

Interama's Big Step

Interama has come out of the dream world and into reality. It's been a long, hard struggle for the leaders of the proposed Inter-American Center to get the huge project started. Herald staff writer Haines Colbert presents an in-depth study of Interama with a look at its past, present and future.

By HAINES COLBERT
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You don't have to be a mystic anymore to visualize Dade's proposed Inter-American Center.

Interama has come out of the dream world. It is real — with a completed site, enough money to get started, the promise of U.S. Government participation, working plans and a timetable.

It's a long jump from the completion of the preliminary work to a successfully operating Interama, but you can see now what the planners have in mind.

If the plans materialize, Interama will be an exciting combination of world's fair, international meeting place, carnival and tropical park. It will be a place to learn and to have fun, to look and to relax.

The tone will be set by the U.S. pavilion, in which this country will tell the story of its origins, its progress and its aspirations.

A suggested way of presenting part of the story is with an audio-visual library made up of as many as 100 small theaters, each capable of seating from 10 to 20 persons. You'd set a dial, press a button and see and hear any one of several thousand documentaries ranging from the winning of the West to the splitting of the atom.

Latin American countries will show what has been created by their cultures, describe their backgrounds and explain their goals. They'll be inviting tourists to come for a visit and businessmen to invest and trade.

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ON THE livelier side, they'll present shows as diverse as a ballet and a gaucho rodeo.

The same theme of entertainment, education and soft sell will carry over into the industrial and scientific areas. Major manufacturers will show what they have accomplished, how they have changed America and what lies ahead.

They won't try to send you away in a

new car or with an atomic reactor under your arm.

There will be an area devoted entirely to entertainment, and there will be a bazaar where you may buy Latin American products. But the ideas, advanced at various times, of all show or all international trade mart have been melded with the others into something entirely new.

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"OUR planning group probably has assembled more information on other fairs and expositions than exists anywhere else in the country," Dr. Irving E. Muskat, chairman of the Florida Inter-American Center Authority, said last week.

"We've borrowed what we regard as the best features of all of them, and we've added what we think is best for our special needs."

"World's fairs ordinarily concentrate the crowds deliberately because it creates an air of excitement. That is desirable for them, but it isn't for us.

"Interama is designed for tourists who spend an average of 2.7 weeks in Miami, and for people who live here. It's for visitors who will return many times. Everything about Interama will proclaim, 'This is a sub-tropical park. Take it easy. Enjoy yourself.'"

The scenes of activity at Interama will be separated by parks in which visitors will be encouraged to rest and, if they feel like it, to have picnics or go fishing. Motorists will be permitted to drive all through the grounds, paying an admission fee only when they leave their cars and cross a bridge into one of the exhibit areas.

That is the general outline of the plan. Exactly how the buildings will look won't be known until the U.S. and Latin American pavilions are designed. The others will be planned to harmonize with them.

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THE IDEA of an Interama or something like it in Miami has been traced back as far as 1918. The late Mayor Ev Sewell fought for a Pan American Trade Mart in the 30s, and

the project in various forms was discussed during World War II.

Dr. W. H. Walker, board chairman of First Federal Savings and Loan Association, renewed the fight for Interama after the war and pushed it to the limit of his strength. A Reconstruction Finance Corporation loan for 78 million dollars was approved in the Truman administration, only to be killed when President Eisenhower took office.

In 1961, active leadership as chairman of the Interama Authority was taken over by Dr. Muskat, a wealthy retired scientist who had made a study for the Dade Port Authority of the advisability of its sponsoring the project.

The public image of Interama was muddled over the years for two reasons: the idea of what it was supposed to be kept changing, and its backers repeatedly advanced and discarded new arguments in an effort to get federal backing.

Interama has been billed at various times as a public works project to get Miami out of a slump, as a kind of permanent carnival, as a free port, as a display case for manufacturers and as a means of getting Cuban refugees off the U.S. payroll.

All of this has left a legacy of confusion and disinterest. You probably could stop 10 persons on the street, ask them what Interama is supposed to be and get at least eight different answers.

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CRITICISM of Interama appears to stem largely from its background, even though the confusion now has been eliminated. There are other arguments:

Interama, if it is to succeed, must first persuade American industry and Latin American governments to invest millions of dollars, and then attract millions of paying customers each year.

Objectors to the plan argue that there is no assurance of the necessary industrial and foreign participation, or of sufficient public interest to pay for it all.

