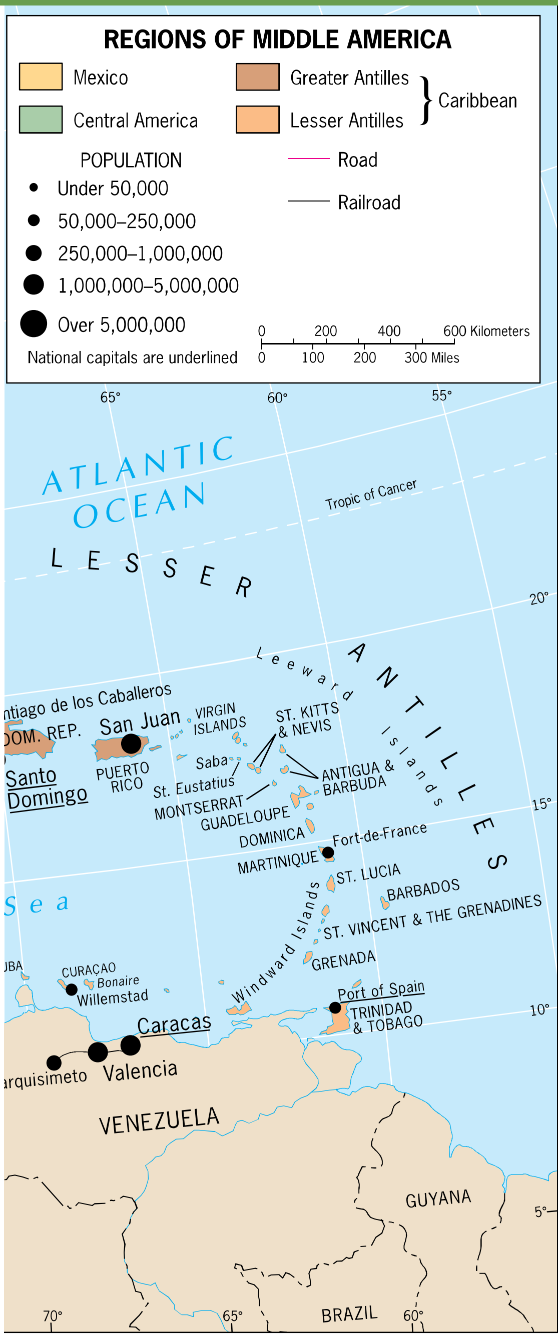
4B MIDDLE AMERICAN REGIONS

FIGURE 4B-1



REGIONS

Mexico

Central America

Caribbean Basin

Greater Antilles

Lesser Antilles

IN THIS CHAPTER

- Mexico's shifting drug wars
- Indigenous peoples demand recognition and rights
- Panama Canal expansion fuels boom in Panama City
- Aftermath of Haiti's 2010 killer earthquake
- The debate over Puerto Rico's status

CONCEPTS, IDEAS, AND TERMS

Acculturation 1
Transculturation 2
Ejidos 3
Maquiladoras 4
Failed state 5
Dry canal 6
Biodiversity hot spot 7
Tierra templada 8
Tierra caliente 9
Offshore banking 10
Social stratification 11
Mulatto 12
Small-island developing economies 13

© Jan Nijman

Where were these pictures taken
Find out at www.wiley.com/college/deblij

The Middle American realm stands out in terms of its overall small population, limited land cover, territorial fragmentation, and the insulated position of many its countries. Mexico is the obvious exception when it comes to size, accounting for 58 percent of the realm's population and 72 percent of its area; all other countries vary from small to tiny. Fragmentation and isolation tend to go hand in hand in this realm. All territories are either islands or have long coastlines (most of them on both sides of the narrow mainland land bridge). Only one country, Guatemala, shares borders with as many as four other countries; Mexico and Honduras have three neighbors; the five remaining Central American republics have only two. All other territories in the realm have either one or none at all as they are completely surrounded by water. Not surprisingly, regional integration, a condition for political stability and economic progress, has been one of the foremost challenges in this corner of the world.

REGIONS OF THE REALM

Middle America consists of four distinct geographic regions (the first two on the mainland; the other two in the Caribbean Basin): (1) ***Mexico***, the giant of the realm in every respect; (2) ***Central America***, the string of seven small republics occupying the land bridge from Mexico to South America; (3) the four islands of the ***Greater Antilles***—Cuba, Jamaica, Hispaniola (carrying Haiti and the Dominican Republic), and Puerto Rico; and (4) the numerous small islands of the ***Lesser Antilles*** (Fig. 4B-1).

MEXICO

Physiography

The physiography of Mexico is reminiscent of that of the conterminous western United States, although its

© Jan Nijman

environments are more tropical. Figure 4B-2 shows several prominent features: the elongated peninsula of Baja (Lower) California in the northwest, the far eastern Yucatán Peninsula, and the Isthmus of Tehuantepec in the southeast where the Mexican landmass tapers to its narrowest extent. Here in the southeast, Mexico most resembles Central America physiographically; a mountainous backbone forms the isthmus, curves southeastward into Guatemala, and extends northwestward toward Mexico City. Shortly before reaching the capital, this mountain range divides into two chains, the Sierra Madre Occidental in the west and the Sierra Madre Oriental in the east (Figs. 4B-1, 4B-2). These diverging ranges frame the funnel-shaped Mexican heartland, the center of which consists of the rugged, extensive Plateau of Mexico (the important Valley of Mexico lies near its southeastern end). As Figure G-7 reveals, Mexico's climates are characterized by dryness, particularly in the broad, mountain-flanked north. Most of the better-watered areas lie in the southern half of the country where a number of major population concentrations have developed (see Fig. 4A-2).

Regional Diversity

Physiographic, demographic, economic, historical, and cultural criteria combine to reveal a regionally diverse Mexico extending from the lengthy ridge of Baja California to the tropical lowlands of the Yucatán Peninsula, and

FIGURE 4B-2

MAJOR CITIES OF THE REALM

Metropolitan Area	Population* (in millions)
Mexico City, Mexico	30.3
Guadalajara, Mexico	4.8
Monterrey, Mexico	4.6
San Juan, Puerto Rico	2.5
Puebla, Mexico	2.5
Port-au-Prince, Haiti	2.4
Santo Domingo, Dominican Rep.	2.3
Havana, Cuba	2.1
Tijuana, Mexico	2.0
San José, Costa Rica	1.7
San Salvador, El Salvador	1.7
Panama City, Panama	1.6
Ciudad Juárez, Mexico	1.3
Guatemala City, Guatemala	1.3
Tegucigalpa, Honduras	1.2
Managua, Nicaragua	1.0

*Based on 2014 estimates.

from the economic dynamism of the U.S. borderland to the indigeous traditionalism of far southeastern Chiapas (Fig. 4B-2). The country's core area, anchored by Mexico City and extending westward to Guadalajara, lies within the transition zone between the more Hispanic-mestizo north and the dominantly indigenous-mestizo south. East of the core area lies the Gulf Coast, once dominated by major irrigation projects and sprawling livestock-raising schemes but now the mainland center of Mexico's petroleum industry. The region south of the core is dominated by the rugged, Pacific-fronting Southern Highlands, where coastal Acapulco's luxurious resorts stand in stark contrast to the indigenous villages and communal-farm settlements of the interior.

The dry, far-flung north stands in particularly sharp contrast to these southern regions. Border-hugging, NAFTA-driven economic development is still formative and discontinuous, but, as we shall see, it is changing northern Mexico substantially. This is also true in Yucatán, and to go from comparatively well-off Mérida and Cancún in the north to poverty-mired Chiapas adjacent to southern Guatemala is to observe the entire range of Mexico's regional geography.

FIGURE 4B-3

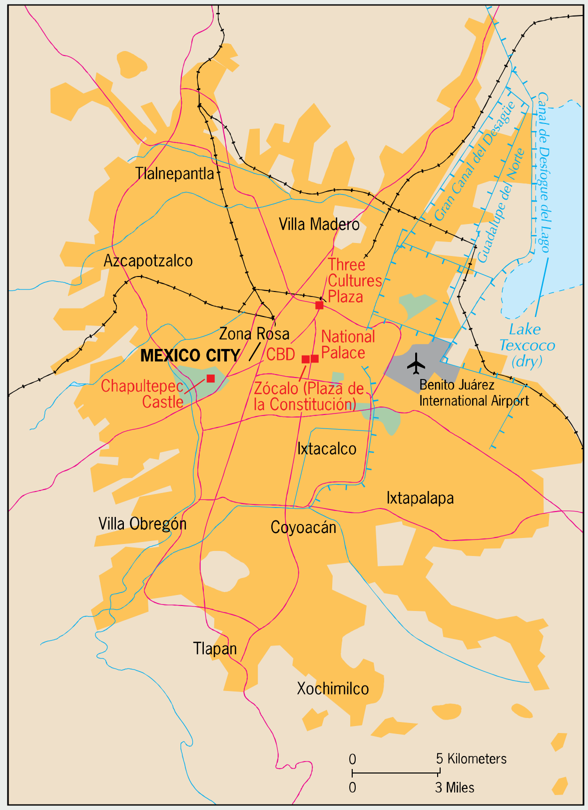
AMONG THE REALM'S GREAT CITIES . . .

MEXICO CITY

MIDDLE AMERICA HAS only one great metropolis: Mexico City. With 30.3 million inhabitants, Mexico City is home to just over one-fourth of Mexico's population and grows by more than 300,000 every year. Even more significantly, Mexico City has surpassed Tokyo, Japan (current population: 26.6 million) to become the world's largest urban agglomeration.

Lakes and canals marked this site when the Aztecs built their city of Tenochitlán here seven centuries ago. The conquering Spaniards made it their headquarters, and following independence the Mexicans made it their capital. Centrally positioned and well connected to the rest of the country, Mexico City, hub of the national core area, became the quintessential primate city.

