it is safe to conclude that the reversal of the gains of the Grenada Revolution, that began with the interim Government of 1983, and continued with the election of the old Herbert Blaize New National Party (NNP) in 1984, ushered in the modern period of Grenadian retrogression.

Kathy McAfee in her celebrated book ''Storm Signals—Structural Adjustment and Development Alternatives in the Caribbean'' (Oxfam America 1991), in a chapter entitled ''Grenada: Development by Conquest,'' argues that ''by the fall of 1988, after five years of US stewardship, almost none of the developmental goals set by the US had been met. Grenada was deeper in debt than at any time in the nation's past. AID-sponsored efforts to balance the government's budget had failed. The country's tax system, after being thoroughly re-designed by US consultants, had largely collapsed. AID was withholding promised grants to Grenada's government in an effort to force it to comply with structural adjustment conditionalities.'' McAfee says that unemployment was at an all-time high, some 30 percent, and agricultural productivity continued its long-term decline, while Grenada's manufacturing sector remained small and stagnant.

In 2006 nobody disagrees that agriculture, Grenada's economic backbone, is in serious trouble and that production for export has taken a big hit. Moreover, the World Trade Organization (WTO) ruling removing the protected status for Caribbean bananas in the European market has caused more headaches for the country. Added to this by the year 2000 the task of completely destroying all the hard-won gains of the people during the Grenada Revolution was now completed.

Here are a few examples of some of the structures and other economic and social programs that are now extinct that have set Grenada back for many years. The National Transportation Service (NTS) is no more, the Marketing and National Importing Board (MNIB) is a shell of its former self. Post-Revolutionary governments allowed about six (6) fully equipped modern fishing trawlers to rot and sink to the bottom of the St. George's sea rather than utilize them. Grenada no longer exports eggplants and other crops to European markets; the country's agro-processing plant that canned fruit juices for export under the Revolution is no more, as is the fish processing plant that began to produce dry salted fish for export. The coffee processing plant in Grenville is now extinct. Only the Grenada International Airport remains because this structure, woefully under-utllized, cannot be easily physically dismantled.

But what solution did these post 1983 govenments propose for Grenada's socio-economic developmnent? The answer for many of them was privatization. This process continues today. According to a leading expert on privatization in the Caribbean, Jamaica's Richard L. Bernal, with the overthrow of the Maurice Bishop Government in 1983, the new Government in Grenada committed itself to privatization. ''By 1992, in response to a weak fiscal situation, Grenada had begun a ''self-imposed'' three-year structural adjustment program in which privatization of State Owned Enterprises was an integral component. In that year, 90 percent of the shares of the National Commercial Bank were sold, with the majority shares going to the Republic Bank of Trinidad and Tobago, and 10 percent to Grenadians and others from the Eastern Caribbean,'' [''Privatization in the English-speaking Caribbean: An Assessment''] (the Center for Strategic and International Studies) October 22, 1999].

In the same publication, Bernal noted that ''. . . rapid and extensive divestment without a proper framework can lead to disastrous results . . . It is also important to ensure that there is a proper context in which privatization can take place. A competent executing agency with a qualified staff is needed, together with the appropriate regulatory framework and the necessary safety nets to protect displaced workers.''

So me of these ''disastrous results'' have visited Grenada since the start of the program, in particular the perception by the public that governments have been just selling off, national assets to raise money. Indeed, there is little to show for privatization. There are also sound arguments that while privatization brings a bag of mixed blessings, in the Grenada context there was and is no competent and experienced monitoring authority to oversee the divestment of state assets. The upshot is that as a panacea for Grenada's economic ills the jury is still out on the privatization program.

And yet the ruling New National Party (NNP) government led by Dr. Keith Mitchell cannot be slighted for not demonstrating some measure of boldness when it comes to policy decisions and hard political issues. Buffeted and hindered by a hostile world economic climate the Government has tried to push the Grenadian economy forward with an admixture of privatization, international aid (hitherto to 2004 mostly from Taiwan), re-focussing on tourism, and physical infrastructural development. This program will be one of the key challenges to the government in the coming years as Hurricanes Ivan and Emily was almost responsible for putting the Grenada government into receivership.

Overall, if one was to characterize the progress and development of Grenada, Carriacou and Petite Martinique these past 32 years, one would have to conclude that it has been a period of turbulence mixed with brief periods of respite, tranquility and development. These past 32 years have seen every form of political upheaval and some of the ugliest forms of repression and brutality. It is a history that has divided Grenadians and continues to drive a fundamental wedge in any movement towards national unity and reconciliation.

For example: the events of October 19, 1983 that saw the execution of popular Prime Minister Maurice Bishop and some members of his Cabinet, that led to the subsequent invasion on Grenada on October 25, 1983, is still the salt in the wound for most Grenadians. There is no closure as yet and this will be yet another challenge going forward.

But if unity has been illusive thus far, and economic problems further aggravate and create political alliances and divisions, then any commentary on the merits, achievements, and future of Grenada's independence would lead one to the conclusion that independence is a pipe dream. Right? Wrong. While economic independence is not yet a reality, political independence is a fact of life in Grenada. Indeed, without wanting to sound cynical, the mistakes made during the 32 years of Grenadian independence were made by the, Grenadian people and their leaders. And nobody ever said that national development, progress and independence would be a cakewalk.

In fact, national development is painful, especially so for a small, agriculturally dependent nation that will never reach critical mass. But these pains are necessary if the country must move forward because the school of hard knocks is where experience is gained, and is perhaps the best teacher on the issue of progress and retrogression—the twin sisters of development. And Grenada's small size is both a blessing and a curse. Its size makes for presumably an easier and more efficient governmental structure and management. With fiscal prudence popular shared services can reach the vast majority of the people and greatly improve the quality of life.

RELATING TO CONSIDERATION OF S. 1932, DEFICIT REDUCTION ACT OF 2005

HON. LUCILLE ROYBAL-ALLARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 14, 2006

Ms. ROYBAL-ALLARD. Mr. Speaker, I rise today in strong opposition to House Resolution 653, the Budget Reconciliation Spending Cuts Act. There are many reasons to vote against the bill today, including the massive cuts to critical programs, such as Medicare, Medicaid, and child support enforcement. But the unconscionable cuts to student aid are reason enough to vote against this bill.

Education has always been—and continues to be—the great equalizer in this country. Student loans in particular have helped to level the playing field for thousands of worthy students who cannot afford the high cost of a college education.

For that reason, it is shocking and disappointing that over 30 percent of the cuts in this bill are to student aid programs that help our kids afford a college education. To pass this bill, and cut funding for essential education programs, is to forsake our commitment to our children's future and to the future of our country.

Skyrocketing student loan interest rates and fees, including a new 1 percent ''insurance fee'' on college loans will make it even harder for many parents to send their children to college and on the road to a better and more prosperous life.

Mr. Speaker, the passage of this bill will shatter the dreams of thousands of students whose only hope for a college education is through the support of federal financial aid.

And it will weaken our country's future, because we will be denied the talents and contributions of these students, whose skills we need to compete in our highly skilled global economy. If we are to remain the greatest and most powerful nation in the world, we must educate and develop the talents of all our children.

Adding to the tragic consequences of this bill is that the cuts to Medicare, Medicaid, child support enforcement, and student aid do nothing to reduce the shocking 3.4 trillion dollars deficit. The President's cuts to these critical programs are simply for the purpose of giving more tax cuts to the wealthiest 1 percent of our country.

Mr. Speaker, H. Res. 653 is an ill-conceived and misguided bill that endangers the future of our children and the future of our country. I urge my colleagues to vote against this bill.