

Destination: Prosperity

C&W finds a monopolistic paradise in the Cayman Islands



There is no difference between C&W's monopoly management operations from those of Ma Bell more than 30 years ago.

Private pilots enjoy two fun trips. The biggest is when thousands of airplanes descend each year on Oshkosh, Wis. The enthused devote most of a week looking at — well — airplanes.

THE CAYMAN ISLANDS

The second is the flight from Florida over Cuba to the Cayman Islands for the Celebration of Aviation week. From Miami to Cuba is half way. The other 150 mile half is again over water to the three islands that make up what is called the Caymans (pop 35,000). The flight makes for interesting radio traffic with air traffic controllers of three countries. The Cayman Islands Airport is a mile or so northwest of where the cruise ships anchor. And offshore Cayman Brac and Little Cayman is diving at its best. I bought my first aqualung in 1951.

The Caymans were a part of Jamaica until 1967. When the British granted Jamaica independence, the folks in the Cayman Islands voted to remain a British Crown Colony.

The islands have no taxes on income, land, property, death or estate duty, inheritance, corporate, capital gains or sales. They collect room taxes and levy fees on imported goods, not to mention taxes for cruise ship passengers plus departure fees at the airport.

The Caymans have become a leader in the bank and trust, ranking fifth worldwide. Nothing is cheap on the islands, but some visitors are said to enjoy having their money work in a country where banking secrecy and confidence is the norm. I'm told new accounts are not accepted without a letter from bankers elsewhere attesting to your good character for at least two years.

There appears to be two banks per block throughout Georgetown. The Yellow Pages list 91. Cayman Islands bankers say that 500 financial institutions operate in the country.

CABLE & WIRELESS

Cable & Wireless has a lock on telephone service. There is no difference between C&W's monopoly management operations from those of Ma Bell more than 30 years ago. I did not find one person (in both the Caymans and

Jamaica) who does not think the telco is not a rip-off.

C&W puts on a monopoly squeeze unheard of in today's so-called relaxed telecom arena. Its odious financial business practices were detailed by Grahame Lynch in the April 15, 2001 issue.

It's been a long time since I've seen a telco so disliked. It reminds me of AT&T in the '50s.

You don't wire your own dwelling. You must pay to rent a phone with your service whether you use that phone or not. They will not connect a phone until they inspect the wiring — including the phone(s) — and make sure it will work properly. The company does have all the bells and whistles and options that add to the bottom line. Those are guaranteed by annual re-work and upgrades performed by contract forces from Northern Telecom (Canada) every winter. When summer comes at home, the contractors leave the Caymans.

Despite ownership of its submarine cables and heavy worldwide investment in Internet facilities, C&W telecom rates are higher than would be expected if competition existed. But you can bet the company keeps its (anti-competition) political machine well-oiled.

CAYMAN PHONE CHARGES

The Cayman Islands dollar is worth US 80¢. Within Grand Cayman, local calls (with 3 minute minimum) net 3¢ per minute anytime. Calls to Little Cayman and Cayman Brac are 27¢ per minute. (The company hides the rate by saying it is 3¢ every 6.7 seconds!) A 0+ station call to the US is \$5.44 for the first 3 minutes and \$1.40 per minute after.

Per-minute DDD to North America is \$1.20, 95¢ per minute in the evening and 60¢ per minute on weekends. Rates to anywhere else appear to be capped at \$1.80, \$1.40 and 80¢ per minute for their respective time of day.

Internet costs vary from \$1 to \$6 per hour at 128 kbps max. And 44 telex numbers were listed in the phone book! ■

When home, Art Brothers runs Beehive Telephone Co. in Wendover, Utah. His e-mail address is artb@beehive.net. Send comments to anrespond@americasnetwork.com.