Vivid social contrasts mark the cityscape. Historic plazas, magnificent palaces, churches, villas, superb museums, ultramodern skyscrapers, and luxury shops fill the city center. Beyond lies a zone of comfortable middle-class and struggling, but stable, working-class neighborhoods. Outside this belt, however, lies a ring containing more than 500 established slum areas and countless, even poorer *ciudades perdidas*—the "lost cities" where newly arrived peasants live in miserable poverty and squalor. (These squatter settlements contain one-third of the metropolitan area's population.) Mexico City's more affluent residents have also been plagued by problems in recent times as the country's social and political order came close to unraveling. Rampant crime remains a serious concern, much of it associated with corrupt police.



Environmental crises parallel the social problems. Local surface waters have long since dried up, and groundwater supplies are approaching depletion; to meet demand, the metropolis must now import much of its water by pipeline from across the mountains (with almost half of that supply lost through leakages in the city's crumbling water pipe network). Air pollution here is among the world's worst as nearly 5 million motor vehicles and tens of thousands of factories churn out smog that in Mexico City's thin, high-altitude air sometimes reaches 100 times the acceptably safe level. And add to all this a set of geologic hazards: severe land subsidence as underground water reservoirs are overdrawn; the ever-present threat of earthquakes that can wreak havoc on the city's unstable surface (the last big one occurred in 1985); and even the risk of volcanic activity, as nearby Mount Popocatépetl occasionally shows signs of ending centuries of dormancy.

In spite of it all, the great city continues to beckon, and every year perhaps 100,000 of the desperate and the dislocated arrive with hope—and little else.

Population Patterns

Mexico's population expanded rapidly throughout the closing decades of the twentieth century, doubling in just 28 years; but demographers have recently noted a sharp drop in fertility, and they are predicting that Mexico's population (currently at 120 million) will cease growing altogether by about 2050. That would have enormous implications for the country's economy and for the United States as well since it will reduce cross-border migration in the future.

The distribution of Mexico's population relative to the country's 31 internal States is shown in Figure 4B-3 (and even more precisely in Fig. 4A-2). The largest concentration, containing the core area and more than half the Mexican people, extends across the densely populated "waist" of the country from Veracruz State on the eastern Gulf Coast to Jalisco State on the Pacific. The center of this corridor is dominated by the most populous State, Mexico (**3** on the map), at whose heart lies the Federal District of Mexico City (**9**). In the dry and rugged terrain to the north of this central corridor lie Mexico's least-populated States. Southern Mexico also exhibits a sparsely peopled periphery in the hot and humid lowlands of the Yucatán, but to the southwest most of the highlands of the continental spine contain sizeable populations.

Another major feature of Mexico's population map is urbanization, driven by the pull of the cities (with their perceived opportunities for upward mobility) in tandem with the push of the economically stagnant countryside. Today, 77 percent of the Mexican people reside in towns and cities, a surprisingly high proportion for a less-developed country. Undoubtedly, these numbers are affected by the explosive recent growth of the region around Mexico City, which has now surpassed 30 million (making it the largest urban concentration on Earth) and is home to an astonishing 25 percent of the national population. Urbanization rates are at their lowest in the peripheral southern uplands where indigenous society has been least affected by modernization.

A Mix of Cultures

Nationally, the indigenous imprint on Mexican culture remains strong. Today, 62 percent of all Mexicans are mestizos, 21 percent are predominantly indigenous, and another 7 percent are full-blooded indigenous; almost all of the remaining 10 percent are Europeans. The Spanish influence in Mexico has been profound, but it has been met with an equally powerful thrust of indigenous culture. It has therefore not been a case of one-way European-dominated **acculturation [1]** but rather **transculturation [2]**—the two-way exchange of culture traits between societies in close contact. In the southeastern periphery (Fig. 4B-4), several hundred thousand Mexicans still speak only an indigenous language, and millions more still utilize these languages daily even though they also speak Mexican Spanish. The latter has been strongly shaped by indigenous influences, as have Mexican modes of dress, foods and cuisine, artistic and architectural styles, and folkways. This fusion of heritages, which makes Mexico unique, is the end product of an upheaval that began to reshape the country just over a century ago.

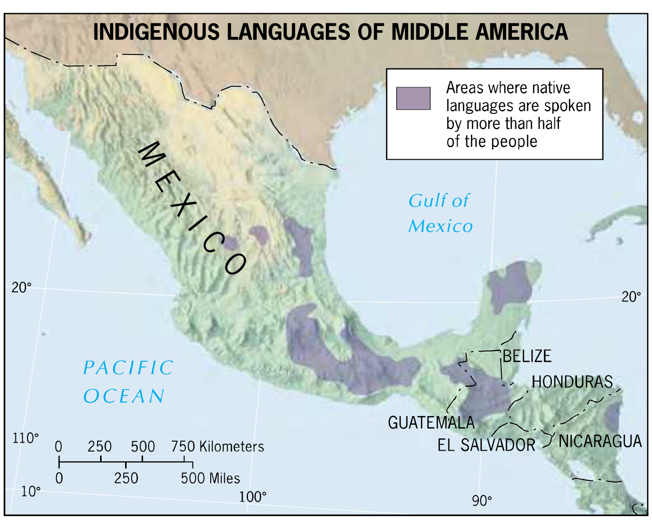


FIGURE 4B-4 © H. J. de Blij, P. O. Muller, and John Wiley & Sons, Inc.

Agriculture: Fragmented Modernization

Modern Mexico was forged in a revolution that began in 1910 and set into motion events that are still unfolding today. At its heart, this revolution was about the redistribution of land. As late as 1900, only about 8000 haciendas (large, traditional, family-owned farms) blanketed virtually all of Mexico's better farmland. About 95 percent of all rural families owned no land whatsoever and toiled as *peones* (landless, constantly indebted serfs) on the haciendas. The triumphant revolution produced a new constitution in 1917 that launched a program of expropriation and parceling out of the haciendas to rural communities.

Since 1917, more than half the cultivated land in Mexico has been redistributed, mostly to peasant communities consisting of 20 families or more. On such farmlands, known as ***ejidos* [3]**, the government holds title to the land, but the rights to its use are parceled out to village communities and then to individuals for cultivation. This system of land management is an indigenous legacy, and not surprisingly most *ejidos* lie in central and southern Mexico where nativist social and agricultural traditions are strongest. About half of Mexico's land continues to be held in such "social landholdings." However, the reforms did not lead to increased productivity. Some of the land is excessively fragmented, causing both inferior crop yields and widespread rural poverty. In the 1990s, the Mexican government attempted to privatize *ejidos*, hoping to promote consolidation and increase productivity, but that effort did not succeed. To date, less than 10 percent of the *ejidos* have been privatized.

On the other hand, larger-scale commercial agriculture has diversified during the past three decades and made major gains with respect to both domestic and export markets. The country's arid northern tier has led the way as major irrigation projects have been built on streams flowing down from the interior highlands. Along the booming northwestern coast of the mainland, which lies within a day's drive of Southern California, large-scale production of fruits, vegetables, cut flowers, and cotton have become the cornerstones of an increasingly profitable export trade to the U.S. and elsewhere.

Shifting Economic Geographies

The **maquiladoras [4]** in the country's northern borderland—foreign-owned factories that assemble imported raw materials and components and then export finished manufactures back to the United States (see Chapter 4A)—account for about one-fifth of Mexico's industrial jobs and approximately half of its total exports. Many companies are headquartered in cities just north of the border, such as San Diego and El Paso, and this is where design, marketing, and other strategic work takes place. But most of the workforce is located south of the border at the assembly plants (which is why the cities on the Mexican side have grown so much faster than their U.S. counterparts). Think electronics, machinery, garments, construction materials, automobile parts, and much more. Although the impact of NAFTA has been enormous, it should be noted that Mexican employees work long hours for low wages with meager fringe benefits; moreover, most reside in the overcrowded clusters of rudimentary shacks and slum settlements that encircle the burgeoning urban centers of the border zone. Belatedly, wages have increased, with workers now earning between U.S. $2 and $6 an hour, depending on skills and tasks performed.

There is no job security, however. During the past few years, this borderland region received two serious blows. First, the Great Recession in the United States slowed the demand for exports, which immediately curtailed production, profits, growth, and employment all across Mexico's north. And second, in what could be more of a structural threat, hundreds of American and other foreign manufacturers who had moved their plants to northern Mexico in the post–1990 period decided to relocate once again—to East and Southeast Asia, where wages were lower than those paid by the maquiladoras. Although factories assembling bulky products such as motor vehicles and major home appliances were still better off situated directly across the U.S. border, many others producing lighter and smaller goods such as electronic equipment and cameras were quick to relocate to China, Vietnam, and other Asia-Pacific countries. As a result, thousands of Mexican workers found themselves unemployed.

Mexico's only way to reverse this trend is through the growth of higher-paying jobs in more advanced sectors—particularly electronic goods—that are less likely to be lost to other parts of the disadvantaged world. Expansion of education and training in high-technology and management fields is a critical first step. The northeastern city of Monterrey in the relatively high-income State of Nuevo Léon has become a successful model in this effort, nurturing both an international business community and a complex of up-to-date industrial facilities that have attracted leading multinational corporations. Here indeed lies hope for Mexico's future, and one frequently hears reports these days that rising labor costs in China may induce certain manufacturers to return to northern Mexico, allowing them to more directly control flexible (so-called 'on-time') production at a close distance. Since the restless global economy constantly requires the world's regions to adjust in order to keep pace, Mexico's prospects may well brighten in coming years.

States of Contrast

Countries with strong regional disparities face serious challenges that can be difficult to overcome and may deteriorate over time. Mexico's southernmost States—Chiapas, Oaxaca, and Guerrero, all bordering the Pacific Ocean—are by far the poorest. The States bordering the United States in the north, including Nuevo Léon, Chihuahua, and Baja California, have the highest incomes. Using rural poverty as a measure, only about 10 percent of people in the countryside in the north are in the poorest category, but nearly 50 percent in the south.

