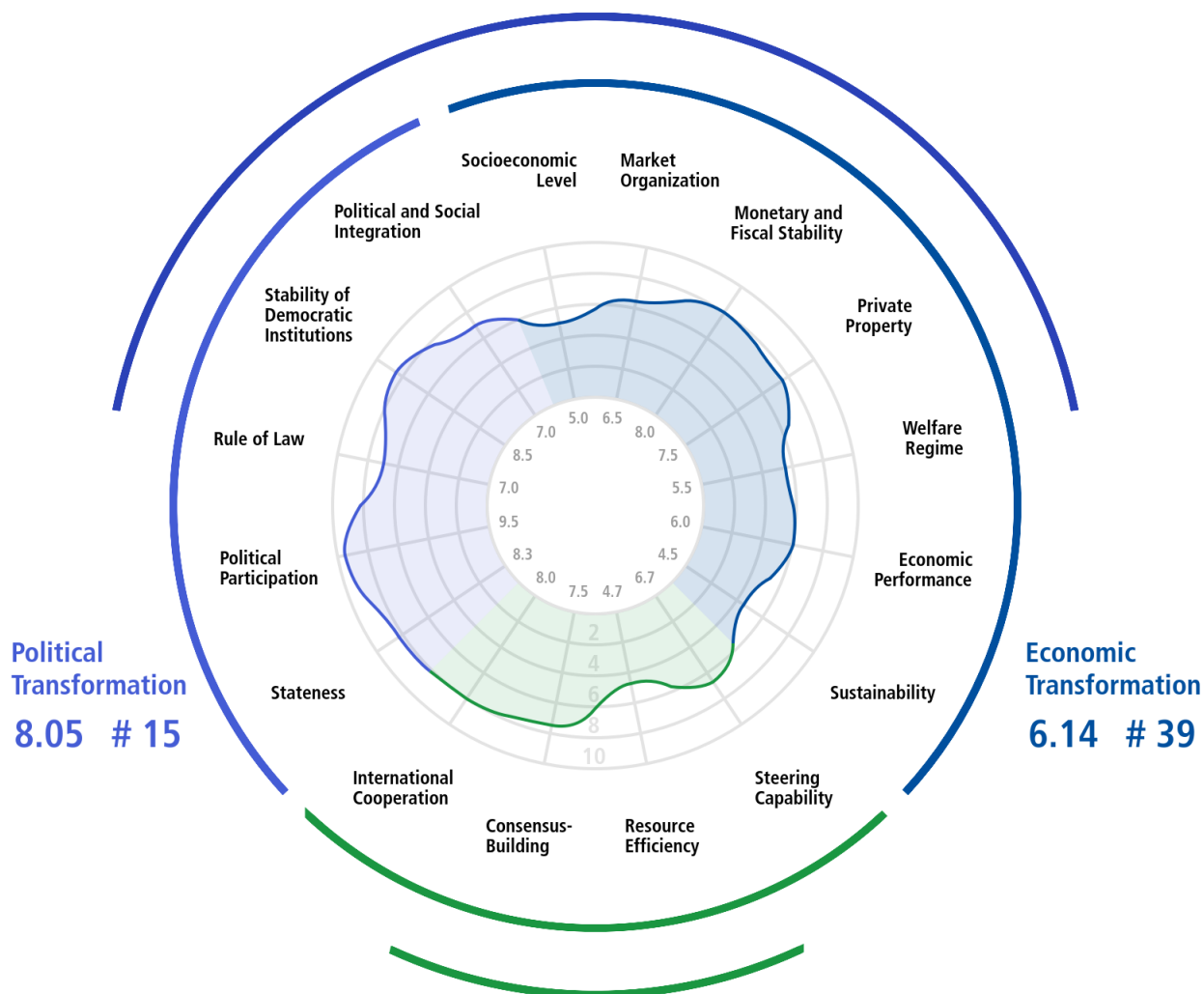


Jamaica

Status Index

7.10 # 23

on 1-10 scale out of 137



Governance Index

5.82 # 30

on 1-10 scale out of 137

This report is part of the Bertelsmann Stiftung's Transformation Index (BTI) 2024. It covers the period from February 1, 2021 to January 31, 2023. The BTI assesses the transformation toward democracy and a market economy as well as the quality of governance in 137 countries. More on the BTI at <https://www.bti-project.org>.

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Key Indicators

Population	M	2.8	HDI	0.709	GDP p.c., PPP \$	11822
Pop. growth ¹	% p.a.	0.0	HDI rank of 189	110	Gini Index	45.5
Life expectancy	years	70.5	UN Education Index	0.678	Poverty ³	% 7.2
Urban population	%	57.0	Gender inequality ²	0.335	Aid per capita \$	20.7

Sources (as of December 2023): The World Bank, World Development Indicators | UNDP, Human Development Report 2021-22. Footnotes: (1) Average annual growth rate. (2) Gender Inequality Index (GII). (3) Percentage of population living on less than \$3.65 a day at 2017 international prices.

Executive Summary

The Jamaica Labour Party (JLP) won again in the September 2020 general election. Voter turnout rates continue to decline, indicating a growing “participation and trust deficit” in Jamaica’s democracy and governance processes. The public has low levels of trust in politicians, in large part due to corrupt practices and the connections between political and business interests. This hinders the effectiveness with which state resources can be utilized for the delivery of high-quality health care and education in both rural and urban regions. Corruption, along with high unemployment rates and the prevalence of violent crimes like homicides and sexual assaults against women and girls, are widely seen as the most pressing issues facing Jamaica.

Economic transformation aimed at deepening the market economy has continued, although significant shortcomings are still evident. During the review period, the financial sector remained healthy, but key productive components of the wider economy, such as manufacturing, agro-industry and agriculture, have suffered. However, tourism, a main export sector, has recovered better than other sectors following the pandemic. Macroeconomic reforms required by the IMF in the recent past were successfully completed, laying the foundation for fiscal discipline and the gradual reduction of the debt-to-GDP ratio. This ratio is projected to decline from 94.2% in March 2022 to 79.7% by March 31, 2023. Unemployment rates are still high but trending downward. Important structural changes have taken place in the telecommunications, financial services, tourism and agricultural sectors, along with significant growth in the informal economy and the business processing outsourcing (BPO) sector. Successive governments formed by the two main political parties have demonstrated their commitment and capacity to meet debt obligations. However, severe fiscal constraints hamper efforts to develop essential sociopolitical safeguards such as adequate social safety nets for impoverished families.

Governance remains hindered by poor efficiency and weaknesses in creating a more inclusive, democratic form of governance. This is detrimental both to the country's economic development and to continued public support for democracy. During the review period, deficiencies in governance revealed the narrowly representative nature of a bipartisan parliamentary system in which extreme partisan beliefs and actions are dominant. This partisanship makes it more difficult to strengthen and sustain participatory government initiatives that give meaningful space and voice to the legitimate concerns of marginalized social groups, regardless of party affiliation. The tradition of civil society participation in public life is firmly entrenched, but such groups are unable to exert consistent and effective pressure on political leaders, partly due to the alignment of philosophical beliefs between government leaders and influential figures in the private sector. There is widespread public concern regarding the dominance of powerful private sector interests and their ability to influence public policy decisions.

History and Characteristics of Transformation

The historical legacies of slavery and plantations have led to an economy and society in which race, gender and class strongly influence access to economic and political power. These influences continue to be relevant during the review period. Jamaica's political transformation to democracy has not followed a linear path from early representative institutions to today's democracy but rather stems from the achievement of political independence in 1962. Since then, Jamaica has maintained an uninterrupted representative democracy, with 19 changes of government through general elections. The country's two main political parties, the People's National Party (PNP) and the Jamaica Labour Party (JLP), have shared control of the government since the JLP took the lead at independence in 1962. The PNP most recently won the general election in December 2011 and the local government election in March 2012.

The JLP won the general elections in February 2016 and September 2020 and local government elections in November 2016. Despite being a "successful electoral" democracy with smooth transitions from governing political parties to the opposition, Jamaica also exhibits democratic shortcomings, given its narrowly representative nature and the structural roots of discrimination and conflicts in persistent intergenerational poverty, inequality and social exclusion. Society is generally unwilling to challenge political tribalism and accommodate other political parties in this competitive political process. During the period under review, two new political parties did attempt to challenge the two main parties but did not make it past the formal registration process. Researchers classify Jamaican democracy as patronage-based – a system in which citizens, especially those in lower-income groups, are integrated into politics through clientelistic relationships with their political parties. The business elites are easily integrated into this political process through their financial support for both political parties, which helps maintain the status quo, discouraging any significant reform of the bipartisan electoral system. Reforms of the electoral system in the 1990s and the formation of the independent Electoral Advisory Commission of Jamaica in 2006 removed opportunities for electoral fraud. Elections have remained free from violence.

The structural adjustment policies of the IMF and other multilateral lending agencies dominated the macroeconomics of the country during the tenure of both the PNP and JLP governments, except for the first part of the 1970s during the PNP's first term. However, in 1977, it was the PNP that turned to the IMF, which then dominated the macroeconomics of the country until early 1980, when the government broke off relations with the IMF. For the most part, the macroeconomic reforms and structural adjustments have been accompanied by negative or low growth, large fiscal deficits, high unemployment, and an unsustainable debt burden. There has never been enough fiscal space to provide resources to ensure that Jamaicans could enjoy quality health care and education services. In the last two election cycles, strictly applied macroeconomic reforms implemented by the JLP (2016 – 2020 to the current date) have shown some positive developments, as the fiscal deficit has been brought under control and the economy is projected to grow despite the fallout from the COVID-19 pandemic. During the first year of the pandemic, GDP dropped 12% due to the measures taken by the government to contain the disease, as well as the influence of the global economic environment.

The BTI combines text analysis and numerical assessments. The score for each question is provided below its respective title. The scale ranges from 1 (worst) to 10 (best).

Transformation Status

I. Political Transformation

1 | Stateness

The monopoly on the use of force by state agencies, the Jamaica Constabulary (Police) Force (JCF) and the Army Jamaica Defense Force (JDF), is established nationwide in principle. Police stations are in control of individual parishes, with senior regional officers supervising parish stations under their command. Joint police/military operations take place regularly, either in zones of special operations (ZOSOs) or under states of emergency (SOEs) authorized by parliament through a two-thirds majority vote by members of both houses of parliament.

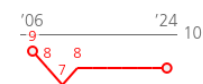
However, in the days after November 15, 2022, the prime minister announced the imposition of three states of emergencies (SOEs) in six weeks, covering at least seven of the country's 14 parishes – both urban and rural – without the authorization of parliament, as required by the constitution. This was possible due to the large majority held by the governing party in parliament. The SOEs targeted hotspots for crime and gang violence and were imposed in an effort to contain rising homicide rates. Insight Crime has reported that similar efforts in the past have proven ineffective and instead have been associated with an increase in arbitrary detentions and police brutality.

Challenges to the state's monopoly of force stem from a criminal element that comprises less than 5% of the population. Jamaican criminal gangs and their networks continue to challenge the security forces in specific urban and rural communities. Much of the other violence emanating from gangs is not directed at the state's monopoly but rather occurs between networks of Jamaican gangs. Colombian and Haitian gangs engage in the regional trade of cannabis, cocaine, high-powered handguns and assault rifles, using both air and sea ports in Jamaica. These then become the "weapons of choice" in the violent activities carried out by Jamaican gangs.