Others oppose bringing in the federal government. Their argument is that federal participation means the involvement of federal prestige, and the government might, therefore, be forced to keep pouring tax dollars into a project which otherwise would fail.



Dr. Irving Muskat: Businessman, Scientist, Dreamer
... his great dream is finally coming true

The problem of the critics is that they could, by the nature of a negative argument, be proved right only if Interama were completed and failed.

Dr. Muskat, on the other hand, can and does put together a powerful argument right now. And he and Interama are backed by Florida's two senators, Dade's two congressmen, the outgoing and incoming governors, Miami and Dade officials, the New York financial institution which has supplied most of the money and four research organizations which say it can be done.

Some of the criticism also has been based on misinformation.

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THE FINANCIAL FACTS at least, are a matter of record, and they are needed to explain what Interama has done, why it doesn't have the prospective industrial exhibitors under contract and what is expected of the federal government.

In the first place, Interama is located on the 1,700-acre Graves tract, a Biscayne Bay hammock area south of the 163rd Street causeway. The property was bought years ago by the City of Miami for \$450,000.

The city commission, in a resolution dated Nov. 27, 1951, contracted to give the property to the Inter-American Center Authority which had just been created by the Legislature — if it could raise money to complete the project within two years.

When that option ran out, the city offered to sell the property for one million dollars under the same conditions. That price stuck through option after option until 1959, when the city said it would settle for the appraised value of the property.

The land was conveyed to Interama by warranty deed dated May 13, 1960, for 8.5 million dollars, with the agreement that the city would be paid after Interama had redeemed the bonds which would be sold to finance preparation of the site, planning and administrative costs.

The city also agreed later to put the repayment of a federal loan ahead of its claim.

Dade County offered \$500,000, of which Interama took \$325,000, for design and engineering studies.

On the basis of the deed and the engineering reports, plus feasibility studies indicating that Interama could be a success, the New York financial house of Goodbody and Co. contracted to underwrite the bonds. The amount was 21 million dollars, of which eight million dollars has been issued.

Clearing the 680-acre section of the tract on which Interama will be built and filling it with some 5.8 million cubic yards of dredged up sand cost 3.5 million dollars.

Another 2.38 million dollars of the eight million dollars in bond money was set aside to prepay 54 months interest and for bond discount. Close to two million dollars remains in the bank. The remainder was spent for engineering and administrative expenses.

Last month, the Community Facilities Administration announced that it was lending Interama 18.5 million dollars. The amount of the loan actually will be 22 million dollars, with 3.5 million dollars going for interest. The state previously had agreed to pay the eight million dollars to 10 million dollars needed for the interior and access road system.

"IF YOU LOOK at the record," said Dr. Muskat, "you can see that we have proceeded step by step in the only logical way it could be done.

"We had to have the land as security for the bonds. The money from the county enabled us to find out what needed to be done at the site and how much it would cost.

"Then, we were able to get the money — from private investors, incidentally, and through one of the most reputable financial houses in the country. The site is completed now.

"The key to the whole project was the federal loan.

That money will go exclusively for the construction and operation of a federal pavilion and for the construction of buildings to be used by Latin American governments which can't afford to build their own.

"We don't need the federal money to prepare Interama. We have the money for that.

"But if the federal government, which has supported every other fair and trade mart in this country and abroad for years, wasn't interested in Interama, how could we expect to interest other governments or industry?"

"Who is going to tell the story of democracy and the United States way of life if the government doesn't? Am I supposed to do it?"

THE government loan, Dr. Muskat said, was the trigger which releases the remaining 13 million dollars of the Goodbody bond issue; the government buildings will set the architectural pattern for Interama.

"We've had conversations with representatives of many of the major companies, and they are interested," he said.

"But until we had the assurance of government participation, there was nothing definite to be discussed.

"How could we ask General Motors or General Electric to build a pavilion at Interama when we didn't know if there would be an Interama or what kind of pavilion we wanted?"

Dr. Muskat said he expects the government money to be released within the next several months. Then architects will begin work on the design, and representatives of Interama will go to industry and Latin countries with definite plans and contracts in their hands.

Congress, meanwhile, will be asked to appropriate 11 million dollars to 15 million dollars for the exhibit which will go into the pavilion financed by the Community Facilities Administration. Estimated cost of the exhibit is 11 million dollars, and its operation is expected to cost one million dollars a year.