Mexico's north-south divide is especially noticeable in the economic data mapped in Figure 4B-5. In general terms, annual per capita income in the northern States exceeds U.S. $10,000; but in the southern States it falls below $5000. Moreover, Mexico's infrastructure, already inadequate, serves the south far less well than the north. Whatever the index—literacy, electricity use, water availability—the south lags by a wide margin.

This is a serious problem because the impoverished, heavily indigenous population of the south not only trails far behind the rest of Mexico in overall development, but is also the least well educated, the least productive agriculturally, and the most isolated part of the country. Since the early 1990s, a radical group of Maya peasant farmers in Chiapas State calling themselves the Zapatista National Liberation Army (ZNLA) has engaged in guerrilla warfare, demanding better treatment for Mexico's 33 million indigenous citizens. Despite substantial public support, their 20-year struggle has not yielded significant results. In fact, NAFTA has only widened the gap between north and south. For upwardly mobile Mexicans in the north, the cause of the Zapatistas is a distant one indeed.

These still-widening contrasts were thrown into sharp relief in 2006 and again in 2012, when Mexico's presidential elections were contested by three candidates broadly representing the conservative elite, the working classes, and the middle classes. When the ballots were counted, there was a clear spatial divide in the voting patterns, which reflected the varying economic fortunes across the country. Generally, most of the votes in the north went to the conservative and centrist candidates while the poorer southern States supported the leftist candidate (see inset map in Fig. 4B-5). It was the centrist candidate, Enrique Peña Nieto, who narrowly won the presidency in 2012—providing the latest evidence of Mexico's sharp politico-geographical cleavages.

The Drug Wars

Since the late 2000s, Mexico has been plagued by yet another obstacle in its struggle to achieve sustained economic progress. This problem has received worldwide attention as the cocaine-producing drug cartels centered in Colombia established new bases in U.S.-border cities in northern Mexico and launched a vicious war for supremacy. They responded in part to the success of the antidrug campaign in Colombia, but the cartels also saw new opportunities beckoning in Mexican territory adjacent to their main market in the United States. So serious was the situation by 2010 that the drug barons and their allies were killing law-enforcement officers by the hundreds as well as competitors (and often innocent bystanders) by the thousands, intimidating government and threatening all who stood in their way. Fueling this rampage was the steady stream of guns, purchased easily in the United States with the flood

FIGURE 4B-5

of drug money generated by that illicit trade, which flowed across the border and further empowered the cartels.

Figure 4B-6 provides an overview of the geography of this drug war. Cocaine is produced in Colombia, Bolivia, and Peru (see Chapter 5A), and just about all of it enters the United States through Mexico. Bolivian and Peruvian cocaine, constituting roughly half of Mexico's "imports," is shipped by sea and illegally enters the country in the Pacific Coast States of Guerrero, Michoacán, Colima, and Sinaloa. The other half originates in Colombia and enters either overland via the Middle American land bridge through Guatemala, or by boat across the Caribbean and Gulf of Mexico to be smuggled into the eastern States of Yucatán, Quintana Róo, and Veracruz. The illicit powder is then repackaged

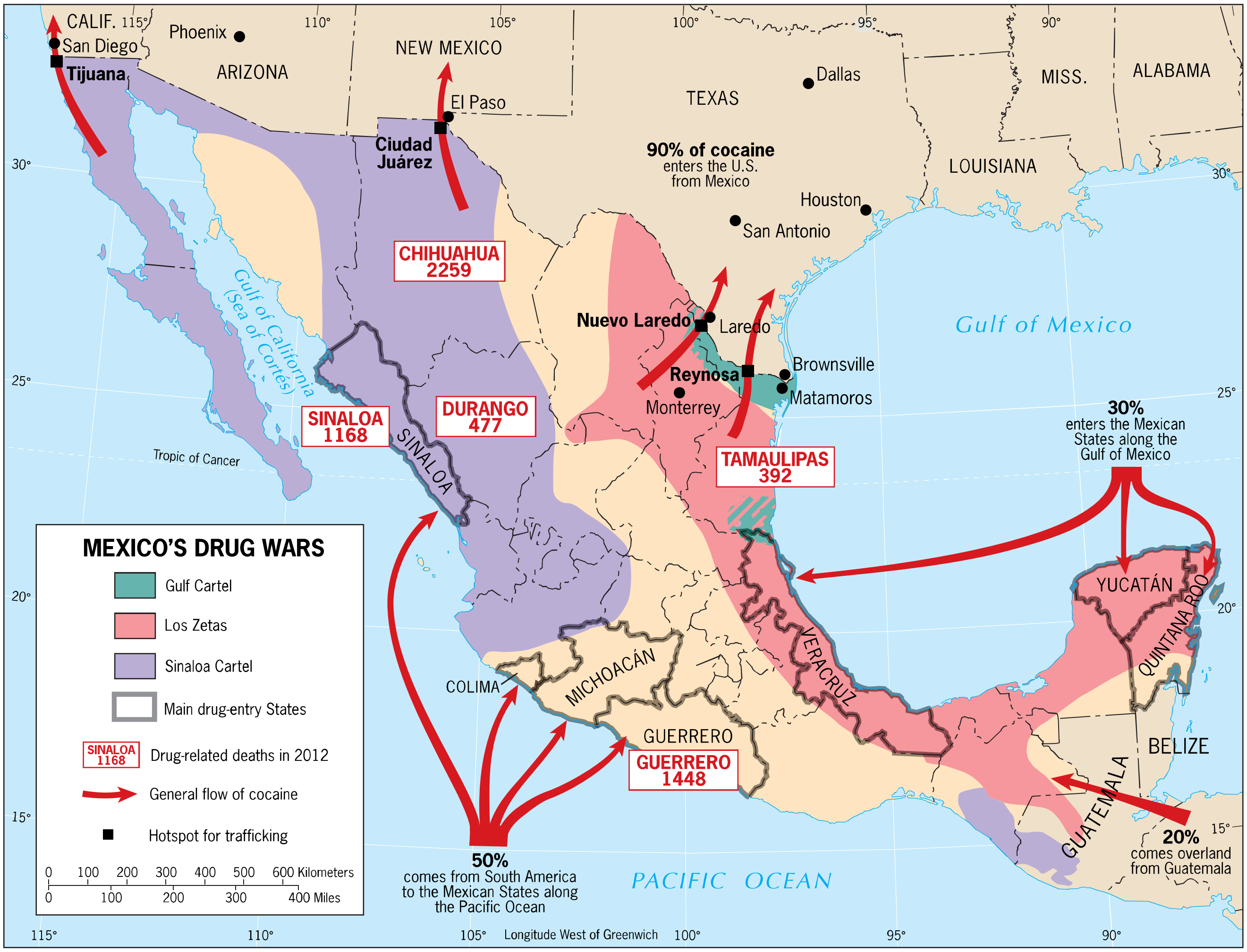


FIGURE 4B-6

(and/or crystallized to form crack) in smaller quantities for "retailing" purposes prior to being smuggled into the United States, mainly through the border cities of Reynosa, Nuevo Laredo, Ciudad Juárez, and Tijuana (Fig. 4B-6).

Interestingly, when Mexican criminal organizations were coöpted by the Colombian cartels, they demanded to be paid in cocaine and this allowed the Mexicans to start up their own distribution networks—it also meant that a good amount of the stuff 'stuck around' and ended up on the streets of Mexican cities, resulting in heightened drug addiction and rising crime. Several major Mexican cartels sprang up and are involved in this drug-trafficking operation, and competition is literally murderous. Territorial control is key in this "business": each cartel dominates its own turf, with various components being heavily contested from time to time. The cartels themselves are not particularly stable, with countless mergers and splits occurring since 2007. The two leading rivals are Los Zetas and the Sinaloa Cartel, which control huge swaths of eastern and western Mexico, respectively. A few years ago, the Sinaloa formed an alliance with two smaller cartels, La Familia and the Gulf, creating what is occasionally referred to as The Federation—which is engaged in a violent conflict for supremacy with Los Zetas. More recently, the Sinaloa Cartel extended its grip on western Mexico with takeovers of the smaller but strategically located Beltran-Leyva (along the coast of Sonora State) and the Juárez Cartel that used to control some key "export valves" in Ciudad Juárez. Next came the absorption of the even smaller but important Tijuana cartel, which used to command the well-known westernmost border city of the same name—but here, too, the Sinaloa is now in control.

Much of the worst violence occurs where control is contested, especially around the most crucial ports of entry and along primary transport routes. During 2010, nearly half of Mexico's 15,273 drug-related killings occurred in the States of Sinaloa (cocaine entry; marijuana production) and Chihuahua (which contains Ciudad Juárez, the leading U.S. port of entry). In early 2013, the murder total since the war erupted surpassed 60,000. By then, some of the violence was shifting to smaller Mexican provinces and cities as key control points like Juarez had more or less been 'consolidated' by either the Sinaloa or the Zetas.

As the conflict intensified and the Mexican government clearly began to lose control of parts of its territory, many observers in the U.S. now viewed Mexico as a threat to national security; going even further, some were so troubled that they began to invoke associations with the idea of the **failed state [5]**. This is more than a bit ironic because the United States is the main market for the northward-flowing drugs, with the profits earned on American streets funneled clandestinely back into Mexico. At the same time, the guns used in the drug war overwhelmingly originate in the United States, making it difficult to view the conflict as an exclusively Mexican crisis.

The violence itself is extraordinary and gruesome, with periodic mass executions following torture, as one cartel tries to outdo the others in creating terror. Another northern metropolis that has become a primary target of violence since 2010 is Monterrey, Mexico's third-largest and wealthiest city located less than 150 miles from the U.S. border. Here, a mass murder of 52 people in August 2011 was followed by another in May 2012, when 49 mutilated bodies were discovered a few miles outside of the city.