Question
Score

Monopoly on the
use of force

8



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According to the police forces, in a January 2023 report, there were 1,498 murders islandwide in 2022, a 2% increase over the 1,474 homicides in 2021, according to InSight Crime. However, Jamaica no longer topped the regional murder rate chart in 2022, as it had for the past three consecutive years. The number of shootings decreased by 8% in 2022 compared to 2021, but the number of robberies and break-ins increased by 8%. Overall, the Jamaican government has been unable to successfully subdue and contain violence.

The vast majority of the population accepts the nation-state as legitimate. All individuals and groups have the right to acquire citizenship without discrimination, and access to naturalization is not denied to any specific groups. While most of the population accepts the nation-state as legitimate, many voice concerns about insecurity and essential services like quality education, health care and clean water. The provision of these services and the creation of violence-free communities are now seen as citizenship rights, and it is the responsibility of the nation-state to provide them.

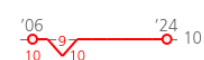
The state is largely secular; however, religious dogmas have some influence on the legal order and political institutions.

Generally, the legal system, its jurisprudence and political institutions are based on secular norms. The separation of church and state is generally recognized. However, there are documented cases in which conservative and well-funded religious groups, especially from the dominant Christian denominations, have acted as powerful interest groups to influence consultations and decisions made in the houses of parliament, both with regard to the crafting and review of relevant legislation. Religious groups readily use traditional and social media to contest recommendations to parliament by women's organizations and other civil society groups that are not in line with their views. This particularly relates to questions of abortion rights, women's rights and sexual identities. Abortion remains illegal under the Offences Against the Person Act of 1864, and all attempts to reform these regulations have been stymied. Some religious denominations have also opposed attempts to decriminalize sexual acts between men.

The administrative structures of the state extend beyond maintaining law and order and provide basic public services throughout the country, but their operation is deficient. According to the World Development Indicators 2022, in 2020, 86.6% of Jamaican households enjoyed access to improved sanitation facilities (at least basic) that were not shared with other households, while 91% of the population had access to at least basic water services, and the entire population was able to access electricity. However, the WDI does not report on the significant disparities in access to potable water, sanitation services, roads and electricity between deep rural, rural and urban areas due to a lack of resources, corruption and inefficiency. These issues limit access to affordable transportation and, in turn, affect access to health care and educational

State identity

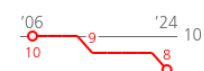
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No interference of religious dogmas

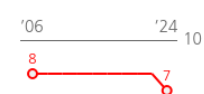
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Basic administration

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_____ 1

facilities. Concerns have been raised regarding corruption in the systems used for the repair and maintenance of roads across the island, as well as in the water, education and health care infrastructures. Reports by the auditor-general's department highlight low levels of accountability for approved budgets and non-compliance with government procurement regulations, in part for contracts for services and materials. It is widely believed that corrupt administrative practices are hindering the efficient provision of public services and that these issues are not being addressed in a timely manner.

It is also important to note that electricity is supplied by a sole private provider, which is not reliant on the administrative structures of the state – except where the Ministry of Local Government is responsible for the maintenance and repairs of public street lights. Recent attempts to use solar energy are being driven by the private sector, with this service being paid for by homeowners.

2 | Political Participation

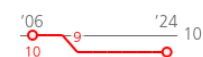
The most recent national elections were held in September 2020, six months after the first case of COVID-19 was identified in Jamaica. Elections in Jamaica are generally accepted as free and fair. The Electoral Commission, which reports to parliament, includes independent members as well as representatives of both major political parties. Under its direction, the Electoral Office (EO) is responsible for on-the-ground training, preparation, and the implementation of free and fair elections. The EO also ensures that polling is accessible, secure and secret in order to ensure effective participation. During the 2020 elections, the media had access to candidates and the leaders of political parties. Nevertheless, media use – especially traditional print, radio and TV, as well as the use of social media and Twitter feeds – allowed the well-resourced governing JLP to gain more consistent distribution of its campaign messaging, while the opposition PNP lacked comparable funding. This resulted in less exposure to its campaign materials, as well as a weaker presence on the ground in some marginal seats.

Local government elections were scheduled to take place in 2022. However, the governing party, utilizing its parliamentary majority, postponed them and subsequently rescheduled them to occur in 2023. However, the elections were once again deferred, and their new scheduled date is now set for 2025.

Democratically elected political representatives have the effective power to govern. However, large private sector interests sometimes use their financial power to influence critical government decisions and support particular election candidates, thereby leveraging their position once the candidate assumes office. In recent elections, the most influential private companies issued press statements asserting that they provided equal financial support to both main political parties. Additionally, some influence originates from factions within the security forces and the political class. Nevertheless, none of these groups possess the ability to undermine democratic procedures.

Free and fair elections

9



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Effective power to govern

9



1

The constitution guarantees freedom of association and assembly, and laws are generally enforced. Independent political and civic groups can generally exercise their rights of association and assembly fully, as these rights are guaranteed and protected against interference or government restrictions.

During the review period, the government imposed COVID-19-related restrictions that limited the size of social gatherings and curtailed freedom of movement (e.g., curfews between certain hours), though these were relaxed in 2022. In some communities, pushback occurred due to widespread anti-vaccine information circulating in both traditional and social media. As the COVID-19 prevention measures were gradually reduced, unsubstantiated claims/reports emerged that the government was not using transparent and nondiscriminatory criteria in evaluating requests for permits to associate and/or assemble. These requests primarily came from religious communities, entertainment and sport organizations, and business owners who were eager to resume normal operations and recover financial losses caused by COVID-19 lockdowns.

The constitution guarantees freedom of expression, and these laws are enforced. Generally, individuals, organizations and media are not harassed or physically threatened by the state. However, there have been reported cases of attempts being made to stop people from filming incidents involving police or army officials. Additionally, there are recorded cases of influential interest groups, including religious ones, harassing or physically abusing members of LGBTQ+ communities. Still, such incidents are rare. According to Reporters Without Borders' Press Freedom Index 2022, Jamaica leads the region at 12th place in terms of press freedom, just after Costa Rica (8th place), with a score of 83.35.

The structure of the media system provides a plurality of opinions. In addition to two main TV stations and two daily newspapers, both with popular social media platforms, there is a growing number of active community-based radio and TV stations that also operate through social media. The Press Association of Jamaica, with a broad membership of journalists across traditional media (print, radio, television), discourages self-censorship and is strong and credible in its defense of freedom of the press as guaranteed under the Jamaican constitution. As 2022 progressed, some media outlets indicated that they were not able to secure regular, up-to-date reports on the COVID-19 status of the country, specifically with regard to data such as infection rates and the numbers of deaths associated with the virus.

Laws and penalties for libeling state and public officials exist and do have the effect of intimidating dissenting opinions. Moreover, freedom of information legislation (Access to Information Act) is in place and effective. While citizens and the press can request official documents, responses are often not given in a timely manner. Additionally, some requests are denied, as the Act prohibits access to certain types of information.

Association / assembly rights

10



1

Freedom of expression

10



1

3 | Rule of Law

There is a clear and functional separation of powers in Jamaica. Checks and balances are occasionally subject to interference, such as when the power of the executive turns the legislature into a rubber-stamp body. However, a restoration of balance is available and is sought primarily through the judiciary.

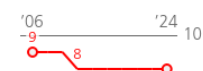
An example of effective checks and balances taking place is provided by the rulings of the Constitutional Court against the current government in the matter of the unconstitutionality of regulations that govern current states of emergencies (SOEs), as well as in those that have challenged state interference in decisions that are properly made by the courts. The current opposition party has taken the sitting government to court in this matter. The Constitutional Court ruled in its favor and against the government, signaling that state power is subject to the law and can be challenged to restore balance. Aggressive monitoring and advocacy by journalists and NGOs through the use of the Access to Information Act has also forced the release of critical government information. Such cases show that state power can be subjected to the law and court decisions.

The judiciary is fully functional and institutionally differentiated. It operates independently and is free from both undue external influence and corruption. There are four levels of institutional differentiation within the judiciary, as well as mechanisms in place for judicial review of legislative or executive acts. Additionally, the Judicial Committee of the Privy Council in London serves as an avenue for appeal. During the review period, the topic of replacing the Privy Council with the Caribbean Court of Justice as the final appellate court has once again become a contentious subject. The current governing party is in favor of retaining the Privy Council, while the opposition, members of the local bar association and civil society are in favor of the Caribbean Court of Justice.

Deficiencies exist with regard to inadequate territorial and functional operability. The latter includes the inadequate physical and technical infrastructure of the judiciary and a lack of human resources relative to the large number of pending criminal cases. In the period under review, the courts' inability to identify adequate numbers of jurors has increased, which has meant further delays for many cases in which a trial by jury is required. This development is related to several factors, including potential jurors' lack of trust and fear that personal security would be at risk, difficulties involving time off from work, and the severely inadequate remuneration for days spent away from work. Corruption is also an issue, particularly in lower courts. Additionally, there are insufficient courts, especially in rural communities, which severely limits the judiciary's ability to serve large parts of the country effectively. Some members of the judiciary are perceived to exhibit a class bias, favoring citizens from higher socioeconomic groups, while citizens from lower socioeconomic groups express less confidence in the judicial system.

Separation of powers

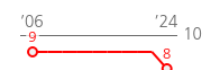
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Independent judiciary

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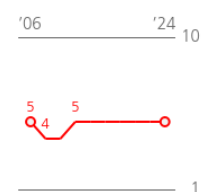


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Public servants and politicians who violate the law and engage in corrupt practices are not prosecuted with sufficient consistency but occasionally attract negative press. The Integrity Commission is responsible for holding public servants and politicians accountable for the allocation of public funds through contracts. However, its effectiveness is hindered by a lack of political will in the legislature. Additionally, parliamentarians face criticism for failing to act on the findings and recommendations presented in reports by the Auditor-General to parliament. Weak legislation allows for little accountability, as the standards set do not readily lead to prosecution under existing laws. In general, successful prosecution of corrupt acts, particularly among high-ranking officials, is uncommon.

Prosecution of office abuse

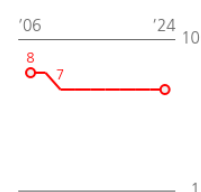
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Civil rights, including the right to due process, are comprehensively protected under the law, especially by the constitution and the Charter of Rights. However, they are often not properly respected or protected. Mechanisms and institutions to prosecute, punish and redress violations of civil rights are in place, but they are not consistently effective. When attempting to access some justice system functions, citizens sometimes face discrimination on the basis of race, class or sexual orientation. LGBTQ+ individuals are among those experiencing discrimination and abuse. Access to justice is also limited for impoverished communities, primarily Black citizens and, occasionally, members of the Rastafarian religion, who are unable to afford adequate legal representation in the courts. While there is a legal aid clinic to address and defend the civil rights of under-resourced communities, it receives insufficient funding from the state, and the attorneys required to provide these services are often unavailable. Additionally, individuals from the LGBTQ+ community do not consistently receive effective remedies for their grievances.

