

Planning and Research  
for Urban Development

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JAMAICA USAID MISSION URBAN STRATEGY REVIEW

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## INTRODUCTION

During the decade of the 1970's, almost three quarters of Jamaica's population growth occurred in urban areas, and today, over 50 percent of the country's 2.2 million people live in cities. Jamaica's cities also house the bulk of its manufacturing industry and a substantial component of its tourism facilities.

Among those urban areas, one city dominates. Kingston is the largest English-speaking city in the hemisphere south of Miami. Its metropolitan population is around 800,000, more than 10 times the number in Montego Bay, the second largest urban community. But despite its status as national capital, principal port, and financial and manufacturing center, Kingston has an unemployment rate approaching 40 percent--this at a time when the Seaga government's economic recovery program has reduced unemployment nationally to about 25 percent.

Jamaica's economic recovery program and USAID's participation in that effort have led to this investigation. After a disasterous decade when the nation's economic conditions were worse at the end of the period than at the beginning, the country is now embarked on a drive for economic development which emphasizes production for export along with restoration of tourism and fundamental improvements in agriculture. The private sector is earmarked as the "engine" for this recovery drive.

USAID is a major partner with the Jamaican government, both to restore economic health and to remove impediments to private sector expansion. The recovery effort has drawn global attention, and support from numerous international institutions including the International Monetary Fund, the World Bank, and the Inter-American Development Bank as well as AID. AID shares the assistance role, but its type and level of assistance (U.S. aid to Jamaica increased 300 per cent in the period 1980-82) are particularly strategic. Jamaica is the largest participant in the

U.S. Caribbean Basin Initiative (CBI), and the ultimate effectiveness of its private sector emphasis has political significance for both the U.S. and Jamaica. Given this political as well as economic support, USAID has become particularly close to Jamaican decision-makers. This relationship permits attempts at leveraging major structural changes to remove impediments to improved public and private sector performance.

Housing plays an important role in the USAID activity. Indeed, the Housing Guaranty Loan program goes back many years in Jamaica, pre-dating the present markedly-increased overall assistance. The latest, \$15,000,000, HG loan supports fundamental institutional changes in the shelter sector and will lead to a substantial unit production in both Kingston and other urban areas.

It is against this basic background that the USAID Mission to Jamaica has called for an urban strategy review. The review has been conducted by a team which carries a combination of developing country and United States (particularly within the private sector) experience. In making its charge to the team, the Mission asked whether an "urban strategy" for AID was desirable, feasible, and consistent with the Mission's objectives and resources. While the Mission recognized the increasing significance of urbanization, there was no pre-judgment that greater involvement with Jamaica's urban development processes should be a Mission priority. Thus our lines of investigation were completely open. Only if the investigation demonstrated a reasonable basis for priority, were we expected to formulate an urban strategy design and ideas for follow-on projects.

In the course of two trips to Jamaica between July and October, 1982 the team has interviewed over 50 Jamaicans as well as many members of the Mission staff and representatives (in Washington) from the World and Inter-American Development Banks. Our Jamaican contacts included four Cabinet Ministers, the heads and principal staff members of most key agencies related to urban development, major figures in private real estate development and finance, Mayors and members of Parish Councils.

The team covered hundreds of miles in Jamaica by car and air and visited all of the main urban centers: Kingston; Montego Bay, Port Antonio, Spanish Town, Mandeville, and May Pen. We looked, probed, and listened, and the results of these soundings are factored into the discussion which follows.

The team also read hundreds of pages of materials, representing both substantive studies and proposals dealing with urban development in Jamaica and more general work. Five of these documents are particularly relevant to this discussion. They are listed below:

1. The Mission-prepared "1984 Country Development Strategy Statement". This outlines Mission goals, objectives, and anticipated programs.
2. "A Strategy of Assistance to Jamaica's Private Sector, 1982" Also prepared by the Mission, this document outlines the background and rationale for AID's emphasis on private sector support and identifies priority areas for such support.
3. "Jamaica Shelter Strategy," Prepared by the Regional Housing Officer and members of PRE/HUD, the document spells out the rationale and nature of AID's participation in shelter and its interest in larger urban development issues.
- 4 Excerpts on "Urbanization" from the World Development Report, 1979, prepared by the World Bank. This was the first, and is still the most definitive, statement on urbanization and economic development officially published by a major international agency.
5. Excerpts from "Jamaica: Structural Adjustment, Export Development and Private Investment", also prepared by the World Bank. Dated June, 1982 this is the most definitive and up-to-date review of the Jamaican economy which includes substantial statistical back-up. It also spells out basic international agency strategy towards leveraging structural change.