Even as the drug war raged, the cartels have worked to diversify their activities. One example will suffice. During the late 2000s, the Los Zetas cartel, which was founded by former military commandos, began to siphon away what has now become billions of dollars worth of oil from state-owned pipelines in and around Veracruz on the Gulf Coast. The Zetas do not actually tap the oil themselves, but are said to effectively "own" lengthy stretches of pipeline and "tax" anyone who has the know-how and equipment to siphon it off. Most of the stolen oil is then sold across the border to U.S. companies (who deny knowing anything about its source), not only bleeding the national treasury but also underscoring the state's impotence.

Mexico's Future

The future of this country depends on the ability of the government to meet an array of formidable challenges. In the short term, it must end the violence that has destabilized so much of Mexico. In the longer term, it needs to narrow the gap between rich and poor to reduce massive—and still widening—regional inequalities. And from the standpoint of economic geography, the government has to spearhead the effort to spread the positive effects of NAFTA from north to south, especially through upgrading infrastructure, increasing investment in education, and implementing antipoverty programs that work.

The future of Mexico is inextricably bound up with the United States, in good times and bad. The good refers to these countries' economic interaction: Mexico's economy has benefited enormously by developing closer economic ties with North America, and the United States continues to be the country's most important trading partner. Given this foundation, Mexico's longer-term problems may seem less acute—but it would be a mistake for its federal government to lose sight of these problems, no matter how urgent the pursuit of the drug cartels. Clearly, Mexico is in the midst of a tumultuous transformation, and its leaders face numerous opportunities as well as challenges. When times are prosperous, Mexicans dream of possibilities such as the so-called **dry canal [6]** across the narrowest part of the country that would compete with the Panama Canal (see Fig. 4B-2). When times are bad, the integrity of the state seems directly threatened.

THE CENTRAL AMERICAN REPUBLICS

A Land Bridge

Crowded onto the narrow segment of the Middle American land bridge between Mexico and the South American continent are the seven countries of Central America (Fig. 4B-7). Territorially, they are all quite small; their population sizes range from Guatemala's 15.7 million down to Belize's 325,000. The land bridge here consists of a highland belt flanked by coastal lowlands on both the Caribbean and Pacific sides (Fig. 4B-8). These uplands are studded with volcanoes, and local areas of fertile volcanic soils are scattered throughout them.

The land bridge has a fascinating geologic and evolutionary history, and one famous study referred to it as the Monkey Bridge. For some 50 million years, North and South America were separated; the land bridge was formed only 3 million years ago, becoming a biologic highway of sorts for evolutionary exchange. The region contains only 1 percent of the Earth's land but 7 percent of all the world's natural species. The southern part (Costa Rica and Panama) is known as a global **biodiversity hot spot [7]**, even though deforestation has been a major problem (see Chapter 4A). Human inhabitants have always been concentrated in the upland zone, where tropical temperatures are moderated by elevation and rainfall is sufficient to support a variety of crops.

Central America is not a large region, but because of its physiography it contains many isolated, comparatively inaccessible locales. The population tends to concentrate in the much cooler uplands—***tierra templada* [8]**—and population densities are generally greater toward the Pacific than toward the Caribbean side (see Fig. 4A-2). The most significant exception is El Salvador, whose political boundaries confine its inhabitants mostly to its tropical coastal lowlands—***tierra caliente* [9]**—moderated here by the somewhat cooler waters of the Pacific.

Central America, as noted earlier, actually begins within Mexico, in Chiapas and in Yucatán, and the region's republics face many of the same problems as the least-developed parts of Mexico. Population pressure is one of them. A population explosion began in the mid-twentieth century, increasing the region's inhabitants from 9 million to over 45 million by 2014. Today, the region also continues its slow emergence from a grim period of turmoil that lasted through most of the 1980s and 1990s. In fact, devastating inequities, repressive governments, external interference, and the frequent unleashing of armed forces have destabilized Central America for much of its modern history.

FIGURE 4B-7

Guatemala

The westernmost of Central America's republics, Guatemala has more land neighbors than any other. Straight-line boundaries lying across the tropical forest mark much of the border with Mexico, creating the box-like region of Petén between Chiapas State on the west and Belize on the east; also to the east lie Honduras and El Salvador (Fig. 4B-7). This heart of the ancient Maya Empire, which remains strongly permeated by indigenous culture and traditions, has only a small window on the Caribbean but a longer Pacific coastline. Guatemala was still part of Mexico when the Mexicans threw off the Spanish yoke, and though independent from Spain after 1821, it did not become a separate republic until 1838. Mestizos, not the indigenous majority, secured the country's independence. Most populous of the seven republics with 15.7 million inhabitants (mestizos are in the majority with 57 percent, indigenous 43 percent), Guatemala has seen a great deal of conflict. Repressive regimes brokered deals with U.S. and other foreign economic interests that stimulated development, but at a high social cost. Over the past half-century, military regimes have dominated political life. The deepening split between the wretchedly poor indigenous populations and the better-off mestizos, who here call themselves ***ladinos***, generated a civil war that started in 1960 and claimed more than 200,000 lives as well as 50,000 "disappearances" before it ended in 1996. An overwhelming number of the victims were of Maya descent; the mestizos continue to control the government, army, and land-tenure system.

Guatemala's tragedy is that its economic geography demonstrates considerable potential, but has long been shackled by unrelenting internal conflicts and the widening of one of the hemisphere's biggest gaps between rich and poor. In tandem, they keep the income of at least 60 percent of the population below the poverty line (some estimates range as high as 75 percent). The country's mineral wealth includes nickel in the highlands and oil in the lower-lying north. Agriculturally, soils are fertile and moisture is ample over highland areas large enough to produce a wide range of crops, including excellent coffee.

Since 2010, a dangerous new problem has threatened the country as the drug wars increasingly spill across

FIGURE 4B-8

the Mexican border. Figure 4B-6 shows that both Los Zetas and the Sinaloa Cartel have staked out turfs inside southwestern Guatemala, the staging area for the 20 percent of Colombian cocaine that penetrates Mexico overland—a threat both to Mexico and Guatemala. If this activity continues to intensify, it will raise a huge new challenge for the Mexican government: already stretched thin fighting the drug-related conflicts in its northern border zone, the country's beleaguered security forces will also need to more heavily police the opposite, 929-kilometer (577-mi) border with Guatemala.

Belize

Strictly speaking, Belize is not a Central American republic in the same tradition as the other six. Until 1981, this country, a wedge of land between northern Guatemala, Mexico's Yucatán Peninsula, and the Caribbean Sea (Fig. 4B-7), was a dependency of the United Kingdom known as British Honduras. Slightly larger than Massachusetts and containing a minuscule population of about 325,000 (many of African descent), Belize is much more reminiscent of a Caribbean island than of a continental Middle American state. Today, all that is changing as the demographic complexion of Belize is being reshaped. Thousands of residents of African descent have emigrated (many went to the United States) and were replaced by tens of thousands of Spanish-speaking immigrants. Most of the latter have been land seekers and refugees from strife in nearby Guatemala, El Salvador, and Honduras, and their proportion of the Belizean population has risen from 33 in 1980 to more than 50 percent today. And with the newcomers now in the majority, Belize's cultural geography is becoming increasingly Hispanicized; in fact, by 2012 Spanish speakers outnumbered those who use English or creole as a first language.

The Belizean transformation extends to the economic sphere as well. No longer just an exporter of sugar and bananas, Belize today is producing new commercial crops, and its seafood-processing and clothing industries have become major revenue earners. Also important is tourism, which annually lures more than 200,000 vacationers to the country's Mayan ruins, resorts, and newly legalized casinos; a growing specialty is ***ecotourism***, based on the natural attractions of the country's near-pristine environment, including its magnificent offshore coral reefs.

Belize is also known as a center for **offshore banking [10]** a financial haven for foreign companies and individuals who want to avoid paying taxes in their home countries.

Honduras

Honduras is another small Middle American state that regularly the suffers the wrath of destructive hurricanes—particularly the devastating impact of Hurricane Mitch in 1998. With 8.8 million inhabitants, almost 90 percent mestizo, disadvantaged Honduras more than 15 years later has still not fully restored what was already the third-poorest economy in the Americas (after Haiti and Nicaragua). Agriculture, livestock, forestry, and limited mining form the mainstays of the economy, with the now-familiar Central American products—apparel, bananas, coffee, and shellfish—earning most of the external income.

Honduras, directly in contrast with Guatemala, has a long Caribbean coastline and a relatively small window on the Pacific (Fig. 4B-7). The country also occupies a critical place in the political geography of Central America, flanked as it is by Nicaragua, El Salvador, and Guatemala—all continuing to grapple with the aftermath of years of internal conflict and, more recently, natural disaster. Comparable in natural beauty and biodiversity to Costa Rica (see photo), Honduras hopes to exploit its potential for ecotourism but is constrained by a defective infrastructure and the lack of funding for new facilities.

Today its problems are worsening as Honduras has become a key station in the trafficking of cocaine along the land bridge from Colombia to Mexico. The escalation of drug-gang violence since 2010 gave this country the dubious distinction of having the highest murder rate in the world, eliminating any immediate efforts to promote tourism. Combined with its chaotic and unstable political situation, this country is increasingly regarded as being the closest in the realm to failed-state status.

Nonetheless, Honduras has unveiled an innovative development strategy, and the constitution has been amended to allow for the creation of quasi-independent "special development regions." The idea is to attract foreign investment into these protected zones, which are to be independent in their economic, fiscal, and budgetary policies. This initiative follows the charter-cities model that has proven successful in Hong Kong—but critics fear that it may only clear the way for organized crime to take full control of these new economic enclaves.

