinational public sector enterprises or joint ventures of a private sector or mixed composition and could be structured to use purely Caribbean or a combination of Caribbean and Latin American inputs and should take account of experience gained in similar efforts in

the past, particularly in relation to differing legal and administrative practices.

#### Private Sector Co-operation

If Caribbean/Latin American Co-operation is to make its full impact on development, the private sectors in the respective areas will need to be made aware of the potential benefits to be derived from mutual co-operation. One obstacle to full private sector participation is the large gap in perception which exists between the public and private sectors.

It is proposed that .Caribbean private sector organizations should be acquainted at an early stage with the proposals being put forward for Caribbean/Latin American Co-operation and the initiatives being taken.

Increased economic information from general sources such as the media as well as research and consultancy studies should be made available to them or their respective research or organizational services as soon as it becomes available in order that trade and investment decisions could be made in a timely fashion.

At the same time it is desirable to induce national private sector organizations to convene regular regional meetings, as a useful means of exchanging trade and investment information.

#### B. SERVICES

#### Tourism

An untapped potential for tourism between the Caribbean and Latin America seems to exist. The potential is not realized because the inhabitants of one area are not adequately informed about the attractions of the other and because of other impediments to the easy movement of people from one area to the other such as infrequent and indirect transportation links and burdensome immigration restrictions.

Close contact should be established with national and regional tourism organizations to ascertain existing travel patterns and devise the steps needed to minimize or remove the constraints to increased tourism between the respective areas.

#### Banking

Several Caribbean countries are already important off-shore financial centres, based mainly on the liberal tax treatment given to such activities. Ways should be sought to utilize these facilities to develop expertise and attract the participation of new capital for productive activities in the region. Latin American investors could also use the national banking facilities of the Caribbean or other regional financial institutions for their operations in the area.

Travellers cheques denominated in non-convertible currencies such as the CARICOM travellers cheque denominated in Trinidad and Tobago dollars and backed by the respective Central Banks is an idea worth studying, since a similar scheme with the Caribbean might increase the flow of tourists to that region and so redress the unfavourable balance on visible trade which it has with Latin America.

The viability of establishing national branch banking facilities in direct inter-bank links with the other region should also be explored.

#### Storage and Distribution

Due to its geographically strategic location, the Caribbean is in a favourable position to play an enhanced role in the incoming and outgoing trade of Latin America with the rest of the world particularly the Gulf coast of Mexico and the U.S.A., the Central American Coast and the Northern Atlantic Coast of South America.

As the Panama Canal gave rise to large storage and distribution activities in this area, the Caribbean could develop its historical role - as an entrepôt for large quantities of Latin American products finally destined to outside markets, or vice versa.

There are three possible spinoffs to this idea:

- The usage of larger tonnage vessels on the long leg of the trip to Europe and the North/Eastern seaboard of the U.S.A. and Canada, which should entail reduced freight costs.
- Introduce Caribbean consumers to new sources of supply.
- Create conditions for productive activities in the Caribbean on the basis of Latin American intermediate materials.

In the past, the "service" capacity of the Caribbean has been recognized. Enclave industries and assembly plants utilizing inputs mainly from the U.S.A. and Canada were established, which added a measure of value to the processed goods which were reexported to the original markets. Natural resource inputs from Latin American countries plus the "service" advantage could merge in productive ventures that could have access to world markets and eliminate the constraint of Caribbean production that remains at low levels due to insufficient availability of natural raw materials. Means to promote this type of activity in the region are well-known and might include: free zones and ports and tax-free industrial estates.

# Construction, Engineering and Consultancy Services

The field of Construction, Engineering and Consultancy Services provides a potentially lucrative area in which developing countries can co-operate. New modalities will need to be found to permit smaller entities in the region through co-operative arrangements to achieve the size and bargaining power necessary to bid in the wider regional markets. At the same time such co-operative ventures would need to assist smaller states in the development of their resources in such a way as to ensure that one set of exploitative arrangements was not exchanged for another. It is recognized that a significant attraction of many large enterprises is the access they have to credit and while this is attractive to prospective clients it often entails significant concealed costs.

Some Latin American countries, principally Brazil and to a lesser extent Mexico and Argentina are developing their exports of engineering and consultancy services to other developing countries in fields such as construction, energy and mining and agro-industrial projects. The conditions of technology transfer, utilization of local factor inputs, follow-up trade and even finance are normally very competitive. For instance, royalties charged by Latin American firms are generally low in comparison to those charged by the United States and European firms.

The technologies used in these activities often have been adapted to specific conditions such as the factor endowments of developing countries. Joint Latin American/Caribbean activities can also be undertaken with benefits to be derived from the transfer of appropriate technologies, and the development of labour intensive activities that use Caribbean product inputs which can operate at relatively low scales. In this category might fall the construction of low-cost housing, or the establishment of agrobased industries, either through the export of appropriate plants or through joint ventures.