The design and selling jobs are expected to require one year, construction two years.

Exhibitors, Dr. Muskat said, will construct their own pavilions on land deeded to them by Interama. The total investment in Interama, if it comes out as planned, will amount to some 500 million dollars — of which 95 per cent will come from private industry.

The role of the Inter-American Authority, in addition to signing up the exhibitors and helping with the planning, will be to prepare and landscape the grounds and to operate Interama. It plans no construction, with the possible exception of an administration building.

THE PAYOFF QUESTION, of course, is whether — assuming that everything else works out — Interama will draw the crowds.

No one can answer that with certainty until the doors have been open for awhile, but it won't be quite as difficult as it has been made to sound.

Both Interama and its critics have lifted from feasibility reports and used the estimate that it will attract 17.5 million visitors a year. What the writers of the reports said was that Interama could hope for 17.5 million admissions a year — or about eight million persons, the majority of whom would go at least twice.

And that attendance, the feasibility reports said, would give Interama five times the revenue it needs to operate and pay its debts. Four million persons could make it look pretty good.

Q and A—Facts About Interama

These are some questions which have been asked about Interama, with the most authoritative answers The Herald has been able to find. The answers came from Dr. Irving E. Muskat, chairman of the Inter-American Center Authority; Attorney David W. Walters, authority secretary-treasurer; feasibility reports, City of Miami records and the trust indenture between the authority and the Florida National Bank and Trust Co.

Q — What is the Inter-American Center Authority? Who are its members and how and when are they appointed?

A — The authority, a state agency, was created by the Legislature in 1951. Present members are Gov. Farris Bryant, ex officio chairman; Dr. Irving E. Muskat, chairman; W. H. Walker, lifetime honorary chairman; Miami Mayor Robert King High, vice chairman; David W. Walters, secretary-treasurer; Harry Hood Bassett, Milton E. Grusmark, B. E. Hearn, Louis J. Hector, J. N. McArthur, Joseph J. Orr and Frank Smathers Jr. The members are appointed by the governor to staggered four-year terms and serve without pay.

Q — Who will be responsible for letting contracts for Interama, and on what basis will they be let?

A — The Inter-American

Center Authority will be responsible; a general manager to be appointed later will make recommendations. Most of the contracts will be for concessions, and bids will be asked where that is practical. But a petroleum company might, for example, be offered the gasoline concession at the marina as an added inducement to build a pavilion.

Q — How many jobs is Interama expected to create? Is there a sufficient labor pool here?

A — Interama will create 54,000 jobs during the three years of designing and construction. After it is open, it will provide 100,000 permanent jobs. Some employees will have to be brought in from other areas.

Q — What is the exact breakdown on anticipated total costs? How much will be public money, how much private?

A — Total cost will be 500 million dollars. The total amount of public money used, including the 11 million dollars to 15 million dollars being requested of Congress for the federal exhibit, will amount to about 40 million dollars; the remaining 460 million dollars will come from private sources.

Q — What reason is there to believe the private money will be forthcoming?

A — Interama has not attempted to make firm contracts with exhibitors, but some of them have indicated their willingness to participate. Interama expectations are based primarily on major industries which have a long record of participating in world's fairs, expositions and trade marts.

Q — What are the major problems now faced by Interama?

A — Completing negotiations with the Community Facilities Administration for the 22 million dollar loan which has been approved; working out with the State Department on approach to Latin American governments and setting up facilities to negotiate with them; preparing an approach to U.S. industry.

Q — Will the Community Facilities Administration turn the 22 million dollars over to Interama?

A — Not in a lump. Interama, with funds on hand, will build the U.S. and Latin American pavilions according to specifications laid down by CFA. Interama will be reimbursed by CFA as the work progresses. The money may be spent for no other purpose.

Q — How much will it cost to operate Interama once it is completed? From what sources will the money come?