El Salvador

This is Central America's smallest country territorially, smaller even than Belize, but with a population 20 times as large (6.5 million) it is the most densely peopled. El Salvador adjoins the Pacific in a narrow coastal plain backed by a chain of volcanic mountains, behind which lies the country's heartland. Unlike neighboring Guatemala, El Salvador

From the Field Notes . . .

"Invited by the Honduran government to survey the country's ecotourism potential, I toured the beautiful countryside with a National Geographic Society delegation. There is no doubt that Honduras is exceptionally endowed by nature and that there is considerable potential for a vibrant tourist industry. But this is a poor country, and the government has great difficulty making the required investments—in infrastructure, for example. We flew in these small propeller planes to get from the capital, Tegucigalpa, to the Mayan ruins of Copán. There was no airport nearby and overland travel is arduous and time-consuming. Ecotourism by its very nature is small-scale and the revenues tend to be relatively modest, so it is a major challenge to raise the substantial funds needed for costly infrastructural improvements."

© Jan Nijman

www.conceptcaching.com

Concept Caching

has a far more homogeneous population (86 percent mestizo and just 1 percent indigenous). Yet ethnic homogeneity has not translated into social or economic equality or even opportunity. Whereas other Central American countries were called banana republics, El Salvador was a coffee republic, and the coffee was produced on the huge landholdings of a few landowners and on the backs of a subjugated peasant labor force.

From 1980 to 1992, El Salvador was torn by a devastating civil war that was exacerbated by outside arms supplies from the United States (supporting the government) and Nicaragua (aiding the Marxist rebel forces). But ever since the negotiated end to that war, efforts have been under way to prevent a recurrence because El Salvador is having difficulty overcoming its legacy of searing inequality. The civil war did have one positive outcome: affluent citizens who left the country and did well in the United States and elsewhere send substantial funds back home; these ***remittances*** now provide the largest single source of foreign revenues. This has helped stimulate such industries as apparel and footwear manufacturing as well as food processing. But a major stumbling block to revitalization of the agricultural sector has again been land reform, and in this regard El Salvador's future still hangs in the balance.

Another serious issue looms as well. Here, as in certain other Central American countries, many of the former military and paramilitary troops appear to have gone 'freelance' and now play a role in organized crime, increasingly connected to the cocaine business and the Mexican cartels. Ominously, in 2011 El Salvador was reported to have had the second-highest murder rate in the world, surpassed only by neighboring Honduras.

Nicaragua

This country is best approached by re-examining the map (Fig. 4B-7), which underscores Nicaragua's position tucked away in the heart of Central America. The Pacific coast follows a southeasterly direction here, but the Caribbean coast is oriented north-south so that Nicaragua forms a triangle of land, with its lakeside capital, Managua, situated in a valley on the mountainous, earthquake-prone, Pacific side (the country's core area has always been located here). The Caribbean side, where the uplands yield to a wide coastal plain of tropical rainforest, savanna, and swampland, has for centuries been home to indigenous peoples such as the Miskito, who have lived remote from the focus of national life.

Until the 1990s, Nicaragua had a checkered history of political instability, conflict, and economic backwardness. The strife ended in 1990 when the first democratic government in decades was voted into office. But economic progress has been meager for Nicaragua's population of 6.2 million, and the economy has long been ranked as continental Middle America's poorest.

The country's options are limited: agriculture dominates the economy and manufacturing is weak. There is a growing reliance on remittances from Nicaraguans who have emigrated (now ca. 15 percent of the economy) as well as on foreign aid. For decades there has been talk of an interoceanic canal to rival the waterway across Panama, even though the land bridge here is three times wider. Nonetheless, in 2013 the government commissioned a Chinese company to plan and build a canal capable of handling ships twice the maximum size of Panama's.

Costa Rica

If there is one country that underscores Middle America's variety and diversity it is Costa Rica—because it differs significantly from its neighbors and from the norms of Central America as well. Bordered by two volatile countries (Nicaragua to the north and Panama to the east), Costa Rica is a nation with an old democratic tradition and, in this boiling cauldron, no standing army since 1949! Although the country's Hispanic imprint is similar to that found elsewhere on the mainland, its early independence, its good fortune to lie remote from regional strife, and its leisurely pace of settlement allowed Costa Rica the luxury of concentrating on its economic development. Perhaps most important, internal political stability has predominated over much of the nearly 200 years since its independence from Spain.

Like its neighbors, Costa Rica (2014 population: 4.6 million) is divided into environmental zones that parallel its coastlines. The most densely settled is the central highland zone, lying in the cooler *tierra templada*, whose heartland is the Valle Central (Central Valley), a fertile basin that contains Costa Rica's main coffee-growing area and the leading population cluster focused on the cosmopolitan capital of San José (Fig. 4B-7).

The long-term development of Costa Rica's economy has given this country the region's highest standard of living, literacy rate, and life expectancy (though even here, one-fifth of the population is trapped in poverty). Agriculture continues to dominate (with bananas, coffee, tropical fruits, and seafood the leading exports), and tourism—especially ecotourism—has expanded steadily. Despite the deforestation of more than 80 percent of its original woodland cover, Costa Rica is widely known for its superb scenery and for its (belated) efforts to protect what is left of its diverse tropical flora and fauna.

Panama

Panama owes its existence to the idea of a canal connecting the Atlantic and Pacific oceans to avoid the lengthy circumnavigation of South America. The Panama Canal (see the inset map in Fig. 4B-7) was opened in 1914, a symbol of U.S. power and influence in Middle America. The Canal Zone was held by the United States under a treaty that granted it "all the rights, powers, and authority" in the area "as if it were the sovereign of the territory." In the 1970s,

From the Field Notes . . .

"The Panama Canal remains an engineering marvel 90 years after it opened in August 1914. The parallel lock chambers each are 1000 feet long and 110 feet wide, permitting vessels as large as the Queen Elizabeth II to cross the isthmus. Ships are raised by a series of locks to Gatún Lake, 85 feet above sea level. We watched as tugs helped guide the QEII into the Gatún Locks, a series of three locks leading to Gatún Lake, on the Atlantic side. A container ship behind the QEII is sailing up the dredged channel leading from the Limón Bay entrance. The lock gates are 65 feet wide and 7 feet thick, and range in height from 47 to 82 feet. The motors that move them are recessed in the walls of the lock chambers. Once inside the locks, the ships are pulled by powerful locomotives called mules that ride on rails that ascend and descend the system. It was still early morning, and a major fire, probably a forest fire, was burning near the city of Colón, where land clearing was in progress. This was the beginning of one of the most fascinating days ever."

© H.J. de Blij

www.conceptcaching.com

as the canal was transferring more than 14,000 ships per year (that number has held fairly steady—14,500 transits were logged in 2012—but the total cargo tonnage has risen significantly) and generating hundreds of millions of dollars in tolls, Panama sought to terminate U.S. control in the Canal Zone. Delicate negotiations were launched. In 1977, an agreement was reached on a staged withdrawal by the United States from the territory, first from the Canal Zone and then from the Panama Canal itself (a process completed at the end of 1999).

Panama today reflects some of the usual geographic features of the Central American republics. Its population of 3.7 million is about 70 percent mestizo and also contains substantial indigenous, European, and black minorities. Spanish is the official language, but English is also widely used. Ribbon-like and oriented east-west, Panama's topography is mountainous and hilly. Eastern Panama, especially Darien Province adjoining Colombia, is densely covered by tropical rainforest, and here is the only remaining gap in the intercontinental Pan American Highway (Fig. 4B-7). Most of the rural population lives in the uplands west of the canal; there, Panama produces bananas, coffee, sugarcane, rice, and, along its narrow coastal lawlands, shrimps and other seafood. Much of the urban population is concentrated in the vicinity of the artificial waterway, anchored by the cities at each end of the canal.

Near the northern, Caribbean end of the Panama Canal lies the city of Colón, site of the Colón Free Zone, a huge trading entrepôt designed to transfer and distribute goods on their way to South America. It is augmented by the Manzanillo International Terminal, an ultramodern port facility that in 2011 transshipped nearly 10,000 containers a day. Near the southern, Pacific end lies Panama City, often likened to Miami because of its waterfront location and high-rise-dominated skyline. The capital is the financial center that handles the revenues generated by the canal, but its skyscrapered profile also reflects the proximity of Colombia's illicit drug industry and associated money-laundering and corruption. The city's modern image presents a stark contrast to the (rural) poverty that afflicts one-third of Panama's population.