Civil rights

7



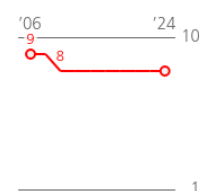
Moreover, the rights of certain citizens and the constitution are violated when they are detained in prison without charges for a longer period than prescribed by law – indicating a failure of the state. This unlawful practice disproportionately impacts specific groups of citizens due to historical social stratification based on race, ethnicity, national origin, religion, gender and political characteristics.

4 | Stability of Democratic Institutions

In principle, democratic institutions do exist and perform their functions but exhibit some shortcomings. Generally, political decisions are made at both the national parliamentary levels – by the executive (cabinet) – and in local municipalities. Inefficiency arises due to friction between institutions and is often linked to the release of funds from national ministries to local municipalities, which still rely on some funding from the central government to fulfill their functions.

Performance of democratic institutions

8



The political culture features competition between the two parties that assume responsibility for managing the country through the parliament after elections. Frictions exist between officials of local government authorities with responsibility

for supporting the democratic governance process at local levels and the parliamentary process, which does not represent a bipartisan commitment to such a process.

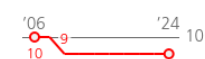
Democratic deficits also include the recent appointment, under the current Jamaica Labour Party government, mostly of members of the government to serve as chairpersons of parliamentary committees. These entities are tasked with reviewing, examining and making specific requests about expenditures within the budgets of ministries, departments and agencies (MDAs). Chairpersons have traditionally been drawn from the opposition party to ensure that thorough examinations and reviews would be carried out following presentations made by the Auditor-General. This was to ensure that the public was made aware of whether taxpayers' resources were being spent efficiently, effectively, without corruption and according to the regulations.

In relation to the judiciary, the discussion and review of draft legislation is facilitated by the presence of a proactive, vigilant and strong Jamaica Bar Association. The Association frequently serves as a watchdog, allowing licensed attorneys to participate in parliamentary discussions. This involvement occurs when the chairperson of the relevant parliamentary committee is an attorney and a member of the opposition party.

All democratic institutions are accepted as legitimate by most relevant actors, although democratic shortcomings exist in various parts of the overall democratic system, especially with regard to the uneven commitment to the prosecution of office abuse. Some vulnerable groups, especially residents of low-income communities, persons with disabilities and members of the LGBTQ+ community, complain about the legitimacy of certain government bodies that provide them with inadequate services and frequently subject them to discrimination.

Commitment to democratic institutions

9



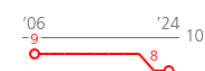
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5 | Political and Social Integration

The party system is stable, with both major parties institutionally organized. The system is socially rooted enough to maintain low fragmentation and moderate voter volatility. A high level of polarization exists between the two main parties, while some sections of the citizenry have only moderate interest in either political party, reflected in low voting turnout rates.

Party system

8



1

The two main political parties – the governing Jamaica Labour Party and the opposition People's National Party – are both deeply rooted in the political culture, creating a stable party system. Third parties have traditionally been unable to attract even moderate numbers of citizens from either of these two parties. This contributes to low levels of fragmentation, moderate voter volatility, and an extremely partisan

political culture that is unhealthy. Long-standing members of both parties, if dissatisfied, tend not to vote at all rather than vote for the opposing party. Low to moderate levels of societal interest in both political parties have been reflected in declining public ratings of party leaders' performance and diminished interest in voting. Both parties are organizationally institutionalized across the country, with internal leadership structures, constituency offices and headquarters. In addition, the extreme political partisanship that exists means that the parties – especially the governing JLP – though socially rooted, tend to pursue power rather than seek to improve society's well-being. This has gone far enough to lead to unrest instead of stability and has alienated much of the public from parties, politics and elections.

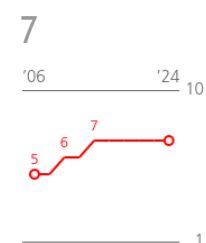
Clientelism is an established component of the political culture and tends to promote stability as long as there is access to resources. Access to state resources often drives clientelistic practices. Large private sector organizations provide financial support to parties. In recent times, such organizations have provided information on their financial contributions – in equal amounts to both political parties.

The range of interest groups includes community-based and civil society organizations, conservative faith-based organizations, and private sector and professional associations. While trade unions have a recognized presence, they exert less influence than previously. The well-organized and well-funded private sector organizations, as well as conservative faith-based organizations, have access to resources that allow them to influence the political system. The interests of vulnerable people and the lowest-income groups remain under-represented in the broader political governance system. While the mediating role played by the dominant organizations may help to reduce conflicts and allows for a degree of cooperation between different interest groups, it also allows their own interests to dominate decision-making. Rural community groups, women's rights organizations and members of the LGBTQ+ community do not enjoy adequate representation on this spectrum. Under-representation of important social interests exists and continues alongside the dominance of a few powerful interests.

There is no group mobilizing around any ethnic or nationalist interest. There is thus little fear of conflict arising from those directions. Media organizations with progressive views have exerted a significant mediating influence on relations between the private sector and civil society organizations.

The Jamaica National Consensus on Crime, which was publicly signed by all major social stakeholders, including the prime minister/leader of the governing party and the leader of the opposition party in August 2020, has not to date achieved its main objectives. The signatories to the National Consensus, particularly the prime minister and opposition leader, have been slow to implement their commitments, specifically in addressing the persistent high levels of violent crime that the country is facing. The underlying problem of partisanship has not been addressed, and the two main parties have been slow to engage in dialogue. The ruling JLP continues to dominate the process with strong partisanship, emboldened by the large majority of seats it won in the September 2020 elections.

Interest groups



Approval of democratic norms and procedures slightly improved in Jamaica in 2021; however, it showed signs of diminishment in 2022 and 2023. According to the 2021 LAPOP report, 57% of Jamaicans expressed support for democracy over any other form of government, as opposed to the regional average of 61%. This represents approximately a 6% increase in support for democracy compared to the previous 2018/2019 LAPOP report. Nonetheless, 45% of Jamaicans expressed dissatisfaction with the functioning of democracy in their own country, a result just 2% above the regional average. This puts the country in 8th place in the region, right behind Mexico (50%) and Costa Rica (52%). However, more recently, opinion polls indicate a loss of confidence in the leaders of the governing and opposition parties, as well as concern about parliamentary democracy.

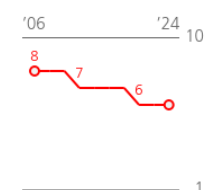
Opinion polls by Don Anderson and Market Research Services reveal that Prime Minister Andrew Holness' approval rating decreased from 44% in February 2022 to 27% in July 2022 and sank even further to 25.3% in February 2023. While these last poll results come from beyond the end of the review period, they are sufficiently representative of the situation toward the end of the period. These results do not necessarily reflect the performance of the overall democratic system; rather, Holness' faltering approval ratings are a manifestation of the populace's discontent with the government's inability to deliver on its promises.

Furthermore, approval ratings for Mark Golding, the opposition leader, also decreased from 18% to 14.7% between July 2022 and February 2023, while his negative performance rating increased from 39% to 49% over the same period. The opposition People's National Party remains in rebuilding mode due to internally divisive factions, despite party leader Golding's efforts to build and lead a united party over the last two years. Political analysts note that the overall high negative ratings accorded to both political leaders indicate a disjuncture between discontent and political action. This is concerning, as it may suggest increasing voter apathy and a subsequent decline in voter turnout, reflecting growing dissatisfaction with Jamaica's democracy.

Regarding trust in parliament, there is also a widespread belief that Holness' government is not interested in holding local government elections, which are an integral part of democratic governance at the local level. Holness' governing party used its majority in both houses of parliament to push through a bill for a fourth consecutive postponement of local government elections, despite a lack of support for this proposal by the opposition party, elements of the press, the private sector and some civil society organizations. A large majority of parliamentary representatives were present and approved this postponement of local government elections. The growing lack of trust in parliament is associated with dissatisfaction with its performance. There is also a widespread lack of trust and confidence in state bodies, such as the police force.

Approval of
democracy

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There is a medium to high level of interpersonal trust within the population and a substantial number of autonomous, self-organized groups, associations and organizations.

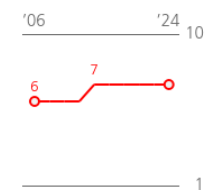
At the local level, traditional attitudes and levels of trust between citizens are sometimes threatened by the presence of organized criminal gangs, which try to establish credibility by supporting community initiatives that promote solidarity and cooperation among citizens. Depending on the level of partisanship and the attitudes of the local party leadership in a community, this can undermine initiatives that seek to build trust.

Voluntary environmental community organizations are increasingly present, supported by prominent national environmental advocacy organizations such as the Jamaica Environmental Trust (JET). Through regular consultations and training activities, there has been growing interest and advocacy from youth, school and community groups. However, acting autonomously in various areas poses challenges due to limited resources and high poverty levels in certain communities.

Cultural groups often adopt a national focus on historically significant cultural expressions, such as music, dance, culinary arts and sports. Many of these groups receive minimal government or private sector support, without which they would be unsustainable. However, they typically carry out their activities without government interference. Faith-based organizations often support and provide some resources as well. Self-organization and voluntary work are evident and frequently occur with the support of faith-based organizations. These community initiatives promote solidarity and cooperation among citizens and provide fertile ground for building social capital.

Social capital

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II. Economic Transformation

6 | Level of Socioeconomic Development

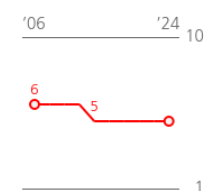
Poverty and inequality were exacerbated by the COVID-19 pandemic. They remain both prominent and structurally ingrained, despite some progress in economic growth during the post-pandemic period. Inequality has historical roots and is associated with indicators of race, social class and gender discrimination. Primarily Black Jamaicans continue to reside on the fringes of wealth-generating institutions and are excluded from numerous economic opportunities.

There has been some progress with regard to gender equality, as demonstrated by the steady improvement in the Gender Inequality Index score, which improved to 0.335 in 2021 compared to 0.409 in 2012. However, in 2021, and to a lesser extent in 2022, the government's mandated lockdown policies greatly affected female-headed

Question
Score

Socioeconomic
barriers

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households and those employed in the informal economy. The pandemic exacerbated the unequal distribution of household and caregiving responsibilities, which are primarily borne by women, as well as labor market outcomes for young women. In rural areas, the lack of land ownership due to the absence of titles limits women's opportunities.

According to the World Bank's most recent Jamaica Gender Assessment, poverty rates are higher among women of reproductive age and women of retirement age, as well as in households with only women as income earners. Poverty strongly correlates with unemployment in Jamaica, especially for single female caregivers. Single female caregivers make up 10% of Jamaican households, compared to 3% for single male caregivers. The risk of experiencing poverty for the average Jamaican household increases from 8.8% to 12% when the household head reports being unemployed. Among households with single female caregivers, families with an unemployed head of household are disproportionately below the poverty line. It should be noted that households with a single female caregiver tend to be larger than those with a single male caregiver.