A — The estimated cost of

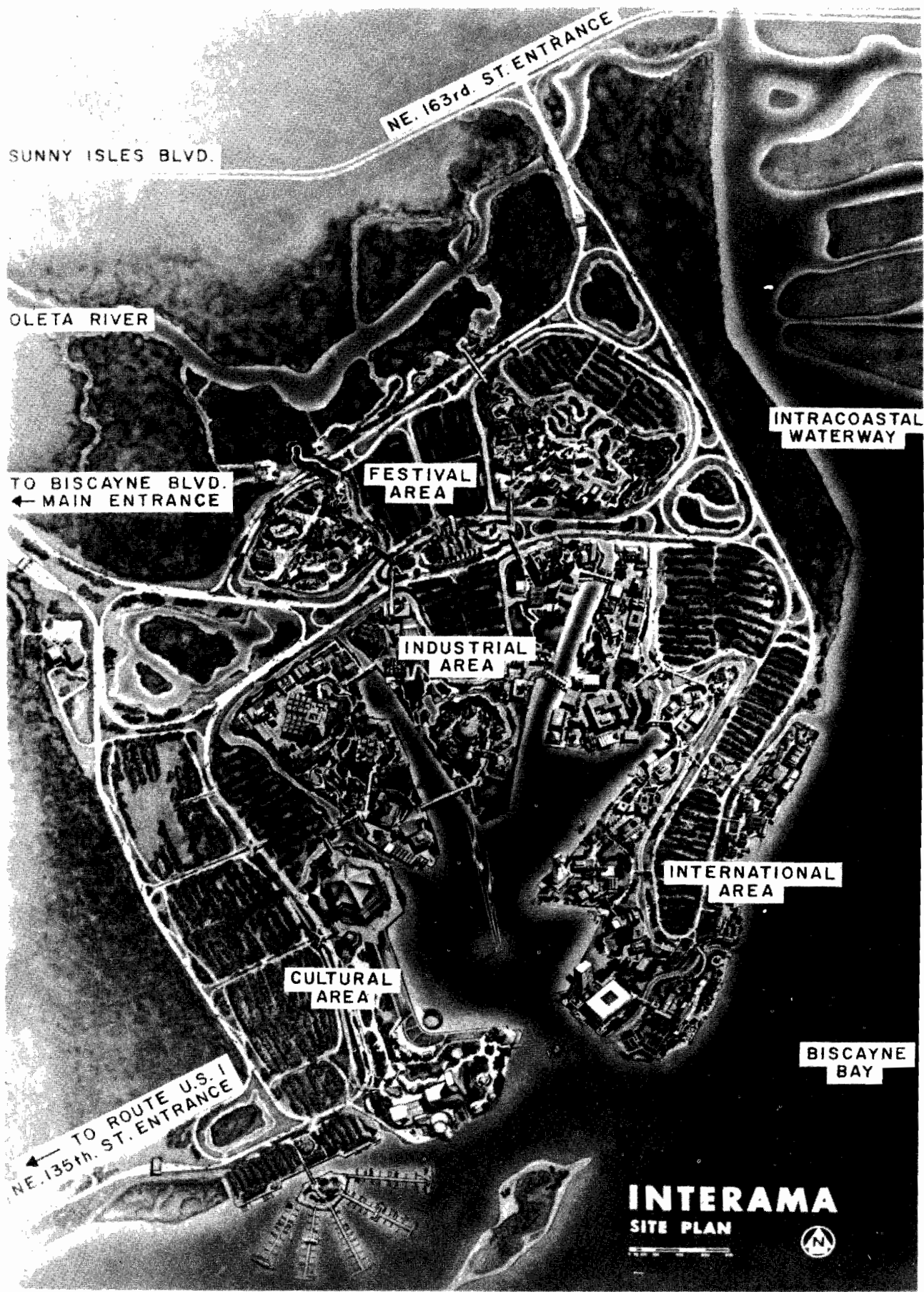
operation to Interama is eight million dollars a year. Revenue of 39 million dollars a year is anticipated — 80 to 85 per cent in gate receipts and the remainder as Interama's share of concession profits.

Q — Why is the U.S. government being asked to finance the construction of pavilions for Latin American governments?