The 2015 completion of the Panama Canal's third lane will surely boost interoceanic traffic and increase business opportunities in Panama. U.S. ports on the Gulf of Mexico and the Atlantic seaboard will also get busier as they handle this heightened volume of trade. The ports of the New York–New Jersey metropolitan region have already begun to expand their capacity, and leading retailers such as Walmart (a voracious importer of Chinese goods)

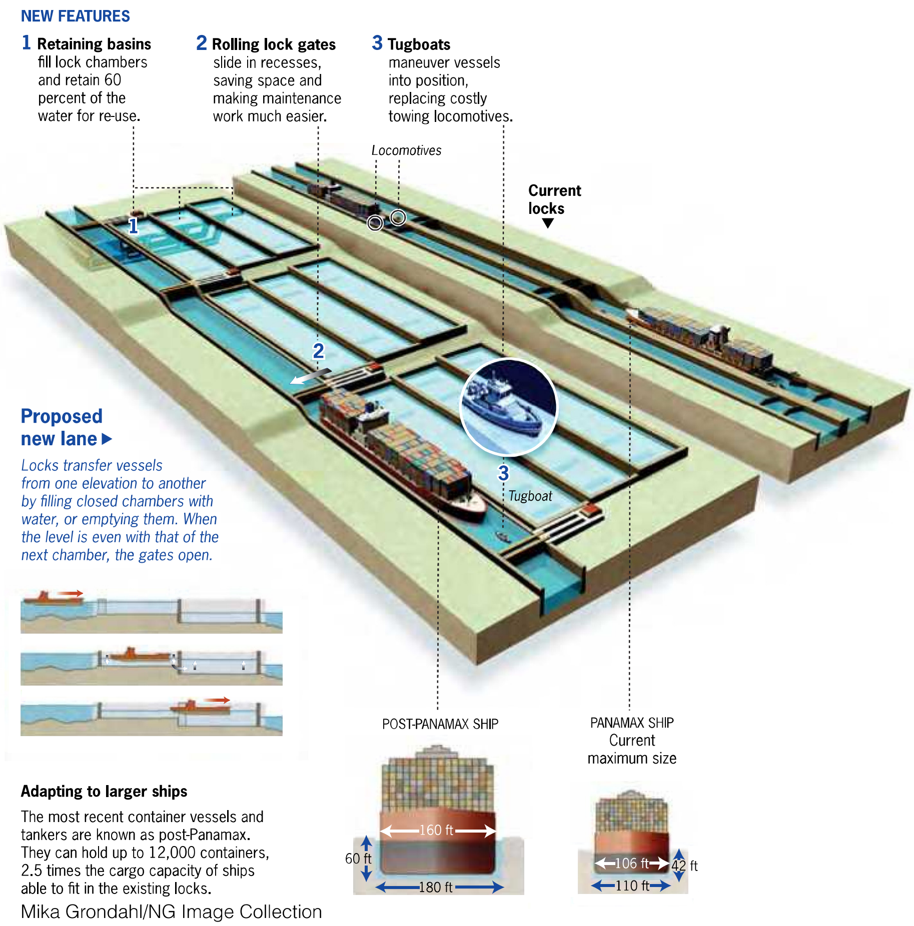


Diagram showing the expansion and upgrading of the Panama Canal's lock system in order to accommodate ships that currently exceed the waterway's ("Panamax") capacity. The target date for completing the new third lane was August 15, 2014, the Canal's one-hundredth anniversary, but it has already been pushed back to 2015 because of construction delays.

are building additional storage facilities at the port of Houston and other key coastal distribution points.

Nevertheless, China will be the biggest beneficiary because its rapid recent development has made it the world's number-one exporter. Even during the post–2007 global recession, which primarily affected the United States and Europe, the Chinese economy maintained its growth. And China's imports passing through an expanded Panama Canal are expected to be considerably cheaper, further enhancing its economic strength and standing on the international scene. Most of all, this is an outstanding example of just how tightly interconnected the world economy has become and how the relative location of one small country in Middle America is of the utmost global significance.

THE CARIBBEAN BASIN

Fragmentation and Insularity

As Figure 4B-1 reveals, the Caribbean Basin, Middle America's island region, consists of a broad arc of numerous islands extending from the western tip of Cuba to the southern coast of Trinidad. The four larger islands or Greater Antilles (Cuba, Hispaniola, Jamaica, and Puerto Rico) are clustered in the western segment of this arc. The smaller islands, or Lesser Antilles, of the eastern segment extend southward within a crescent-shaped chain from the Virgin Islands to Trinidad and Tobago. (Breaking this tectonic-plate-related regularity are the Bahamas as well as the Turks and Caicos, located north of the Greater Antilles, and numerous other islands too small to appear on a map at the scale of Fig. 4B-1.)

On these myriad islands, whose combined land area accounts for only 9 percent of Middle America, lie 33 states and numerous other political entities. (Europe's colonial flags have not totally disappeared from this region, and the U.S. flag flies over both Puerto Rico and the Virgin Islands.) The populations of these states and territories, however, constitute 21 percent of the entire geographic realm, making this the most densely peopled part of the Western Hemisphere.

The island-nations of the Caribbean Basin are generally (very) small, and their territories are separated, often at considerable distances from other islands. These fragmented geographic conditions create a set of circumstances that has proven to be quite challenging. Economic opportunities are few, most things are relatively expensive, and due to limited interaction with the outside world the island societies tend to be static.

Ethnicity and Class

Social stratification [11] in most Caribbean islands is rigid and social mobility is limited. Class structures tend to be closely associated with ethnicity, and as such the region still carries imprints of colonial times. The historical geography of Cuba, the Dominican Republic, and Puerto Rico is suffused with Hispanic culture; Haiti and Jamaica carry stronger African legacies. But the reality of this ethnic diversity is that European lineages still hold the advantage. Hispanics tend to be in the best positions in the Greater Antilles; people who have mixed European-African ancestries, and who are described as **mulatto [12]**, rank next. The largest part of this social pyramid is also the most underprivileged: the Afro-Caribbean majority. In virtually all Caribbean societies, the minorities hold disproportionate power and exert overriding influence. In Haiti, the mulatto minority accounts for less than 5 percent of the population but has long held most of the power. In the neighboring Dominican Republic, the pyramid of power puts Hispanics (16 percent) at the top, the mixed sector (73 percent) in the middle, and the Afro-Caribbean minority (11 percent) at the bottom. In the Caribbean social mosaic, historical advantage has a way of perpetuating itself.

The composition of the population of the islands is further complicated by the presence of Asians from both China and India. During the nineteenth century, the emancipation of slaves and subsequent local labor shortages brought some far-reaching solutions. More than 100,000 Chinese emigrated to Cuba as indentured laborers; and Jamaica, Guadeloupe, and especially Trinidad saw nearly 250,000 South Asians arrive for similar purposes. To the African-modified forms of English and French heard in the Caribbean Basin, therefore, can be added several Asian languages. The ethnic and cultural diversity of the societies of Caribbean Middle America seems endless.

THE GREATER ANTILLES

The four islands of the Greater Antilles (whose populations constitute 90 percent of the Caribbean Basin's total) contain five political entities: Cuba, Haiti, the Dominican Republic, Jamaica, and Puerto Rico (Fig. 4B-1). Haiti and the Dominican Republic share the island of Hispaniola.

Cuba

The largest Caribbean island-state in terms of both territory (111,000 square kilometers/43,000 sq mi) and population (11.3 million), Cuba lies only 145 kilometers (90 mi) from the southernmost island of the Florida Keys. (Fig. 4B-9). Havana, the now-dilapidated capital, lies almost directly south of outermost Key West on the northwestern coast of the elongated island.

Cuba was a Spanish possession until 1898 when, with U.S. help in the ten-week-long Spanish-American War, it achieved independence. Fifty years later, an American-backed dictator was fully in control, and by the 1950s Havana had become an American playground. The island was ripe for revolution, and in 1959 Fidel Castro's insurgents gained control, thereby converting Cuba into a communist dictatorship and a client-state of the Sovier Union. Nearly a million Cubans fled the island for the United States, and Miami swiftly became the second-largest Cuban city after Havana.

In the fall of 1962, the world was on the brink of nuclear war when the United States called on the Soviet Union to remove its newly installed nuclear missiles from Cuba (aimed at the United States) or face reprisals. In the end, the Soviets conceded and in return Washington promised not to attack Cuba. The United States also continued to retain the Guantánamo Bay Naval Base located near the southeastern tip of the island (Fig. 4B-9), which was perpetually leased to the United States by the Cuban government in 1903. Since 2002, the Guantánamo base has acquired notoriety as a detention camp for 9/11-related terrorists as

FIGURE 4B-9

well as prisoners of war from both the Iraq and Afghanistan conflicts.

Castro's rule survived the 1991 collapse of the Soviet Empire despite the loss of subsidies and sugar markets on which it had long relied. As the map indicates, sugar was Cuba's economic mainstay for many years; the plantations, once the property of rich landowners, extend all across the island. But sugarcane is losing its position as the leading Cuban foreign exchange earner. Mills have been closing down, and cane fields are being cleared for other crops as well as for pastures. However, Cuba has additional economic opportunities, especially in its highlands.

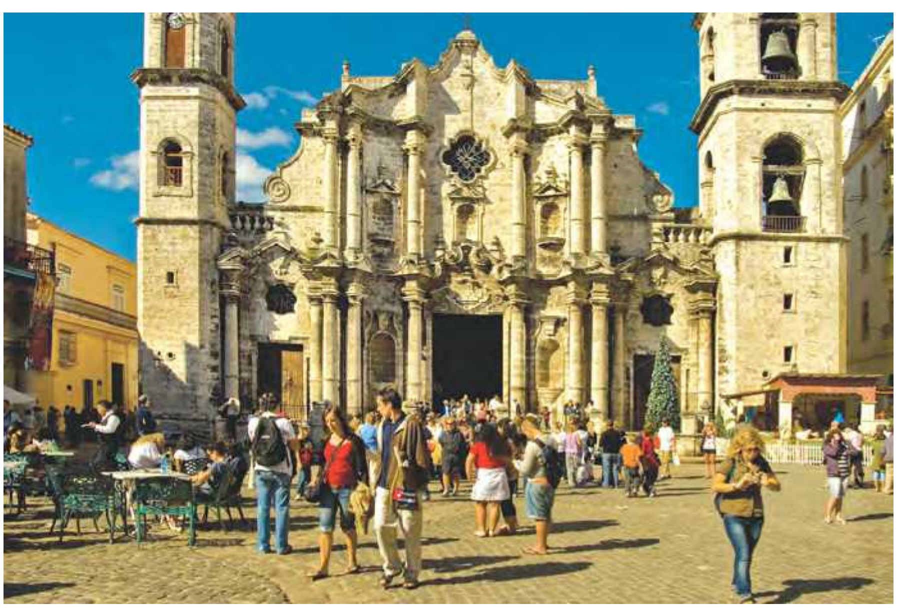
There are three mountainous zones, of which the southeastern Sierra Maestra is the highest and most extensive. These highlands create considerable environmental diversity as reflected by extensive timber-producing tropical forests and varied soils on which crops ranging from tobacco to coffee to rice to subtropical and tropical fruits are grown. Rice and beans are the staples, but Cuba is unable to meet its dietary needs and so must import food. The central and western savannas support livestock-raising. Even though Cuba has only limited mineral reserves, its nickel deposits are extensive and have been mined for more than a century.

