

Headline: Economics of Airport Development

Publication: Searchlight

Paper Date: October 26, 2007

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“Visions of Arnos Vale, and a belief in self”

After my previous article, “E.T. Joshua conversion, a gold mine for SVG”, several persons engaged me in discussions on the subject. Many shared the view that with Kingstown breaking at its seams, in terms of demand for building space, the *natural* location for business expansion is Arnos Vale, and that this expansion has already begun.

As I reasoned in that article, the conversion of Arnos Vale into a city can generate substantial revenues for the government. I opined that with a well conceived development plan, taking into account the cost of infrastructure, government may well create an asset (the 62 acres of land, with development plans) with a net worth in excess of EC\$800 million. This asset, together with the value of all the concessions available to government as a developer, provides an opportunity to raise large sums of matching debt and equity financing to pursue an orderly and staged development of Arnos Vale, which once properly managed, could generate huge financial gains and add to the social enrichment of our people.

I envision a new city, whose master development plan includes several upscale hotels with conference facilities, residential villas and condominiums, first class restaurants and shopping centres, office buildings, entertainment complexes, and a feature the every well planned city should have: adequate green recreational areas, most likely, along the water front.

This new city can also become a tourist attraction in its own right. Its seaside location captures the relaxing feel and dramatic scenes of the Grenadines and Caribbean Sea in the delightful way that many cricket commentators have commented upon over their many years of watching cricket from the Press Box at the Arnos Vale Playing Field.

Arnos Vale’s conversion may also be the first time in the history of our independent existence that we have such an opportunity, and can raise the money, to plan and implement the development of a city in St. Vincent and the Grenadines. As an independent people, and in the consultative traditions of this government, all Vincentians would be afforded an opportunity to comment upon and shape the way our new city is organised and developed. We would, as we are doing with the present constitution, be able to fashion our own space, rather than simply find our way along a path that was carved for us, however inappropriate that path might be.

Arnos Vale’s development also has a financial underlining for the new international airport. Indeed, the possibilities for external investment into the Arnos Vale City development owe much to the enhanced air access from the new international airport. The two developments are therefore mutually supportive.

Some people opposed to the airport argue that it should not be built because there is no money to build it. Government, on the other hand, points out that Arnos Vale’s conversion and the construction of the Argyle International Airport are part of a package which should be evaluated together. And when this is done, the decision is a sound one. And here is why.

The decision to build the airport at Argyle, and to transfer airport operations from Arnos Vale in 2011, frees up 62 acres of land at Arnos Vale to the government. As we discussed above, with a development plan, these lands could have a net worth of EC\$800 million by 2011.

A sound economic analysis of the decision to build an airport at Argyle will take into account the increased value to the government of the lands at E.T. Joshua airport. In fact, as you quickly notice, the incremental value of the lands at Arnos Vale are more than the cost of the new Argyle airport, estimated at EC\$500 million. Clearly therefore, the decision to transfer the airport operations to a new facility at Argyle and to develop the lands at E.T. Joshua into a new city could generate for government a surplus more than enough to build the new airport.

This is simple economic analysis. So I am sometimes humoured when those who profess to know economics, or apparently to know just about everything there is under the sun, talk about the Argyle International Airport as a bad economic decision. Even if the Argyle Airport was being built purely on financial grounds, it would still have been a sound decision, assuming the increased value of the lands at Arnos Vale.

Some would justifiably argue that the operating cost of an international airport is much higher than that of E.T. Joshua and that this must be factored into my analysis. But we must also account for the growth in tourism, agribusiness, manufacturing, and, in general, business activity, all of which provide tax income for government as a consequence of the decision to build the airport. This income stream is separate and apart from the revenue generated at the airport and is usually overlooked in the analysis of the government's decision.

The rose that I have painted, though those who doubt themselves may see as unattainable, depends only on continued good political leadership and God's blessings.

At the 28th anniversary of our independence, we have to fortify ourselves in the belief that we can achieve things above the ordinary. We should not simply sit by and admire our neighbours while they progress, but handicap ourselves by the thought, as someone once said in reference to Jesus, "can anything good come out of Nazareth?"

In the spirit in which our parents strive to create platforms for us better than that which was laid for them, should we not at the national level also do likewise for posterity?

I wish all a happy 28th anniversary of independence.