The possibilities of increased Latin American co-operation with the Caribbean through new and innovative models suited to the developmental goals and objectives of relatively small states should be explored.

#### C. TRANSPORT AND TRANSPORT RELATED INDUSTRIES

## Transhipment of Dry-bulk Commodities

Based upon the advantageous geographical proximity of the Caribbean to important markets in North, Central and South America as well as to major trade routes utilizing the Panama Canal, numerous islands already offer transhipment services for container and bulk-liquid cargoes. For example, Curação and Jamaica are major transhipment centres for containers, while Aruba, Bahamas, Curação, Saint Lucia and Trinidad and Tobago, provide similar services for petroleum products. In order to provide a full range of services to tranship cargoes as well as participate in their elaboration, some Caribbean countries have established free zones and others have constructed refineries and storage facilities.

No major transhipment centre has been established in the Caribbean for dry-bulk commodities.  $\frac{2}{}$  Since most Caribbean nations have continuing

 $<sup>\</sup>underline{1}/$  Major transhipment centres also exist in Puerto Rico, the Cayman Islands and the Virgin Islands.

<sup>2/</sup> Other countries have recognized the advantages of regional transhipment centres for dry-bulk commodities. In 1982 Taiwan established the Kaohsiung Bulk Transhipment Terminal and Malta is implementing a project which could establish the island as a transhipment centre for grains. The Government of Brazil has also initiated discussions with their counterparts in Japan to establish a transhipment centre in the latter country for Brazilian cereals and iron ore.

import needs for dry-bulk commodities such as wheat and other cereals as well as fertilizers, it would appear opportune to evaluate the possibility of establishing a centre for transhipment of the principal dry-bulk commodities. Dry-bulk vessels could discharge their cargoes at the transhipment centre into silos, with transport to final destinations effected either in sacks as general cargo on break-bulk vessels or as bulk cargo in small dry-bulk vessels.

A Caribbean dry-bulk transhipment centre could either be on land or afloat. The principal advantages of the latter are that an existing bulk carrier could be converted at a shippard in this region into a grain terminal and be operational in a much shorter period of time than that required for a land-based centre. Other advantages include mobility, less restrictions as to water depth and independence from land-based services. On the other hand, a land-based transhipment centre can involve the training of local labour for its construction and the expansion of the relevant land-based services.

Before an effective evaluation of the proposal can be carried out it will be necessary to have data on the demand for bulk commodities in the Caribbean and a feasibility study on the relative benefits of the various potential sites for the transhipment facility.

## Container Repairs

Caribbean countries can participate in the global shift to containerization in various ways. They might construct, transport, lease or repair containers. Of these activities, only the latter is not subject to the full impact of international competition, since any movement of containers for repair is unremunerative. Container owners, therefore, seek to have their equipment repaired as close as possible to the place where damage occurred and since each case of container damage is more or less unique, the opportunities for mechanization are minimal. The container repair industry is therefore predominantly labour-intensive in a highly capital-intensive field.

The domestic container repair industry reflects domestic container flows and usages, since a certain amount of container damage is unavoidable due to rapid handling rates at terminals and equipment operator error. For example, Overseas Containers Limited (OCL) has found that 39 percent of its containers utilized between developed regions are returned damaged, with an average repair cost of US\$140. In its service to the Persian Gulf area 54 percent are damaged with a repair cost of US\$160-175. Based upon the dynamic outflow of loaded containers units prior to reuse, a number of enterprises have been established in that region.

Based upon the outflow of loaded containers from certain Caribbean countries interested persons from the region will benefit from the work already done by the Economic Commission for Latin America (ECLA) in preparing workshops to assess the feasibility of establishing container repair facilities.  $\frac{3}{}$ 

# Shipbreaking

Maritime transport has been described as a frontier activity which reflects global economic trends at an early stage. Due to the rapid escalation of oil prices beginning in 1973, and the current world economic recession, approximately 100 million dwt of vessels have no future prospect of finding profitable employment. Many shipowners have temporarily laid up their vessels, 4/while others have sold surplus vessels to shipbreakers in countries such as India, Pakistan, South Korea and Taiwan. In 1982 approximately 28 million dwt of vessels were sold to shipbreakers for scrap and included not only surplus tonnage but also obsolete vessels. 5/

The shipbreaking industry is labour-intensive requiring only minimal skills and equipment. Some of the more important factors affecting the viability of shipbreaking enterprises are: proximity of the facility to vessels and scrap users, the prevailing wage rates of breakers which will be the market demand for scrap, needed infrastructure for shipbreaking and the maximum size vessels which might be reduced to scrap at each of the potential locations. Various Caribbean locations might therefore be evaluated for the establishment of a shipbreaking enterprise in the light of these varying requirements.

<sup>3/</sup> CEPAL, An Evaluation of the circumstances under which it would be feasible to establish container repair and maintenance enterprises (E/CEPAL/L.257) p.27.