Early in the twenty-first century, Cuba found a crucial new supporter in Venezuela's leader, Hugo Chávez. Cuba has no domestic petroleum reserves, but Venezuela is oil-rich and, since 2003, has been providing all of the fuel that Cuba needs. In return, Castro sent 30,000 health workers and other professionals to Venezuela, where they aid the poor. In 2011, it was estimated that the Chávez government subsidized Cuba to the yearly tune of about U.S. $3.5 billion. The Chávez regime came to a premature end with his death in 2013; the consequences for Cuba were still unknown at press time, but are likely to be serious in the long run.

Poverty, crumbling infrastructure, crowded slums, and rampant unemployment mark the Cuban cultural landscape, but the Castro regime still seems to have support among the general population. In 2006, Fidel Castro became too ill to lead the country and turned the reins over to his brother Raúl. Since then, a series of (modest) liberalization measures have slowly taken effect. In 2011, hundreds of thousands of government workers were laid off, forcing them to find employment in the private sector, part of a plan to privatize one-third of the public sector by 2015. These changes were undoubtedly necessitated by the persistently deplorable condition of the Cuban economy. One of the few potentially bright spots is the construction of a new deepwater container port at Mariel (the notorious refugee port of the early 1980s) 25 miles west of Havana. This facility is being built by a Brazilian consortium and will be operated by Singapore Ports, underscoring the global interest in Cuba's future possibilities in the changed environment of Caribbean shipping after the enlarged Panama Canal opens for business.

In the United States, many hold the view that Cuba could be the shining star of the Caribbean, its people free, its tourist economy booming, its products flowing to nearby North American markets. But a great deal will need to change for that vision to become reality.

Tourists ambling through the plaza in front of the Cuban capital's Cathedral of San Cristóbal de la Habana. This 237-year-old seat of Havana's archdiocese, one of the finest examples of Baroque architecture in the Western Hemisphere, was completed one year after the U.S. Declaration of Independence was signed.



© Jerry Ginsberg/Danita Delimont

Jamaica

Across the deep Cayman Trench from southern Cuba lies Jamaica, and a cultural gulf separates these two countries as well. A former British dependency, Jamaica has an almost entirely Afro-Caribbean population. As a member of the British Commonwealth, it still recognizes the British monarch as the chief of state, represented by a governor-general. The effective head of government in this democratic country, however, is the prime minister. English remains the official language here, and British traditions still linger.

Smaller than Connecticut and with 2.7 million people, Jamaica has experienced a steadily declining national income over the past few decades despite its relatively slow population growth. Tourism has become the largest source of income, but the markets for bauxite (aluminum ore), of which this island is a major exporter, have dwindled. And like other

Caribbean countries, Jamaica has difficulty in making money from its sugar exports. Jamaican farmers also produce crops ranging from bananas to tobacco, but the country faces the disadvantages on world markets common to those in the global periphery. Meanwhile, Jamaica must import all of its oil and much of its food because the densely populated coastal flatlands suffer from overuse and shrinking harvests.

The capital, Kingston, lies on the southeastern coast and reflects Jamaica's economic struggle. Almost none of the hundreds of thousands of tourists who visit the country's beaches, explore its Cockpit Country of awesome limestone towers and caverns, or populate the many cruise ships calling at Montego Bay or other points along the north coast get even a glimpse of what life is like for the ordinary Jamaican.

Haiti

Already the poorest state in the Western Hemisphere for several decades, Haiti in the fall of 2008 was staggered by no less than four tropical cyclones that struck within a few weeks of each other. The storms and the floods they unleashed killed more than 800 people and dislocated some 800,000. Then, barely 15 months later, the killer earthquake of January 12, 2010 caused devastation on an unimaginable scale (see photo in Chapter 4A). The capital, Port-au-Prince, lay in ruins, most of the country's infrastructure collapsed, and the Haitian government became effectively invisible. Schools, hospitals, and railroads as well as the seaport and the airport all came to a standstill. Millions became unemployed overnight. But all of that paled in comparison to the scale of human suffering. In the months following the earthquake, the estimated death toll reached and then surpassed 300,000; at least another 300,000 were injured. About 1.5 million homeless people initially fled the capital for the countryside, partly out of fear of aftershocks.

It was a tragedy of colossal proportions, its horrendous images broadcast around the world on television and the Internet. Large-scale international emergency aid arrived, but it became clear that, in the long run, much of the affected area would have to be totally rebuilt. In the catastrophe's aftermath, millions of Haitians continue to subsist in the most wretched circumstances.

The challenge of recovery remains a gargantuan undertaking because nature has not provided this country of 10.7 million with any breaks. Haiti lies along a particularly dangerous tectonic fault zone where the North American and Caribbean plates meet (Fig. 4B-10, inset map). The quake of 2010, geologists say, had been in the making for centuries, and more of them could easily follow in the

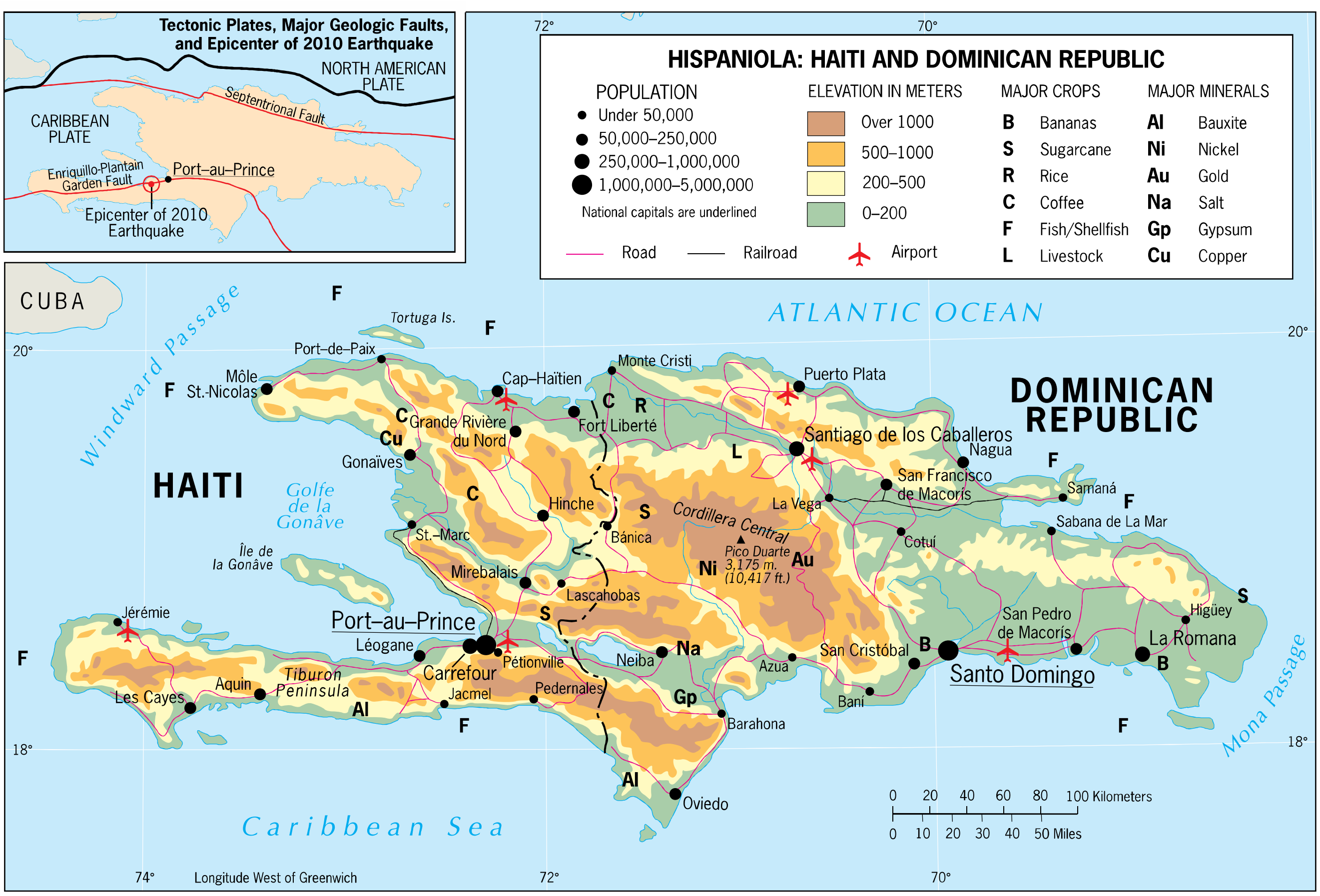


FIGURE 4B-10

From the Field Notes . . .

© H.J. de Blij

"Fly along the political boundary between Haiti and the Dominican Republic, and you see long stretches of the border marked by a stark contrast in vegetation: denudation prevails to the west in Haiti while the forest survives on the Dominican (eastern) side. Overpopulation, widespread appalling poverty, lack of governmental control, and mismanagement on the Haitian side combine to create one of the region's starkest spatial contrasts."

www.conceptcaching.com

future. This country also lies astride the axis of Hurricane Alley, and even a single year without a major storm is something to be grateful for (fortunately including the three hurricane seasons following the earthquake). Finally, Haiti has few natural resources and little to offer in the international trading arena. As 2013 began, more than 350,000 people were still living in tented camps, unemployment was well above 50 percent, foreign investment was still reduced to a trickle, and talk about grand schemes to rebuild this nation had all but vanished.