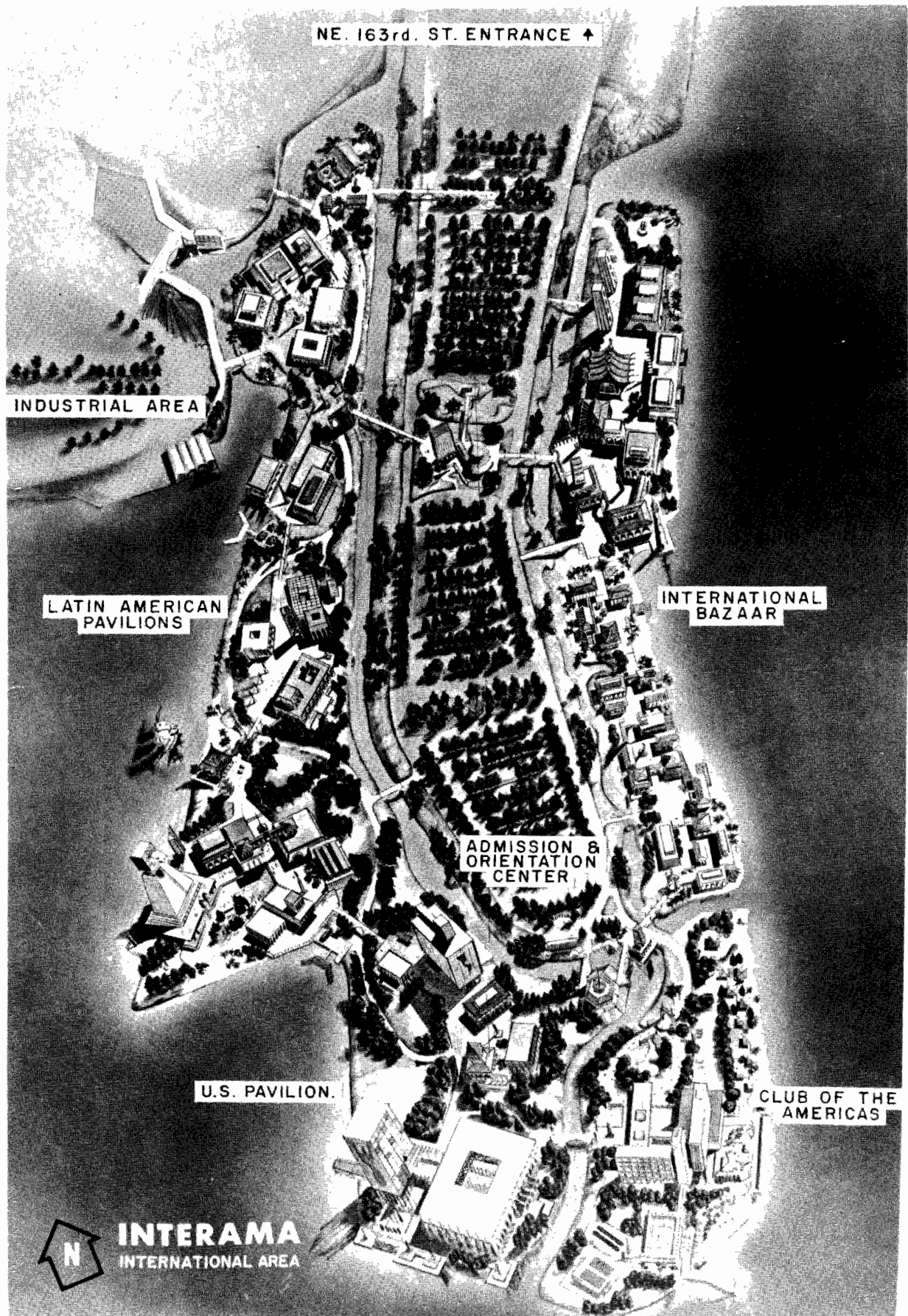
A — Because the condition of the currency in most Latin countries makes the cost of building in Miami prohibitive. It would, for example, cost Brazil one billion of its dollars (cruzeiros) to put up a one million dollar pavilion. Participating Latin American countries will provide and maintain their exhibits.

Q — On what evidence do Interama officials base their predictions that gate receipts will be great enough to pay off Interama debts and keep it operating successfully?

A — Four favorable feasibility reports have been made by nationally recognized organizations: Ebasco Services, Inc., of New York; Arthur D. Little & Co. of Boston; Economics Research Associates of Los Angeles, and First Research Corp. of Miami. All of the reports except Ebasco's were made not for the authority, but for the New York financial house of Goodbody & Co., which found the evidence sufficient to warrant underwriting a 21 million dollar bond issue.



INTERAMA - Site plan shows location of the four principal areas on INTERAMA'S 680 acres. Shown are the International Area, the Industrial Area, the Cultural Area and the Festival Area. Three entrances from the north, south and west will provide access to INTERAMA.



THE INTERNATIONAL AREA - One of INTERAMA'S four principal areas. The exhibits of Latin American nations as well as other countries will be built in the International Area. The Federal Exhibit, the International Bazaar and the Club of the Americas will be located in this area.