Despite these shortcomings and setbacks, the U.N. Human Development Index (HDI) reports that human development continued to qualify as high in 2021, giving the country a score of 0.709, though this represented a decline from 0.719 in 2019. Meanwhile, the overall reduction in the HDI score due to inequality was 16.6% in 2021 – 0.01% less than in 2020 – and life expectancy at birth decreased nearly three percentage points from 2020 (74.6%) to 2021 (71.87%).

Economic indicators		2019	2020	2021	2022
GDP	\$ M	15830.8	13812.4	14657.6	17097.8
GDP growth	%	0.9	-9.9	4.6	4.2
Inflation (CPI)	%	3.9	5.2	5.9	10.3
Unemployment	%	5.0	6.5	6.0	6.0
Foreign direct investment	% of GDP	4.2	1.9	2.2	1.9
Export growth	%	3.6	-30.0	25.8	15.1
Import growth	%	4.2	-26.7	12.0	11.8
Current account balance	\$ M	-302.6	-156.9	149.3	-129.8

Economic indicators		2019	2020	2021	2022
Public debt	% of GDP	94.3	109.7	94.2	77.1
External debt	\$ M	17429.7	16872.0	17701.3	-
Total debt service	\$ M	2230.5	1612.5	1358.5	-
Net lending/borrowing	% of GDP	1.7	-3.1	-	-
Tax revenue	% of GDP	27.5	25.7	-	-
Government consumption	% of GDP	13.6	17.0	16.2	16.7
Public education spending	% of GDP	5.2	5.6	5.6	5.5
Public health spending	% of GDP	4.0	4.5	-	-
R&D expenditure	% of GDP	-	-	-	-
Military expenditure	% of GDP	1.7	1.7	1.5	1.3

Sources (as of December 2023): The World Bank, World Development Indicators | International Monetary Fund (IMF), World Economic Outlook | Stockholm International Peace Research Institute (SIPRI), Military Expenditure Database.

7 | Organization of the Market and Competition

Market competition operates under a weak institutional framework, with uneven rules for market participants. Additionally, the informal sector remains significant, accounting for 58% of total employment in 2020, according to the International Labor Organization (ILO). The spread of informal activity is related to two main aspects. Firstly, it is connected to the demand for illegal goods (e.g., marijuana) and services (e.g., prostitution), as well as services in the tourism, music and entertainment sectors. Secondly, it is linked to the high cost of conducting formal business. Businesses in the formal sector encounter significant entry and exit barriers, including administrative barriers to market access, licensing procedures and permit regulations.

Still, the primary government concern remains the loss of tax revenue from informal exchanges. Under the current institutional framework, unregistered businesses cannot access credit and other opportunities available to formal businesses, and they remain excluded from financial and other markets. For example, during the COVID-19 pandemic, unregistered small/micro businesses were unable to access the COVID CARE cash transfers distributed by the government through commercial banks and remittance agencies. The lack of access to such opportunities indicates an inappropriate institutional economic policy framework, as it does not allow for unrestricted participation in the market or provide equal opportunities for all market

Market organization

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participants. Price setting is mainly determined by market forces, and capital movement (including currency convertibility) is enabled. Cross-border labor faces some restrictions within CARICOM.

Micro, small and medium-sized (MSMEs) businesses need greater access to resources that enable them to engage in successful startup activities. Some opportunities exist in the form of innovation labs, as well as support for entering emerging markets, both domestically and internationally, with access to business programs offered by recognized universities.

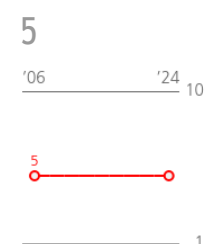
Competition laws aimed at preventing monopolistic structures and conduct exist but are inconsistently and ineffectively enforced. The Jamaica Fair Trading Commission (FTC) serves as the independent competition authority responsible for implementing the Jamaica Fair Competition Act (FCA). Implemented in 1993, this measure was designed to ensure that anti-competitive behavior does not undermine market activity in Jamaica. However, there is currently no regulatory framework for merger control to prevent the emergence of monopolistic structures and conduct. Nevertheless, it is generally agreed that the FCA provides the power to address mergers and establishes a regime for a class of transactions that includes mergers.

The FCA addresses the abuse of dominant positions and contains two broad categories of prohibitions. One deals with competitive behavior such as resale price maintenance, tied selling, price fixing, collusion and cartels, and bid rigging. The other category deals with consumer protection. The FTC also promotes fair competition and competitive markets, improvements in consumer welfare, and financial inclusion and opportunity in Jamaica, with the objective of bringing more people into the banked population.

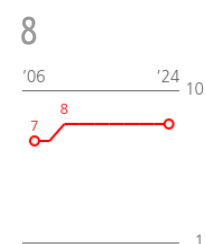
During the review period, judgments included cases in the transport sector, the beer/alcohol industry, real estate, and a number of development companies. The publication by the FTC of the prices of goods in supermarkets and other shops remained important to consumers, although such publication was less frequent during the COVID-19 period.

Foreign trade is liberalized in principle, but some exceptions remain, including differentiated tariffs and privileged treatment for key domestic sectors or industries that are identified as critical for Jamaica to achieve its national economic development objectives. According to the government's 2017 National Foreign Trade Policy (NFTP), the overarching goal of Jamaica's foreign trade policy is to increase exports of goods and services while managing import flows in such a way as to sustainably benefit the economy. A related objective is to ensure that Jamaican companies have access to strategic markets on the most favorable terms. As a small island developing state (SIDS), foreign trade is critical to the country's sustained economic growth and development, as it cannot meet its needs primarily from internal production and the domestic market. Within this framework of trade liberalization, the trade policy instruments used include tariffs, subsidies and special economic zones (SEZs).

Competition policy



Liberalization of foreign trade



Jamaica's foreign trade regime is primarily determined by the commitments it has made as a member of the World Trade Organization (WTO) since 1995. With the growth of international trade, nearly all sectors are affected by Jamaica's trade commitments, including services such as health and education. According to World Bank data, trade in goods and services accounted for approximately 90% of GDP in 2020, while the NFTP 2017 estimates that around 80% of employees rely on import or export trade to some extent.

Jamaica places particular importance on the use of tariffs to achieve its economic development goals. The government views agriculture as having a special role in ensuring food security, promoting exports and creating employment. As a result, exceptions are maintained for certain segments of the agricultural sector through differentiated tariffs and preferential treatment. These exceptions contribute to generating much-needed employment opportunities in rural areas and supplying the local tourism industry. Similarly, exceptions are also made for locally produced poultry, as they play a vital role in a national food security program. Import restrictions are implemented as safeguards, protecting the domestic agricultural sector from harm. These measures are considered essential for promoting local industries and establishing national food security.

Regarding agriculture, Jamaica operates under a 40% common external tariff (CET) set by CARICOM. Under the WTO commitment on agricultural trade, there is flexibility for a margin of up to 100%, but CARICOM approval is required for such changes. In 2021, the simple average most-favored nation (MFN) applied tariff stood at 8.6%, with agricultural products facing a tariff of 19.3% and nonagricultural products facing a tariff of 6.9%. The use of subsidies is limited and subject to regulation under the WTO Agreement on Subsidies and Countervailing Measures (ASCM) and the WTO Agreement on Agriculture.

The WTO also provides the framework for trade relations with other countries. These include regional arrangements with CARICOM; bilateral agreements with the United States, Canada, Mexico, Cuba, China and Japan; and multilateral arrangements with the European Union through the Economic Partnership Agreement and CARIFORUM. Jamaica's dependence on multilateral and bilateral relations has been reinforced during the COVID-19 pandemic and the Ukraine war, when normal supplies of goods and services, basic foods, COVID-19-related supplies (e.g., vaccines), and inputs for key local manufacturing sectors were at risk. These challenging situations exposed the extent of dependence that Jamaica has on externally provided critical goods and services.

The banking system is solid overall and generally meets international standards, with functional banking supervision and minimum capital equity requirements. In 2022, the Bank of Jamaica (BOJ) made significant steps toward normalizing its operations after COVID-19. According to the BOJ's 2022 report, the capital adequacy ratio (CAR) was sustained well above the regulatory standard of 10%, with deposit-taking institutions (DTIs) showing a CAR of 15.1%. This reflects resilience to credit, market, and liquidity shocks. Additionally, a smaller portion of DTIs' deposits were held in foreign currency, thanks to enhanced confidence in the Jamaican dollar. At the end of 2022, the deposit dollarization ratio stood at 39.2%. Meanwhile, the non-performing loans ratio was about 3%, for a value of about \$255 million. Fitch Ratings (March 2022) gave the Jamaican economy a B+ rating, with a stable outlook, reporting that the "banking sector is well capitalized with low non-performing loans, despite the pandemic and the expiration of repayment moratoria."

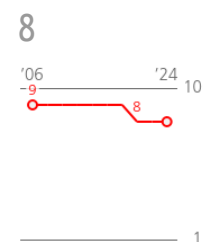
The banking system shows evidence of increased supervision and reforms in the financial sector. The central bank has produced a Basel III-compliant capital adequacy framework (2021), which addresses capital charge methodologies for credit risk, market risks and operational risks, as well as a refined definition of regulatory capital. Additionally, the BOJ has finalized a Standard of Sound Practice Framework, which tackles capital adequacy ratios, disclosure rules, supervision, the share of non-performing loans, hard budget constraints and reforms in the financial sector. On a case-by-case basis, the BOJ has the authority to determine the inclusion or exclusion of members of financial groups from the scope of consolidation for the purposes of the capital adequacy framework. Financial institutions are required to submit comprehensive monthly computations and explanations of their capital adequacy ratios and how they are calculated to the central bank, following the format prescribed by the bank.

8 | Monetary and fiscal stability

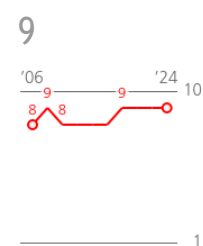
Monetary stability is a recognized objective of economic policy, as policies of monetary stabilization are harmonized with other objectives of economic policy. The central bank is fully independent of the Ministry of Finance. Monetary policy decisions are taken by majority vote by the five-member Monetary Policy Committee (MPC), the de facto independent monetary authority (Bank of Jamaica Annual Report 2021). Monetary policy decisions have been pursued more consistently over time and have not shown any evidence of political influence.

The main objective of the BOJ has been to manage inflation rather than the exchange rate, although the latter is not ignored and has remained relatively stable over the final six months of the review period. According to the BOJ 2022 report, domestic inflation, while still above the BOJ's target range of 4% to 6%, decreased from a peak of 11.8% in April 2022 to 9.4% by the end of that year. This decrease was partly due

Banking system



Monetary stability



to lower rates of energy inflation, as well as the strategic monetary policy approaches taken by the Monetary Policy Committee to tighten monetary conditions. When formulating monetary policy to achieve the targeted inflation rate, the central bank takes into account all current and future macroeconomic developments, fiscal operations, the external sector, and relevant market information. A decision to change the direction of monetary policy is reflected, among other things, in adjustments to the interest rates offered to deposit-taking institutions (DTIs) on overnight placements with the Bank of Jamaica.

