## Large Developments Seek Social Sustainability

By Sam Jacoby

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VILLA EL CARMEN – "Development along the coast of Nicaragua is going to happen. Period," says Mike Cobb, the president and CEO of Gran Pacifica, one of the largest residential development projects in the country. "It's a question of whether it's done well, or whether it's done poorly."

Cobb is speaking to the concerns of environmental and social activists who have watched a wave of development projects hopscotch up the Pacific coast with growing trepidation in recent years.

"A criticism that developers get is that (we will) destroy the pristine environment, the pristine beach; I think that's unfair," Cobb says. "This is a poor district, people are living on subsistence agriculture, growing crops with slash-and-burn. Ignoring those issues is a high price to pay for a pristine beach."

The 2,400-acre Gran Pacifica development sits along three and a half miles of coastline in the rural municipality of Villa El Carmen, an hour west of Managua.

Cobb hopes to establish a model that is able to satisfy all parties; one that addresses the needs of the local community while balancing the concerns of investors and activists. That difficult task reflects the increasingly ecofriendly priorities of large commercial developers.

"Our model, from the ground up, is designed to be environmentally and socially responsible," Cobb says. "Approaching the project, we were looking at a 20-25 year time horizon. When you're looking at that kind of scale, you do things differently."

Cobb says his project has a series of programs and policies.

"It's two-fold," he says. "We have our social programs, providing aid, improving education, and health. And then there are the spin-off economic benefits, the long-term jobs, the higher property values."

The Children, Health, Education, and Supporting Services program, or CHESS, is Gran Pacifica's aid and social development vehicle. It has been officially operating in Villa El Carmen since last March. It administers programs in a dozen of the municipality's schools and medical clinics.

"Gran Pacifica could have run all of its social programs on a few donations, doing things that look better than they are – it's easy to just take good pictures," said Ligia Díaz, coordinator of CHESS.

In addition to the CHESS program, Gran Pacifica's aid includes new ambulances for



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**Long-Term Goals:** Mike Cobb and his family have made Gran Pacifica and Nicaragua their home, and they want to be good neighbors.

the health center and a new motorcycle for the local police force.

The CHESS program, however, is a sustained commitment to improving the quality of life and education in Villa El Carmen.

Cándida Castro is the director of the Santa Rita school, one of the 12 in which the program operates. Against the wall of her office is a barrel-sized water purifier, a CHESS donation.

"CHESS has lifted us up," she says. "It's a basic reality in Nicaragua that the Ministry of Education does not have the funds necessary to supply the schools with all that they need."

That includes essentials such as clean water and textbooks, but also teacher workshops, standard elements of education systems in wealthier countries.

CHESS conducts training sessions to improve teachers' basic skills and classroom techniques.

"I am a better teacher and a better professional because of them," Castro says, adding that the quality of education has been improving in all areas, especially in English.

Helio Alfaro, an English teacher at Santa Rita, also works part-time for Gran Pacifica.

"English instruction does not begin until secondary school; there is not enough money," he says. "By then, it's too late. The kids are not interested in learning the material and most find it too difficult. It is best to start young." CHESS funds English classes for primary school students, an accelerated curriculum not found elsewhere in the country.

The program, like many that CHESS and Gran Pacifica sponsor, serves a dual purpose. It provides students with more options after graduating and it also begins building a skilled labor force that Gran Pacifica can draw upon in the coming years.

That is characteristic of Gran Pacifica's social programs, constructing an interwoven web of social programs and long-term economic incentives.

"There are many more opportunities for a student who speaks English," Alfaro says. "Here in a rural municipality, most people don't. If you do, you can get a job that pays better"

He adds with a grin, "A simple example is me. Gran Pacifica needed someone who spoke English. I was here."

Cobb estimates that a job with Gran Pacifica pays two to three times as much as

other local jobs, usually cutting and tending the sugar cane fields that are the region's primary source of income.

Ulrik Oldenburg, the project director of Hacienda Iguana, a 400-acre beach development north of San Juan del Sur, has seen the changes that such valuable tourism-driven jobs bring.

"In the beginning, our maids used to walk to work. Then they started coming on bicycles – now they drive in on motorcycles," he said. "One of the women, now with her motorcycle, is able to take classes in tourism development on Saturdays."

Hacienda Iguana has also built a school for the local municipality, but it is the broader impact of jobs and large-scale sustained investment that will ultimately bring the most change.

Nestor Gutiérrez is the mayor of Villa El Carmen. There is a poster on his wall that shows Gran Pacifica under construction. The heading reads, "The Tourism Future of Villa El Carmen."

"The government has just about forgotten about us," he says. "There are few opportunities here. Many people work in other places, unemployment is high – it's a difficult situation."

Gutiérrez places great hope on the changes that the Gran Pacifica project promises to bring to his municipality.

"We collect very little taxes from the community. It makes it difficult to provide services, to support education, trash collection, and health centers," he says.

Villa El Carmen collects just under five and a half million córdobas (\$290,000) in taxes annually, though nearly 36,000 people live in the area.

Property taxes and the other fees that Gran Pacifica pays already make up more than one-fifth of that total.

"In 20 years, you won't recognize this place," Gutiérrez says, looking around his office. "We'll have a new building, new everything."

Cobb knows that change will take time.

"The kind of improvements we are looking for are generational, but 20-25 years, that's how long we'll be here."■