Few countries in the world have a more checkered history than Haiti, where political instability, repression, and material deprivation have been constants for well over a century. Haiti's GNI per capita is less than one-sixth of Jamaica's, a level below even that of many impoverished African countries. Compared to other countries in Middle and South America, its infant mortality rate was nearly three times as high. A shocking one-third of elementary school-age girls never even attend school. Most of the country's limited public expenditures were made possible through foreign aid, and private consumption relied heavily on remittances from the Haitian Diaspora in cities like Miami, Paris, New York, and Montreal.

Dominican Republic

The mountainous Dominican Republic has a larger share of Hispaniola than Haiti (Fig. 4B-10) in terms of territory (64 percent of the island), but at 10.4 million is nearly equal in size to the Haitian population. "The Dominican," too, has a wide range of natural environments but also a much stronger resource base than its neighbor to the west. Nickel, gold, and silver have long been exported along with sugar, tobacco, coffee, and cocoa, but tourism is the leading industry. An extended period of dictatorial rule punctuated by revolutions and U.S. military intervention ended in 1978 with the first peaceful transfer of power following a democratic election.

Political stability brought the Dominican Republic some handsome rewards, and during the late 1990s the economy, based on manufacturing, high-technology industries, and remittances from Dominicans abroad as well as tourism, grew at an average of 7 percent per year. But in the early 2000s the economy imploded, not only because of a downturn in the world economy but also because of bank fraud and corruption in government. Suddenly the Dominican currency collapsed, inflation skyrocketed, unemployment surged, and blackouts prevailed. As the people protested, lives were lost and the self-enriched elite blamed foreign financial institutions that were unwilling to provide the government with additional money. Once again the hopes of ordinary citizens were dashed by greed and corruption among those in power.

Puerto Rico

The largest U.S. domain in Middle America, this easternmost and smallest island of the Greater Antilles region covers 9000 square kilometers (3500 sq mi) and has a population of 3.7 million. Puerto Rico is larger than Delaware and more populous than Connecticut. Most Puerto Ricans are concentrated in the urbanized northeastern sector of this rectangular island (Fig. 4B-11).

FIGURE 4B-11

Puerto Rico fell to the United States well over a century ago during the Spanish-American War of 1898. Since the Puerto Ricans had been struggling for some time to free themselves from Spanish imperial rule, this transfer of power was, in their view, only a change from one colonial master to another. As a result, the first half-century of U.S. administration was difficult, and it was not until 1948 that Puerto Ricans were permitted to elect their own governor. When the island's voters approved the creation of a Commonwealth in a 1952 referendum, Washington, D.C. and San Juan, the seats of government involved, entered into a complicated arrangement. Puerto Ricans are U.S. citizens but pay no federal taxes on their local incomes. The Puerto Rican Federal Relations Act governs the island under the terms of its own constitution and awards it considerable autonomy. Puerto Rico also receives a sizeable annual subsidy from Washington, averaging approximately U.S. $4.2 billion during the past few years.

Despite these apparent advantages in the poverty-plagued Caribbean, Puerto Rico has not thrived under U.S. administration. Long dependent on a single-crop economy (sugar), the island based its industrial development during the 1950s and 1960s on its comparatively cheap labor, tax breaks for corporations, political stability, and special access to the U.S. market. Consequently, pharmaceuticals, electronic equipment, and apparel top today's list of exports, not sugar or bananas. But this industrialization failed to stem a tide of emigration that carried more than one million Puerto Ricans to the New York City area alone. The same wage advantages that favored corporations kept many Puerto Ricans poor or unemployed. The level of unemployment on the island in 2013 stood at more than 14 percent, the highest of any U.S. subnational entity. Most residents receive federal support; another 21 percent work in the public sector, that is, in government. The private sector remains severely underdeveloped.

Most Puerto Ricans are now fed up with their lack of economic progress. In the 2012 U.S. presidential election, which included a non-binding referendum on Statehood, 61 percent voted in favor of becoming the 51st State. Discussions about implementation (which has political implications for the deeply divided U.S. Congress) as well as the process and conditions of accession are likely to continue well into the second half of this decade.

THE LESSER ANTILLES

As Figure 4B-1 shows, the Greater Antilles are flanked by two clusters of islands: the extensive Bahamas/Turks and Caicos archipelago to the north and the Lesser Antilles to

Boutin/Sipa Press

The capital city of Trinidad and Tobago may have an historic colonial name (Port of Spain), but after nearly three centuries of Spanish rule, the British took control here. English became the *lingua franca*, democratic government followed independence in 1962, and natural-gas reserves have lately propelled a thriving economy. As can be seen here, the harbor of Port of Spain is bursting at the seams as a car carrier delivers automobiles from Japan, and containers are stacked high on the docks.

the southeast. **The Bahamas**, the former British colony that is now the closest Caribbean neighbor to the United States, alone consists of nearly 3000 coral islands—most of them rocky, barren, and uninhabited—but approximately 700 carry vegetation, of which roughly 30 are inhabited. Centrally positioned New Providence Island houses most of the country's 400,000-plus inhabitants and also contains the capital, Nassau, a leading tourist attraction.

The Lesser Antilles are grouped geographically into the Leeward Islands and the Windward Islands, a (climatologically incorrect) reference to the prevailing airflows in this tropical zone. The Leeward Islands extend from the U.S. Virgin Islands to the French dependencies of Guadeloupe and Martinique, and the Windward Islands from St. Lucia to the Dutch-affiliated islands of Aruba and Curaçao off the northwestern Venezuelan coast.

It would be impractical to detail the individual geographic characteristics of each island of the Lesser Antilles, but we should note that nearly all share the insularity and environmental risks of this region—major earthquakes, volcanic eruptions, and hurricanes; that they confront, to varying degrees, similar socioeconomic problems in the form of limited domestic resources, overpopulation, soil deterioration, land fragmentation, and market limitations; and that tourism has become the leading industry for many.

Under these kinds of circumstances one looks for certain hopeful signs, and such an indication comes from **Trinidad and Tobago**, the two-island republic at the southern end of the Lesser Antilles (Fig. 4B-1). This country (population: 1.3 million) has embarked on a natural-gas-driven industrialization boom that could well turn it into an economic tiger. Trinidad has long been an oil producer, but lower world prices and dwindling supplies in the 1990s forced a reexamination of its natural gas deposits to help counteract the downturn. That quickly resulted in the discovery of major new supplies, and this cheap and abundant fuel has sparked a local gas-production boom as well as an influx of energy, chemical, and steel companies from Europe, Canada, and even India. (Meanwhile, Trinidad has become the largest supplier of liquefied natural gas for the United States.) Many of the new industrial facilities have agglomerated at the state-of-the-art Point Lisas Industrial Estate outside the capital, Port of Spain, and they have propelled Trinidad to become the world's leading exporter of ammonia and methanol. Natural gas also is an efficient fuel for the manufacturing of metals, and steelmakers as well as aluminum refiners have been attracted to locate here. With Trinidad lying just off the Venezuelan coast of South America, it is also a sea-lane crossroads that is strongly connected to the vast, near-coastal supplies of iron ore and bauxite that are mined in nearby countries, most importantly the Brazilian Amazon.

But Trinidad is an exception. It is a reflection of the predicament of **small-island developing economies [13]** that, after the initial wave of decolonization in the 1950s and 1960s, several territories decided that they were probably better off affiliating with the European country that had ruled them. Thus, for example, Guadeloupe remained with France and the Cayman Islands are still British. The former Netherlands Antilles passed up full independence to continue their affiliation with the Dutch but did so individually and with considerable autonomy: **Curaçao, Aruba**, and **St. Maarten** are now "countries" within the Kingdom of the Netherlands, whereas the other Caribbean islands of the former Dutch Empire have acquired the status of overseas municipalities. Although economic logic seems to dictate continued association with the former colonial powers, local politics and pride demand some minimal degree of autonomy and avoidance of paternalistic European interference. The combined result is often a complicated legal framework that shapes the contemporary political status of the islands.

VOICE FROM THE Region

THE PULL OF CURAÇAO'S ETHNIC MOSAIC

Megan Elizabeth Chong, Curaçao

"Growing up on the island of Curaçao, I have had the opportunity to interact with people of various races, ethnicities, religions, and nationalities. As is true for most Caribbean islands, immigrants have come from many different parts of the world. This ethnic mix makes for the unique culture of Curaçao. Personally, I have an American mother of German origin and an Antillean father of Chinese, indigenous, and Spanish descent. It would be difficult for me to find someone with identical origins, but that goes for many people living here. Since the island is so small, only 60 kilometers (38 mi) long and 15 kilometers (9 mi) wide, most people know each other even if they have very different backgrounds. I think this has helped me to develop a deeper understanding and appreciation for others. On the other hand, the opportunities for work and studies are quite limited on small islands like Curaçao. Each year, many graduating high school students move abroad to attend college. The majority end up in the Netherlands, with which we have historical ties and where students from Curaçao get the same subsidies as Dutch nationals. Some choose to study in the United States, but a good number stay on the island to take classes at the local university or look for work. This year, I will be attending Maastricht University in the Netherlands to major in psychology. Many of the students who leave Curaçao to study abroad do not return after their studies—or at least not right away—as they normally begin a career elsewhere. I will probably do the same, having connections in Europe as well as the United States; but I know I will always be drawn back to Curaçao, the island I am proud to call home."

POINTS TO PONDER

- Northern Mexico highlights the volatility of globalization: the inception of NAFTA in the mid-1990s led to foreign investment and the proliferation of maquiladoras, but a decade later many companies had departed for Asian-Pacific destinations that offered even lower wages.
- Costa Rica has known political stability for more than 190 years, and it has been a continuous democracy for over six decades. What could other Central American countries learn from this example?
- The geography of a small Middle American country, Panama, significantly impacts the global economy and especially its two biggest players, the United States and China.
- Honduras now seeks to solve its massive problems by offering parts of its territory to foreign investors and allowing them to become more or less independent of the Honduran government—a stroke of genius or an act of desperation?