In 2022, the exchange rate experienced four cycles of appreciation and depreciation, although these were less pronounced than in previous years. By the end of December 2022, the exchange rate showed a 3.3% appreciation compared to December 2021, with an average selling rate of JMD 149.46 to the U.S. dollar, as opposed to JMD 155.09 to \$1.00 the previous year. As of early 2023, the exchange rate had not yet returned to JMD 155 to \$1.00.

In March 2023, the central bank reported that “having recovered from the effects of COVID-19, the Jamaican economy is now operating at a level of demand for the goods and services it produces that is above the ability to be sustained by the economy over the long term. The general macroeconomic perspective underscores the view that managing macroeconomic imbalances, while involving some short-term pain, is the best way of ensuring long-term growth of the economy and the prosperity of the population.”

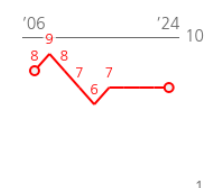
The government’s budgetary policies generally promote fiscal stability. This is supported, in part, by institutional self-constraints and safeguards in the form of central bank oversight, in collaboration with the Financial Services Commission (FSC) and the Jamaica Deposit Insurance Corporation (JDIC). This takes place via three statutory committees – the Financial System Stability Committee (FSSC), the Financial Regulatory Committee (FRC), and the newly appointed Financial Policy Committee (FPC), which became effective on April 16, 2021.

According to the IMF, public debt decreased from a total of 109.7% of GDP in 2020 to 94.2% of GDP in 2021. During the same time period, external debt increased by nearly \$800 million, and government consumption expenditures decreased by 0.8%. According to the most recent IMF data, net lending (+) or borrowing (-) stood at -3.1% of GDP in 2020, compared to 1.7% of GDP in 2019. Overall, total debt service decreased from \$1.61 billion in 2020 to \$1.36 billion in 2021.

Judging from the 2023/24 budget presented by the minister of finance, fiscal stability is at the top of this government’s agenda. This refers specifically to the percentage of expenditure on debt servicing, the assigned debt goals, the relatively low level of loans (JMD 139.47 billion or 13%) contributing to the JMD 1 trillion in expenditures, and the precautionary measures requested and received from the IMF – even with gross foreign exchange reserves of \$4.3 billion.

Fiscal stability

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An alternative perspective on the value and importance of fiscal stability is appropriate. The public debt servicing, amounting to JMD 280.61 billion, is the second-highest budget line item, representing 27.5% of the JMD 1 trillion budgetary expenditure (with recurrent costs at JMD 665.69 billion, accounting for 65.2%). The projected debt goal for the end of 2023/24 is 79.7% of GDP, indicating a reduction by 14.5 percentage points from the previous figure at the end of March 2022. The opposition has criticized the approach of paying down the debt faster than required by the agreement with the IMF (which aims for a debt level of 60% of GDP by 2027/28), noting that a slower pace would enable urgent public needs such as quality health care, education, social safety nets and intervention programs to be funded without compromising fiscal stability.

The IMF agreements obtained relate to the Precautionary Liquidity Line and the Resilience and Sustainability Facility. The first agreement provides \$963 million in the event of balance of payment shocks, while the second agreement provides \$763 million to improve resilience to climate-related shocks. The interest rate is set at 3.8%, and the repayment period spans 20 years, with no principal repayment required during the first 10 years. These terms represent a significant improvement compared to what could be achieved on the open market.

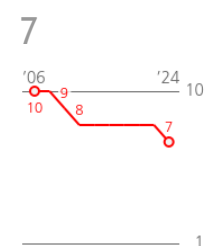
The current account in the March 2022 quarter showed a deficit of \$333 million, or 2.23% of GDP. External debt increased to \$14.2 billion in the third quarter of 2022, from \$13.79 billion in the second quarter of 2022. Additionally, foreign exchange reserves reached an all-time high of \$4.34 billion in December 2022, according to a central bank report.

9 | Private Property

Rights and regulations on the acquisition, benefits, use and sale of property are defined in the constitution. However, problems persist with implementation and enforcement under the rule of law. Large numbers of citizens are unable to access property (for homes and/or microbusinesses) – typically those who hold low-paying jobs in the informal sector, are unemployed or are significantly underemployed. Many of these populations live below the poverty line. This situation is related to their inability to legally access property over time and historically across generations, resulting in large numbers of “squatter communities” in both rural and urban areas. These individuals often find themselves in conflict with persons who claim ownership of said properties.

Enforcement under the rule of law often leads to significant delays in the actual acquisition of property and triggers protests from citizens who continue to face major challenges in acquiring property.

Property rights



Private companies are institutionally viewed as important engines of economic production, but at times they are not sufficiently protected by existing legal safeguards. Market principles dictate that the privatization of state companies should adhere to procedures that guarantee transparency and comply with existing legal safeguards and accepted procurement rules. Private companies sometimes interpret strict adherence to existing legal safeguards as a limitation on their rights to operate freely in an unrestricted free market.

Jamaican public enterprises are mainly active in the agriculture, mining, energy and transport sectors, although they have to compete on an equal footing with private enterprises. Privatization is generally carried out in accordance with market principles, and transactions are usually conducted through public tenders. That being said, there are occasions in which the privatization of state companies, by both national and international business interests, does not proceed consistently with market principles. There are allegations that such enterprises are sold to the lowest bidders due to political or other connections.

10 | Welfare Regime

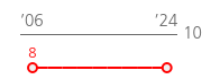
Social safety nets are inadequate and cover only a few risks for some of the beneficiaries who live at or below the poverty line. According to the latest figures from the World Bank, public expenditure on health from domestic sources as a share of GDP was 4.5% in 2020, a 1.5 percentage points improvement in GDP from a decade ago. The Poverty Programmes and Registry, Programme Area 1, addresses extreme poverty and basic needs through various programs. These include the Food Supply Programme, which provides basic goods such as food, medicine and water; the Homeless Programme; the Programme of Advancements through Health and Education (PATH); the Jamaica Drug for the Elderly Programme (JADEP); and the National Health Fund (NHF) Card Programme, which provides residents with subsidies to treat certain chronic illnesses. These programs are not seen as reaching all of the population that needs these programs. the majority of the population remains at risk of poverty.

Life expectancy at birth is 71.8 years (STATIN Jamaica). Access to high-quality public health services is limited due to substandard physical infrastructure in numerous facilities, including community clinics and hospitals. Additionally, the number of medical and support staffers falls below accepted norms.

In total, social safety nets do not effectively compensate for the social risks inherent in the capitalist economic system. These risks encompass unemployment and underemployment, poverty, and poor educational outcomes. The system also fails to effectively alleviate challenges such as old age, illness or disability.

Private enterprise

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Social safety nets

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Equality of opportunity is only partly achieved. According to the Jamaica Gender Assessment Report launched in early 2023, gender parity nearly exists between female and male students at both the primary and secondary levels of education – with enrollment ratios of 81.3% versus 81.8% and 76.3% versus 71.7%, respectively. Nevertheless, the tertiary enrollment ratio skews more heavily in favor of female students (34.7%) as opposed to their male counterparts (19.9%). Young men, especially those with a lower socioeconomic background, are more likely to drop out of school and enter the workforce. Although education is in principle accessible to all and free, the expenses connected with schooling are relatively high when considering transportation, school meals, housing and so on.

Literacy rates are higher among women (92.7%) than men (83.4%), according to World Bank figures from 2014. Meanwhile, the overall literacy rate hovers around 88% among Jamaicans aged 15 or older, placing Jamaica ahead only of Nicaragua, Guatemala and Haiti in the Latin American and Caribbean (LAC) region. However, the Jamaica Education Transformation Commission (JETC) found evidence from the 2019 Primary Exit Profile (PEP) exam indicating that 33% of students could not read or could barely read.

Regarding representation in decision-making, women have made noteworthy strides. Representation at the national level has significantly improved by 50% since before 2020, with approximately 29% of elected House representatives being female. Moreover, both the speaker and deputy speaker were women during the review period, which is a first-time occurrence. However, men continue to exert their dominance in politics overall.

Prospects are slightly dimmer for women in the labor market. According to the World Bank, women accounted for 45.3% of the labor market in 2021, the same as in 2020, just behind Haiti (48.2%) and Uruguay (46.5%). Women are not adequately represented in high-salary sectors. They make up 60% of middle management positions but are severely under-represented on boards and as chairpersons of boards in the private sector. Although the 2011 Charter of Fundamental Rights and Freedoms includes legal provisions barring discrimination, their implementation is occasionally inadequate.

Individuals in the LGBTQ+ community and individuals with disabilities do not have equal opportunities to access public health services or public office and often face physical abuse. Although there are a number of legal provisions against discrimination, their implementation is ineffective.

Equal opportunity

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11 | Economic Performance

During the review period, Jamaica's economic performance showed some signs of improvement, as it recovered from the pandemic-driven recession. However, underlying conditions limiting growth remain an unaddressed issue.

During the pandemic, a decline in private consumption and external demand led real GDP to drop by around 10%. Between 2021 and 2022, real GDP expanded by an annual average of 4.4% primarily due to a recovery in the agricultural and tourism sectors. Meanwhile, GDP per capita growth rates improved from a decline of 10.4% in 2020 to a positive 4.2% in 2021. GDP per capita based on purchasing power parity (PPP) rose from \$9,241 (2020) to \$10,026 (2021). The World Bank expects GDP to recover to pre-pandemic levels over the next two years (2023/2024), with real GDP projected to grow by 1.9%. Still, Jamaica was among the slowest-growing economies in LAC even before the emergence of COVID-19. This was due to a compound of issues, including sluggish productivity, a weak business environment and crime, among other obstacles.

While the country's public debt-to-GDP increased to 110% of GDP in 2020/21, it has since fallen to 85% of GDP and is expected to ease even further. Inflation also accelerated over the past years, averaging 10.3% in 2022, well above the central bank's target of 4% to 6%. Furthermore, the current account deficit was 3.5% of GDP in 2022, with a current account deficit of 2.2% of GDP in 2019 and a surplus of 0.9% in 2021. Earnings experienced in sectors such as tourism were offset by higher expenditures on crucial imports (for example, fuel and food).

The recent increase in economic activity has helped the labor market and reduced unemployment rates to pre-pandemic levels. According to STATIN, employment levels are moderate, with an unemployment rate of 6.6% in July 2022, down from 8.1% in July 2021. Despite the rise in employment, the unemployment rate among young women remained higher at 8.2% (July 2022), compared to a rate of 5.2% among young men. Additionally, employment conditions are unfavorable, as informality rates remain high, and workers are being given fewer work hours.

Output strength

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12 | Sustainability

Environmental concerns receive only sporadic consideration and are often subordinated to growth efforts. Environmental regulation is weak and hardly enforced. While this is not only related to environmental protection, the following case demonstrates damages to the environment and the livelihoods of citizens. In a recent highly publicized case involving toxic substances being released from a factory into one of the country's largest rivers – from which fisherfolk from surrounding communities earn their living by catching and selling fish – regulations were invoked to release funds from a bond paid by the company as part of their license to operate under the supervision of the National Environmental Planning Agency (NEPA). These funds were paid to registered fisherfolk as compensation for lost business.