<sup>4/</sup> Sea trade, May 1983, section entitled Market Review.

<sup>5/</sup> Fairplay International Shipping Weekly, 4 November 1982, p.9.

#### D. SCIENCE AND TECHNOLOGY

Any proposal for Caribbean/Latin American co-operation in science and technology should take into account a number of current developments that are taking shape in the Caribbean, particularly in the framework of the work programme of the Caribbean Council for Science and Technology  $(CCST)^{\frac{6}{2}}$ .

Efforts could begin with some of the priority projects identified in its work programme and in particular:

- a) The project "Development of Agro-Industries and Employment Opportunities particularly at Rural Level" (CCST Project VI). The project could benefit from technical co-operation with the Mexican agency Compania Nacional de Subsistencias Populares (CONASUPO), dealing with low-cost food supplies, which has carried out a successful programme for the construction of grain storage facilities.
- b) "Assessment of National Science and Technology Capabilities" (CCST Project I). Several Latin American institutions such as the Mexican Consejo Nacional de Ciencia y Tecnología (CONACYT), the Brazilian Conselho Nacional de Petróleo (CNP), Centro Interamericano de Agricultura Tropical (CIAT) and Centro Agronomico Tropical de Investigacion y Enseñanza (CATIE) could actively collaborate in the implementation of this project.
- c) "Study of the Consequences of the Development of Energy Crops on Food supplies in the Region" (CCST Project IV). The Brazilian experience in evaluating the trade off of producing crops for food or fuel could form a basis for co-operation with that country in this project.

At a more general level co-operation in science and technology could also be enhanced by the translation and dissemination of relevant technical publications. There are many examples of research and other activities of interest to the Caribbean being done in Latin America but of which it has had little contact. Accordingly a greater awarness of

 $<sup>\</sup>underline{6}/$  The Caribbean Council for Science and Technology (CCST) was set up in Kingston, Jamaica in April 1980, based on a mandate given during the Second Session of the CDCC in March 1977.

action being taken in science and technology by each area was necessary. This could be achieved through a) a better use of the respective information systems; b) the exchange of scientists; c) the distribution of information pamphlets and d) the wider dissemination of audio-visual materials to sensitize the mass of the population of technological developments in the respective areas.

#### E. EDUCATION AND CULTURE

Two-way relations be tween the Caribbean and Latin America require the stimulation of institution-building processes within the Caribbean and their subsequent linkages with their Latin American counterparts. Proposals in the area of education and culture must be articulated around two dimensions in order to be of significance. Education and culture must be considered both in respect of the activities of the intellectual elites and of the production of popular culture.

Several efforts have been initiated to strengthen Caribbean Institutions of Higher Education and of Scientific Research. The Consortium Graduate Faculty of Social Sciences for the English-speaking Caribbean and Suriname, the Caribbean Council for Social and Economic Development (COSED) and the Caribbean School of Applied Social Anthropology, are examples of these efforts. These proposed institutions are presently at various stages of implementation. If pursued they will assist the Caribbean in entering into closer contacts with CLACSO (the Latin American Council for Social Sciences) and FLACSO (the Latin American Faculty for Social Sciences).

The endeavour of existing associations of professionals such as Caribbean historians, statisticians, economists, engineers, and their linkages with similar institutions in Latin America should be fostered and the consultancy of these bodies systematically requested.

In view of the limitations of resources allocated normally to the development of higher education and scientific research priority will have to be given to on-going research and courses. Nonetheless substantive activities required for the development of Caribbean and Latin American relations and which are not within the competence of ECLA will be channelled through the relevant institutions.

Several international organizations of the United Nations Family have set up regional institutions in public administration, agriculture, science and culture and labour studies. A concerted participation of the Caribbean within these institutions should be fostered.

The development of popular culture in the Caribbean and Latin America and most particularly the development of indigenous and creole languages is a matter of great urgency to ensure the grounding of all efforts of development. In this respect, collaboration between the Caribbean and the countries of Latin America and particularly the countries of Meso-America and of the Andes, should be a most rewarding area of activities.

The servicing of the "ethnic markets" in the metropolitan countries whether in terms of goods or services would be greatly enhanced if accompanied by an innovative cultural policy. Countries of Latin America such as Mexico, Colombia, Peru, El Salvador, as well as the Caribbean as a whole have relatively large minorities in the industrialized countries subsidizing in their own way the development of their country (or part thereof) of origin. The market for cultural goods (includes paintings, books, records, tapes etc.) should be developed with greater consistency. In this respect, CARIFESTA is a major event to be underlined. Conversely, participation in festivals in Latin America should be requested by interested Caribbean countries. It is worth noting that a project for creating a Biennial of Plastic Arts in the Caribbean could be revived. Finally it must be stressed that the development of a market for cultural goods is also a spearhead of tourism promotion.