## I. Urbanization and Economic Development: Some General Principles:

This is early in the fourth decade of international assistance to developing countries. It is fair to say that, other than concern with performance of national economies as represented by assistance to national development planning, most formal international support during this period has focused on sectoral interests: i.e. industry, agriculture, transportation, water, health, etc. Housing has been one of the sectors. While the economic development functions of housing have been appreciated, particularly by USAID, generally a social welfare approach to housing has been employed. Housing has been considered a necessary "service", especially for the poor. Most programs (and indeed shelter policies) have been targeted to groups below the median income who can not afford to compete for adequate shelter in the marketplace. In general they have been unrelated to any larger urban strategies.

During these decades of international assistance, urbanization in the developing world has burgeoned. It has become a phenomenon, not only of population shifts but also increasing concentrations of productive economic activity. Despite a vigorous intellectual effort among scholars to grapple with the spatial dimensions of urbanization and its significance to economic development, by-and-large international assistance agencies have given urban development short shrift----either as a trend to be resisted by concentrating efforts in rural areas or as a "disease" to be ameliorated by focusing assistance on health, housing, education, etc. for the most disadvantaged in the cities. Concern with the future course of urban development has been evidenced, but largely on the physical side in the form of internationally-assisted physical plans to control growth of capital cities and smaller centers.<sup>1</sup>

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1. There have been, of course, some notable exceptions. Among them are: The USAID effort during the 1960's to support Brazil's Institute of Public Administration (IBAM) which has become one of the most effective national institutions dispensing technical assistance to cities in a wide range of management, finance, and planning areas; The Ford Foundation technical assistance during the same period to Venezuela's FUNDACOMMUN which plays a similar role in that country; the World Bank's successful participation with Tunisian authorities in the early 1970's to create a new metropolitan government for Tunis which rationalized service provision and development planning in that capital. Along with departments from other institutions, AID's former Office of Urban Development conducted considerable research on larger issues, including a program on planning and economic development for secondary cities in which one member of the urban strategy team participated.

In the face of national and international attempts to retard the phenomenon, urbanization has continued to spread. Then, during the late 1970's hard data were published that demonstrated a significant correlation between relative national prosperity (Gross Domestic Product, Per Capita Income) and the scale of urban development. The most striking examples--especially as the result of accelerated growth during the 1960's and 1970's--are Singapore, Korea, and Venezuela. But even in less obvious success stories (such as Brazil, Thailand, the Ivory Coast, and Tunisia) evidence of the links between economic growth and urbanization have become clear. At least one country, Malaysia, has embarked on a conscious national policy to orchestrate investment by urban centers and their hinterland regions. Thus, despite the obvious and endemic problems of increased urbanization (congestion, pollution, housing shortages, crime, etc.), by the late 1970's even international assistance agencies were perceiving some essential relationships between urban and economic growth and began to re-calibrate their programmatic emphases accordingly.

In this context, the World Bank's 1979 Development Report represented a "sea change" in official positions. It is therefore appropriate, as an introduction to our investigation in Jamaica, to quote some of its contents:

...Industries locate themselves in urban areas, especially in larger cities, because there they can benefit from ready access to capital and labor, as well as to specialized needs such as financial, legal, and technical support services. Cities offer markets for industrial products, and provide convenient access to other domestic and inter-

national markets through the established transportation systems. The spatial concentration of economic activity and the emergence of large cities is therefore a necessary adjunct of a development process which relies predominantly on the growth of modern industry rather than on agriculture. (p 76)

...In terms of income and production, these large cities are even more important. Consequently, the degree of efficiency with which cities allocate their resources will increasingly determine the overall economic performance of the developing countries. (p 78)

...Finally, national policies to improve balance in spatial development cannot substitute for better internal management of city growth. For example, urban congestion or public service shortages in large cities cannot be remedied by fostering the development of small or intermediate-size cities or of backward regions. Policies need to be brought to bear directly on these problems within each city to increase the efficiency and equity of its growth. (p 78)

In making its analysis, the 1979 Report broadened its view beyond the largest cities and examined the necessity for stimulating limited decentralized urban economic development.