Both NEPA and local municipalities, which are vested with the power to enforce environmental regulations, are grossly understaffed and lack the skills and competencies to effectively address environmental concerns, which are regularly subordinated to growth efforts. Press reports frequently refer to allegations of corruption in approval processes that favor big business interests – for example, real estate/property developers. This situation particularly exists in tourism with regard to previously public beaches, which are now regularly blocked to facilitate private sector development for the commercial and housing sectors. In rural areas, land previously identified as prime agricultural land, slated for crops meant for both local and export markets, is now being sold for commercial and residential construction projects, leaving only small areas for growing crops to address serious major food shortages and increasing food insecurity.

There is as yet no deeply ingrained societal awareness of the need to protect the environment and nature's ecosystems. However, increased educational material in schools and public spaces (including traditional and social media) has helped sharpen awareness about Jamaica's vulnerability as a small island to the severe impacts of climate change. The well-respected civil society organization Jamaica Environmental Trust (JET) has established a network of environmental groups in many schools and communities, sharing advocacy materials and information. One goal is to increase national awareness of the impact of climate change. Nominal private sector support is sometimes available for these activities. Meanwhile, the government has set a higher renewables target for 2030 but has failed to follow suit with import policies that would impact consumption and help achieve this target.

Environmental
policy

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Education policy contributes to a system of education and training that fails to meet the needs, rights and expectations of students receiving education, particularly in the public sector. Despite Jamaica’s claim of offering universal access to education, the associated costs (e.g., transportation and meals) result in many being effectively excluded, especially those living in rural areas and from economically disadvantaged backgrounds. According to the World Bank’s most recent data, from 2014, the overall literacy rate is 88.1%. In contrast, Caribbean neighbors such as Cuba, Trinidad and Tobago, and the Dominican Republic have literacy rates exceeding 93%. However, about one-third of students cannot read or can barely read, and over 50% cannot write or can barely write. UNESCO figures indicate that public investment in education in 2022 amounted to 5.5% of GDP. The country’s score on the U.N. Education Index remained stagnant in 2021 compared to 2020 at 0.678.

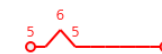
Since 2010, enrollment rates for both boys and girls have declined at all levels of education, except at the tertiary level. According to UNESCO, the pandemic worsened the educational situation, resulting in a “learning loss” due to schools being closed for a total of 158 days from March 2020 to February 2021, which exceeds the global average of 95 days. Primary and secondary schooling were particularly affected. Recent results from the Grade 4 diagnostic assessment tests indicate that the majority of students scored between 50% and 75% in all subjects, revealing significant knowledge gaps. To address these educational issues, the Ministry of Education, Youth and Information (MOEYI) has taken the initiative to introduce the COVID-19 Student Mobile Intervention Framework for primary and secondary students in English. However, progress has been slow.

Investment in research and development is inadequate, amounting to less than 1.5% of GDP. The Global Innovation Index ranks Jamaica in 60th place out of 132 countries in terms of innovation output, a two-position increase from 2020. This improvement can be attributed in part to Jamaica’s ability to generate greater innovation, given the level of investment. In an effort to bolster its education system, the government aims to establish six STEM schools, as well as an institution for the arts. Additionally, the government has recently announced STEM scholarships for 1,000 students from low-income households, along with teaching scholarships for 1,250 STEM teachers over a five-year period. Nonetheless, further measures are required to cultivate a well-educated human capital base within the country.

Education policy /
R&D

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Governance

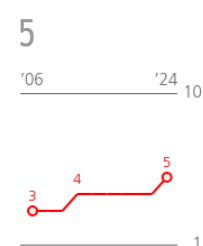
I. Level of Difficulty

Structural constraints on governance are related to extreme poverty, poor access to quality education, and the island's vulnerability to climate change and natural disasters. First, ingrained poverty is a major challenge, particularly affecting female-headed households with a large number of children, the elderly, the sick, and people with disabilities. Secondly, the labor force faces the issue of inadequate preparation due to the insufficiency of high-quality education, especially in key areas such as STEM subjects and agriculture. Attendance levels at the tertiary level show distinct gender gaps, with female students significantly outnumbering male students. Third, as a small island developing state (SIDS), Jamaica has limited physical and economic resources, making it extremely vulnerable to climate change and natural disasters. The country is especially susceptible to drought and rising sea levels, which are resulting in flooding and shoreline erosion that can have detrimental effects on critical infrastructure. Severe climate events also exacerbate existing social issues, including poverty.

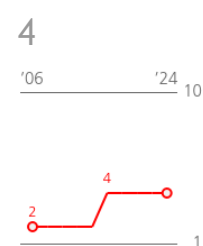
COVID-19 also had a devastating impact on the Jamaican economy and poverty rate, according to the World Bank. The poverty rate rose from 19% in 2018 and 2019 to 23% in 2020. However, this figure declined to 12.6% in 2022. Among those most affected by the crisis were working women, who made up approximately 78% of health care and humanitarian employees, as well as 55% of staff in the industries most affected by the virus, such as commerce and tourism. Government-mandated coronavirus policies also had a severe impact on individuals working in the informal economy and households led by women. The lockdowns heightened exclusion and inequality, exacerbating poverty and limiting access to food, water and education.

Civil society traditions and civic engagement remain a foundation for social capital, cohesion and trust. However, the impact of such activities remains moderate. There are few resources and opportunities for civil society organizations (CSOs) to work together and create common platforms through collective advocacy. Traditions of civil society are fairly strong, although with reduced funding options, many traditional small to medium-sized CSOs have severely reduced their activities or have stopped functioning. Substantial funding is available to long-standing human rights organizations such as Jamaicans for Justice, the children's rights group Children First, the women's rights group Eve for Life, and the environmental advocacy organization Jamaica Environment Trust (JET). Through the use of social media, as

Structural
constraints



Civil society
traditions



well as traditional media, these larger CSOs have built networks of engagement that include many smaller civil society organizations in both rural and urban Jamaica, continuing the tradition of public engagement and involvement in civic life.

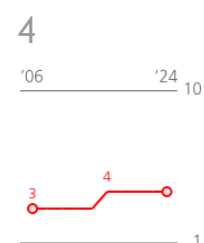
Traditions of civil society continue thanks to the leadership of local community groups, which provide support for childcare, training in the fields of education and advocacy, youth leadership programs and support for women facing gender-based violence. Many groups have learned to use diverse social media platforms to promote their advocacy activities, maintaining a presence in the public domain and engaging both government and private sector organizations.

Civic engagement and voluntary unpaid work have become increasingly difficult for CSOs to sustain due to government lockdowns responding to COVID-19. Private sector and faith-based organizations often provide resources to support voluntary work and engagement. Advocacy efforts during the review period addressed issues such as violence against women and girls, exploitative bauxite mining, and the rights of female and male students to wear natural African hairstyles to public schools.

Active civic associations and community organizations at the community level frequently organize themselves around sports and local fundraising activities for families living in poverty. It is in these spaces that social trust and social capital are built and maintained. However, social exclusion persists along the lines of race, class and gender in decision-making centers and wealth-generating institutions. The extent to which social exclusion remains a dominant characteristic of Jamaican society affects the establishment of social trust.

Although Jamaica has a history of confrontational politics, political divisions are rarely a source of intense conflict. While there are notable political, social, ethnic and religious differences, political actors have limited success in polarizing the population along these divisions. The use and spread of violence in the country is not connected to these cleavages but rather to the activities of criminal gangs and networks, both in urban and rural communities. The persistently high level of violence and homicide (a rate of 53 homicides per 100,000 population) reflects social divisions based on race, class and economic disparities, as well as a political failure to decisively address and significantly reduce the number of homicides.

Conflict intensity



II. Governance Performance

14 | Steering Capability

The government's main priorities include the improvement of social inclusion and economic equality, the improvement of the education system, crime prevention, and community safety. Jamaica's Vision 2030 National Development Plan (NDP) is a long-term strategic development plan that was crafted in 2009. Its goal is to position Jamaica to achieve developed country status by 2030. The plan includes national goals of empowering Jamaicans through education and social protection, promoting effective governance and security, and attaining a prosperous economy while ensuring a healthy natural environment.

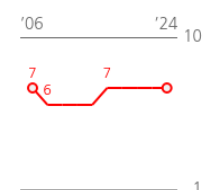
In practice, partisanship significantly influences the interpretation of Vision 2030. For instance, the JLP government pursues the goal of "prosperity" through a trickle-down approach that disproportionately benefits big businesses and the affluent. Similarly, instead of seeking a compromise with the opposition on security policy, the government has opted for a repressive approach, neglecting the need to effectively address the challenges faced by disadvantaged communities where violence and crime are prevalent.

During the review period under review, strategic priorities were occasionally put off in favor of short-term benefits. This occurred due to commitments to a partisan political manifesto, refusal to cooperate with the parliamentary opposition, or the influence of powerful economic interests, both domestic and international. This led to priorities for policy measures and related budgetary provisions being adjusted accordingly. The cabinet, led by the prime minister, holds the ultimate decision-making power over policy recommendations from the houses of parliament. The cabinet consists of the most senior members of the ruling party, who have been appointed to ministerial portfolios by the prime minister. These ministers are responsible for overseeing relevant ministries, departments and agencies. Key figures driving the current reform efforts include Prime Minister Andrew Holness, Minister of Finance and Planning Nigel Clarke, Minister of Health and Wellness Christopher Tufton, Minister of Culture, Gender, Entertainment and Sport Olivia Grange, and Minister of Tourism Edmund Bartlett. The remaining cabinet ministers have relatively little impact and would best be categorized as defenders of the status quo.

Question
Score

Prioritization

7



One of the government’s main priorities is the reduction of crime and violence, with the aim of enabling economic growth and job creation. The recent strategy involves an “all-of-government” approach to tackle crime, with the Ministry of National Security leading and coordinating the process. Key drivers of this approach include Minister of National Security Horace Chang, who is also the general secretary of the ruling JLP, along with the police commissioner, a former chief of staff of the Jamaica Defence Force. Tied to this initiative, government agencies such as the Social Investment Fund (SIF) and the Social Development Commission (SDC) have implemented social intervention programs that aim to achieve effective social inclusion. These programs have been accompanied by strict policing and containment measures when a state of emergency (SOE) is declared in particular areas. Portions of the population have lived under protracted SOEs and in zones of special operations since 2018, as the government has attempted to rein in gang violence and criminality (also see “Monopoly on the use of force”).

Despite the proclamation of a whole-of-government approach, the approach is not adequately funded, according to the Caribbean Policy Research Institute (CAPRI). CAPRI reports that the effectiveness of social interventions is undermined by silo-based policymaking, with fragmentation and inconsistency at the ministerial and programmatic levels. Moreover, social interventions have failed to address the core social and economic issues that contribute to youth involvement in criminal activities. While criminal activities may experience a short-term reduction, existing community violence – including heavily armed gangs – high levels of poverty, and psychosocial dislocation faced by residents in these areas render social intervention programs ineffective and unsustainable. Additionally, government violence reduction programs and preventive interventions often fail to collaborate with established community organizations. Compounding the issue, there is no framework in place to measure the impact and results of social and community programs. Consequently, intervention decisions lack evidence-based grounding and are prone to politicization.

Regarding education, the Student Loan Bureau occasionally receives major cash injections into its revolving loan fund in order to enable more individuals to access tertiary education. The Bureau has also eased application requirements within the PATH student loan program. This strategy aligns with the government’s objective of social inclusion by reducing barriers to tertiary education for students living in poverty. However, the overall economic policy primarily benefits the wealthy business and financial classes.

Implementation

7

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The government demonstrates a general ability to engage in policy learning, but its flexibility is limited by a reluctance to acknowledge policy failures. Failures are often compared with the policies of previous opposition-party governments. Policies are reframed and/or renamed to appear new and relevant. The value of policy learning is often overlooked or downplayed, and recommendations or concerns are often perceived as anti-government, resulting in their dismissal. Opportunities are missed to develop a solid knowledge foundation on which to base new policies.

The financial sector has shown some policy learning and flexibility. The Ministry of Finance and the Public Service had to adjust to the Bank of Jamaica (BOJ) making the final decisions and accepted the JAM-DEX merchant purchasing mechanism – a wallet initiated by the BOJ. Additionally, the ministry has established an independent Fiscal Commission, which is supposed to take over from the Economic Programme Oversight Committee (EPOC) that was set up at the time of the 2013 IMF agreement. The minister of finance now chairs another initiative, the Public Investment Management Committee, which screens public investment projects for feasibility and their support of national development goals.

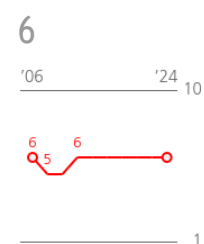
15 | Resource Efficiency

The government efficiently utilizes only a portion of the available human, financial and organizational resources. Estimates of revenue and expenditure (budget) are annually presented to the houses of parliament, outlining the government's social and economic policies. These policies subsequently inform the projects and programs implemented by all government agencies.

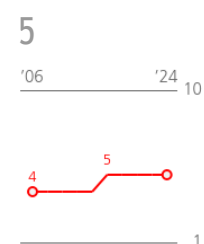
The Auditor-General performs assessments of government agencies' performance, as mandated by law. The results of these audits are presented in sessions that are open to the press and the public and are reported to parliamentary committees. These audits investigate and uncover instances in which government agencies engage in politically motivated dismissals and new appointments of public servants, instances in which recruitment procedures lack competitiveness and protection against political influences, and cases in which personnel expenditures are inefficiently used or wasted.

During the period under review, most public bodies, including those that received significant funds to respond to the pandemic, failed to submit their annual reports and financial statements. Therefore, it is unclear whether public bodies are effectively and efficiently employing financial resources. Additionally, while budget planning lacks transparency, the government has been operating balanced budgets and has public debt under control, although last year it had to make four supplements to the 2022/23 budget. The Office of the Auditor-General does expose excess expenditures, failures in procedure and financial losses. However, parliament often fails to follow up effectively, despite the close examination of the AG's findings by a parliamentary

Policy learning



Efficient use of assets



committee. The CSO Jamaica Accountability Meter Portal (JAMP) has been filling that gap for the past three years, making it easy for journalists and the public to access the relevant information online.

The government often fails to coordinate conflicting objectives. Different parts of the government tend to compete with each other, and some policies have counter-productive effects on others. Government policy aims to promote and advance agricultural production, thus driving rural development by increasing employment, ensuring food security and providing local produce for the tourist industry. Some projects are implemented as part of this policy, benefiting farmers, but the tourism sector heavily relies on ongoing imports of duty-free food, which undermines local food production. Consequently, this diminishes employment opportunities in rural areas and contributes to Jamaica's severe food insecurity. The policy's trade-off between supplying the tourist industry with imported foods to offer a diverse international cuisine, while also supporting the local agricultural industry and promoting rural employment generation, is poorly balanced.

Similarly, local architects and contractors face unfair competition due to ongoing bilateral relations with major Chinese investment companies. These companies are allowed to import the main inputs of goods and supplies for major infrastructure and building projects duty-free. Additionally, these companies provide significant Chinese labor, at the expense of local labor in areas with high underemployment among low-wage workers. Recently, local private sector interests have also engaged these Chinese companies for the construction of business and residential projects. These developments have counter-productive effects on government policies that promote job creation and the design and production of building projects by local creative industries.

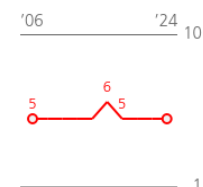
An additional conflict exists between the labor-intensive, low-wage economy model being pursued by the present government, which fails to offer community youth the high-tech, creative-skills jobs with decent pay that could turn them away from violence and crime.

The government is only partially willing and able to contain corruption. The few integrity mechanisms that have been implemented are mostly ineffective. The law requires that public officers and private contractors colluding in corrupt acts both face sanctions. Institutional arrangements do exist to implement an anti-corruption policy; however, they do not successfully contribute to effective prosecution. Lawmakers do not typically take the actions required to hold individuals accountable for the illicit use of public funds.

Two integrity mechanisms available to the government are the auditing of state spending and a transparent public procurement system, both of which are essential for controlling corruption. The Auditor-General is responsible for conducting assurance audits of government ministries, departments and agencies (MDAs) on an

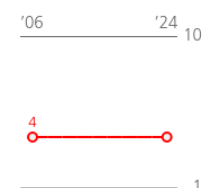
Policy coordination

5



Anti-corruption policy

4



annual basis. These audits address governance, procurement management, project management, resource management and information communication technology (ICT) issues. Resource management remains the predominant theme, followed by project management, governance, and procurement and contracts management. Over the years, reports from the Auditor-General have revealed that contracts for road infrastructure work were awarded through a non-competitive process without sufficient justification and in violation of procurement law.

For the 2020/2021 period, a total of 165 audits were commissioned (through November 2021), of which 95 have been completed, with corresponding reports and/or certificates issued. In comparison, in the 2021/2022 period, the Auditor-General reported that 207 audits were commissioned through November 2022. Of these, 144 audits had been completed, while 60 were still being processed. In both auditing cycles, resource management and governance stood out as the prevailing topics, mainly with regard to financial implications. As for the quality assurance reports covering the period from December 2021 to November 2022, the unit successfully concluded 14 quality assurance reviews and produced corresponding reports. Notably, improvements were noticed in areas previously identified as “non-conformities” in earlier years. Whistle-blowing activity has recently shown some progress, with an increase in the receipt of complaints, allegations of fraud and misappropriation of government funds across all mediums. According to the Auditor-General’s Annual Report 2023, a total of 47 complaints were received from 2021 to 2023, with 38 state entities affected.

There is no single anti-corruption agency in Jamaica. However, an institutional framework comprising various anti-corruption bodies has been established. The Major Organized Crime and Anti-Corruption Act (2018) established the Major Organized Crime and Anti-Corruption Agency (MOCA), which addresses corruption in the public sector, primarily with the goal of bringing high-value criminal targets to justice. MOCA is awaiting regulations that would enable it to function independently of the police force, thus allowing it to effectively combat the crime-corruption nexus fueling the guns-for-drugs trade, which is shielded by criminal elements within the security forces. This trade is responsible for the high levels of homicide experienced in Jamaica.

The laws and regulations of the Integrity Commission are largely ineffective in sanctioning parliamentarians and public officials who do not declare personal assets or breach conflict of interest rules. Offenses under the Integrity Commission Act (2017) and the Corruption Prevention Act (2001) for the financial year 2021/2022 included only 10 instances of “Failure to file a Statutory Declaration” by parliamentarians. The Confidentiality Clause (Section 53.3) does not enhance public confidence that acts of corruption and impropriety committed by persons exercising public functions will be appropriately investigated and dealt with in a manner marked by transparency, accountability and fairness.

Financial reporting is required by the Electoral Commission of Jamaica, with political parties required to declare their assets and sources of funding. A bill addressing elections and political party financing (including campaign funds) has been in force since 2016 and was first applied in the 2019 by-election and then in the 2020 national elections. Parties and candidates participating in the latter elections were required to submit their final disclosure reports by March 2, 2021. There are no reports of fulfillment concerning the elections as of April 2021. Recently, the financial support provided by major private sector organizations to both political parties in equal amounts has been made public via press statements.

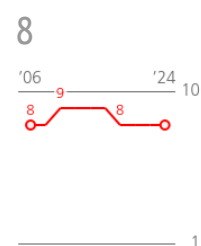
16 | Consensus-Building

There is a general consensus among the main political actors on democratic transformation as a goal. However, this consensus is weakened by significant controversy over strategic priorities. One such priority is the re-establishment and maintenance of the role of the parliamentary opposition in chairing parliamentary committees that are responsible for monitoring and investigating the performance of ministries, departments and agencies. This is an important feature of Jamaican parliamentary democracy, without which the democratic process itself is vulnerable to a governing party's authoritarian attitudes and practices. Despite protest from the opposition, the private sector, civil society and the legal community, the government eliminated this function using its majority in parliament. The fear is that with members of the government heading all parliamentary committees but one, any corrupt or clientelist use of government resources will not be exposed to parliamentary examination.

A second issue is that the government has imposed states of emergencies (SOEs) as a crime-fighting tool without the support of both houses of parliament and the opposition party, and despite the Supreme Court ruling against such a practice on one occasion. There were two such cases pending at the time of writing. A third priority is the return of local government elections, which are an important component of the democratic governance process at the local level. Under law, these elections should be held every four years and were due in 2022. Again, using its parliamentary majority, and over the protests of the opposition party, the private sector and civil society, the governing Jamaica Labour Party rescheduled these elections until February 2023 and then postponed them further until 2025. In the meantime, there are more than 20 local municipalities that lack representation in parish councils due to either migration or the deaths of councilors at the local level.

The market economy is identified as a long-term strategic goal by the main political actors. The People's National Party (PNP), now in opposition, is credited with laying the foundation for the development of a market economy while in government, until it lost the national elections in 2016. The current JLP government has continued to

Consensus on goals



build on this foundation with the support of powerful private sector interests. While the JLP has increasingly adopted a decidedly neoliberal vision of the market economy, the opposition PNP advocates a market economy that also meets the basic needs and rights of the majority of Jamaicans. Accordingly, the current government has proven increasingly reluctant to meet with and discuss issues with the opposition party. It has also been disinclined to meet with active civil society groups advocating for the environmental protection of resources such as natural forests, water tables and arable land – for example, in the face of their destruction for the development of expensive, high-end residential communities funded by the private sector. Given the democratic shortcomings already inherent in the Westminster parliamentary model, the lack of participatory and inclusive consultations with civil society and professional groups is a further challenge to this model of parliamentary democracy, particularly in its role as the foundation for a market economy. Opposition to these economic practices is increasingly evident along race/ethnicity and class lines, as lower-income communities protest their exclusion from discussions and agreements about the development of their own communities.

Reformers can successfully exclude or co-opt all actors with anti-democratic interests, those close to the government or in opposition, and induce them to comply with constitutional rules.

Policymakers prevent conflicts based on social divisions from escalating. The political system does not reflect the deep divisions in society that exist along the lines of race, class, gender and urban/rural areas. Both main political parties have membership bases that transcend these societal divisions. Clientelism is openly practiced by both major political parties, serving as an effective tool for attracting and retaining supporters. As long as sufficient resources are available, sitting governments utilize creative methods of “keeping the peace” by preventing conflicts based on social divisions from arising or escalating. These may involve drawing on state resources, as well as those of financial supporters, both local and foreign.

The current government continues to avoid meaningful civil society participation in consultations about policy design and implementation, which would allow for consideration of wider national concerns across social and class divides, rather than seeking “rubber-stamping” of policies that have already been agreed upon. For example, residents are rarely consulted before agreements are put in place for the development of their communities in ways that affect design and environmental protection, as well as access to public services, proper roads and sanitation. Despite these shortcomings, in 2022 there was an encouraging increase in activism from non-

Anti-democratic actors



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Cleavage / conflict management



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Public consultation



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governmental organizations (NGOs), such as trade unions, as well as individual citizen initiatives. This included meaningful consultations between trade unions and workers and the Ministry of Finance in May 2022, which contributed to an early restructuring of the public service, with fewer industrial actions and more open conversations about workers' concerns, in turn prompting some employer responsiveness.

In 2020/2021, citizens invoking the whistleblowers' facility resulted in the Auditor-General's Office receiving almost six times the number of reports (34 to six) than it had during the previous year. In 2021, the Integrity Commission received almost four times the number of complaints of the previous year, with 91 complaints as opposed to 23. Through November 2022, Crime Stop (an emergency complaints service) had received 1,074 tips, a significant increase over the 643 received during the same period in 2021. This type of activism, though pursued by individuals, signifies a growing determination among citizens to have their voices heard and their presence felt, even in the absence of formal opportunities for consultation with political leaders.

Given the strategic importance of large private-sector interests in tourism, banking, agriculture, food manufacturing and the export sector, they continue to dominate consultations on policy affecting these areas of the economy. Some civil society groups are involved primarily in care and family services, such as the Red Cross, the Jamaica Cancer Society and the HEART Foundation. These are charities that provide critical services for vulnerable groups and communities, without government involvement but with significant voluntary support from communities island-wide. During the COVID-19 pandemic, members of the Private Sector Organization of Jamaica (PSOJA) and other charities provided health care supplies and food packages to families under curfew. They often also provided personnel to help distribute care packages to minimize partisan favoritism in certain communities.

Past injustices, such as human rights violations during the military dictatorships in Chile or Argentina, have not been present in Jamaica's more recent past. Major historical injustices in Jamaica are associated with slavery, the post-emancipation period, and social and political uprisings in the early 20th century.

Political leaders have shown signs of recognizing historical acts of colonial injustice associated with slavery, and the government did offer an apology and some material restitution for past transgressions connected to the 1963 Coral Gardens incident, in which state security forces detained and killed Rastafarians, as well as the 2010 Kingston unrest, a violent confrontation between state security forces and criminal gangs that resulted in the deaths of 70 to 75 civilians and security agents.

Reconciliation

n/a

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n/a

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17 | International Cooperation

Jamaica has a long history of established relationships with international and regional development partners in support of its own development agenda. These partnerships have provided financial and technical assistance in support of both economic and social development. Areas of focus have included macroeconomic stability, physical infrastructure, rural development, health, education, crime and violence prevention, and strengthening the private sector. Partners have included the World Bank, the Caribbean Development Bank, USAID, DIFID, PetroCaribe and, more recently, CHEC, a development/investment agency of the Chinese government. These relationships, as well as the implementation of projects with international development partners, are managed by the Planning Institute of Jamaica. External support was also used in battling the COVID-19 pandemic and included donations of essential supplies from the United States, Japan and Canada, as well as vaccine donations from India.

The government continues to use international assistance for its own development agenda, guided by both Jamaica's National Development Plan, "Vision 2030," and the framework of the U.N. Sustainable Development Goals. Highlights of fiscal year 2022/2023 have included an ongoing financial consolidation strategy in agreement with the IMF, which includes banking system reforms and also provides a Precautionary and Liquidity Line as well as a Resilience and Sustainability Facility. These funds are linked to policy actions intended to improve Jamaica's resilience to climate-related shocks. However, reports continue to emerge that Jamaica has not been able to provide the local resources and/or technical expertise needed to enable the successful implementation of large-scale projects in a timely manner in areas where the need is greatest. In addition, organizational weaknesses and corruption lead to duplication of effort and waste of resources, so available assistance is not effectively integrated.

The stability and recovery of the Jamaican economy are still the main focus. This has been maintained despite the shock of the COVID-19 pandemic and the impact of the Russo-Ukraine War. According to IMF reports, Jamaica has effectively used external support, incorporating institutional reforms that promote a longer-term perspective. However, shortcomings persist with regard to the way the government utilizes international assistance, particularly in the areas of environmental protection and establishing an environment in which public health staff, doctors, nurses and teachers can be retained.

Effective use of support

8



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The government largely acts as a credible and reliable partner. Concerning economic issues, such as macroeconomic reforms and stabilization, Jamaica has successfully addressed its “trust deficit” and established a productive collaboration with the IMF. While international development partners acknowledge the government’s efforts, they also recognize that corruption remains a significant obstacle to economic growth. Furthermore, these partners have observed Jamaican governments, both past and present, failing to take strong action in combating corruption.

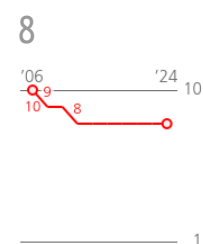
Jamaica has a well-established presence in regional and international development cooperation efforts. However, the Jamaican government has not always been compliant in fully carrying out its obligations under certain international conventions regarding human rights. Examples include obligations related to the care and protection of children in state custody, the provision of care and support for female survivors of rape and incest, and the support of members of the LGBTQ+ community in exercising their full citizenship rights.

Jamaica has a well-established presence in international cooperation. It engages with less-developed countries in several areas, including UN human rights, advocacy and support for ILO conventions on issues including decent work and support for household workers’ rights. Additionally, Jamaica actively participates in WTO trade negotiations aimed at benefiting less-developed countries. Furthermore, Jamaica advocates for small island developing states (SIDS) and is a member of the Alliance of Small Island States (AOSIS), focusing often on addressing the challenges posed by disasters and risks resulting from climate change.

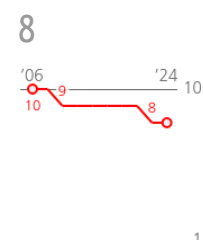
Jamaica’s government actively develops cooperative regional and international relationships. A large proportion of these relationships, particularly trade agreements, involve CARICOM or other regional initiatives such as the Caribbean Basin Initiative and the EU-CARIFORUM Agreement. The finance minister of Jamaica recently concluded his term as chairman of the Inter-American Development Bank and is credited with increasing financial support to small and vulnerable states in the region during his tenure. The current government has not always played as assertive a role as previous Jamaican governments in the CARICOM regional integration process.

Jamaica has also maintained diverse bilateral relations with countries in the Americas, such as the United States (its most important trading partner), Canada and other LAC countries (e.g., Cuba, Dominican Republic, and Venezuela). Relations with Venezuela were severely affected by the Trump administration’s decision to apply strict sanctions against the Nicolás Maduro government. Such sanctions had implications for the Jamaica-Venezuela relationship under the Petrocaribe agreement, as Jamaica received oil from Venezuela under this agreement before the scheme collapsed. It is unclear if the current Jamaican government is interested in resetting the relationship with Venezuela, given Jamaica’s urgent need for less expensive oil supplies, especially if Russian supplies to this region are reduced as a result of the war with Ukraine. Moreover, collaboration agreements with Cuba in the

Credibility



Regional cooperation



areas of trade, tourism, health, climate change and disaster mitigation, culture, and education remain in place. Cooperation efforts remained challenged by a lack of collaboration and consensus between Jamaica and other CARICOM member states regarding relations with Venezuela, Cuba and the United States.

Relations with the United States have remained generally close, although in the Trump era, they became tenser. The current Jamaican government has not been as supportive of Cuba as previous administrations, although the Cuban government continues to provide badly needed doctors, nurses and teachers through an ongoing cooperation agreement with Jamaica. The Jamaican government appears to have taken a hands-off approach to Haiti until recently, when it participated in high-level CARICOM consultations in Haiti regarding a possible role for the regional group in resolving the ongoing political crisis.

Strategic Outlook

Jamaica is a small island developing state that is committed to developing a market economy and a stable democracy. However, its ability to achieve these goals is challenged by limited resources, a divisive political culture, high levels of poverty, social stratification and exclusion, corruption, vulnerability to natural disasters, and the fact that it is a small, open economy that heavily relies on tourism. The main challenges for Jamaica include achieving sustained economic growth and social equity, as well as reducing poverty, unemployment, violent crime and corruption. Fiscal discipline and debt reduction are also crucial components of Jamaica's evolving market economy. The country's economic development is occurring within an increasingly globalized environment, where disruptions in global supply chains can have a significant impact on productivity. Additionally, the rapid advancement of information and communication technologies necessitates a renewed focus on e-commerce. The gradual removal of tariff and non-tariff barriers in the global trading system is another related challenge.

Jamaica has maintained a stable political and generally democratic environment and has made some progress toward the development of a market economy. The current government will have to lead an ongoing process of social and political consensus-building at a time when there is a significant "participation and confidence deficit" in the overall governance process. A successful transformation to democracy and a market economy depends on how the two main political parties, the JLP and the PNP, manage their different expectations of both democracy and the market economy. As expressed in the 2020 National Consensus on Crime, strong leadership and political will are needed to ensure the meaningful participation of diverse social groups in a dialogue that will restore trust in the political system and the overall governance process. This is in turn required to guide the country toward economic growth and social equity, transforming Jamaica into a safe and secure society in which the burdens of fiscal adjustments are more equitably shared, while acknowledging that policy options are limited regardless of the party in power. Even limited success in achieving economic development and social equity will require efficient management of the reform process to ensure policy coherence and the effective coordination of government agency activities and to tackle the corrupt relations between big business, political elites and organized crime.

The Jamaican economy currently finds itself in a low-technology trap, which has its roots in persistently low standards of living and income among most of the population. The country features low wages across various sectors, including tourism, the public sector, the informal sector and business process outsourcing. Without a solid policy framework to improve wages and economic opportunity, especially among young people, development will stagnate, and crime rates will continue to rise as individuals become easy recruitment targets. This, in turn, will be accompanied by further states of emergency and militaristic repression. Professor Don Robotham argues that a reversal of this situation calls for a comprehensive package of industrial policies. He has put forward a long list covering every sector of the economy. Goals include modernizing the

curriculum in primary and high schools across the board, expanding the Scientific Research Council, returning UTECH to its original mandate as a Technical University according to the northern European model, and upgrading small farming and other small businesses by providing access to high-productivity technology.

The pandemic severely disrupted the country's economic and social fabric, exposing and exacerbating the deep structural social and gender inequalities that dominate society. The contraction of all sectors of the economy, an uneven recovery in some areas and a corresponding reduction in government revenues necessitate the reallocation of resources and a balancing of budgetary expenses to meet the increased demands. The loss of a school year for students at all levels of the public education system, combined with persistently high levels of violent crime, threatens to derail the early indicators of a post-pandemic economic recovery. While tourism is showing encouraging signs of recovery, accompanied by foreign exchange earnings, the anticipated reengagement of workers in this sector is encountering challenges.