...As long as cities offer favorable job prospects, migrants will keep coming. The creation of job opportunities through increased private and public investment in locations other than the largest cities is therefore the main expedient for influencing the location of development.

To counterbalance the growth of the largest cities effectively, it is necessary to support the development of a few existing cities that show potential for expansion. These are most likely to be cities of intermediate size with ready access to major transportation corridors....To encourage private investment at selected locations, it may be necessary to upgrade infrastructure and institutional support, including making local authorities more efficient, and providing access to credit, technical assistance and training. All these facilities are usually rudimentary outside the largest cities. (p 78)

This attribution of some importance to the physical city and its operations--especially in support of the private sector--is now accepted by USAID as well as the Bank and other donors. Within AID, it has led to reconstitution of its Housing Office into an Office of Housing and Urban Development with a mandate to explore participation in broader urban activity throughout the developing world. Whether Jamaica is a place to exercise this mandate, both by PRE/HUD and the Mission itself, is the subject to which we now turn.

## II. Jamaica's Urban Strengths

By comparison with generally prevailing conditions in the developing world, Jamaica's cities have considerable strengths. In several respects they are far better able to function as settings for economic growth than both primates and smaller centers in many other countries.

### A. Kingston is still a small primate center.

Kingston is spared many of the unmanageable conditions of massive urban concentrations such as Cairo, Bangkok, or Rio De Janeiro. Development densities are low, permitting plenty of room for infill, reconstruction, and extension of growth. Roads are generally good and traffic congestion far from paralytic. Access to water and power connections is widespread. The telephone system works, and there are public call boxes. Public health is generally good and a network of health centers exist. In essence, there are public services, and the majority has access to these services. While squatting is a problem, the extent of illegal and unsafe housing is modest compared with many other capital cities. A study reviewing Jamaica's work on urban settlement policy, commissioned by the RHO and prepared by PADCO a few months ago, indicated that Kingston can undergo still further growth before reaching a danger point of overconcentration. Given an appropriate institutional framework, Kingston would be a highly manageable city.

### B. Kingston and other Jamaican cities have an active private real estate development sector.

There is a complete, and well-articulated chain of institutions: development entrepreneurs capable of building factories, office buildings, retail centers, hotels, and housing; banks, life insurance companies and other financial institutions experienced at providing finance; architects to design projects and contractors to build them. Indeed, one of the striking aspects of the Jamaican development "industry" is its

ability to build at a large scale and--in respect to housing--to build for a wide range of income levels. It is interesting to contrast, for example, the many thousands of privately built units at Portmore, reminiscent of an U.S. Levittown, with the small, lot-by-lot private production characteristic of many other Commonwealth countries. Jamaica's urban real estate development industry has performed in the past and has capacity to repeat or improve past performance as economic conditions improve.

- C. Jamaica has skilled and powerful public sector development institutions who are, in principle, able to assemble land and work with private investors for its productive mobilization.

The Urban Development Corporation is the most prominent of these. It has demonstrated its capacity in a range of undertakings from redevelopment of the Kingston Waterfront, to reclamation and housing production in Montego Bay, to tourist development in Ocho Rios and Negril. The Kingston Port Authority and the Free Trade Zone development corporation are others, and in the field of shelter production and finance the National Housing Trust has outstanding potential. Comparable institutions, both in ability to develop land and to work with the private sector, are still rare in the developing world.

If these comparative strengths were the sole factors for consideration, Jamaica would rank high on evaluation scales for world cities, and the question of international agency assistance would not be relevant. Given Jamaica's needs and aspirations for economic development, however, other considerations must be brought to bear.

### III. Aspirations and Needs: the Gap between Reality and Performance

In terms of its present circumstances and future aspirations, Jamaica can not easily be assessed through standards applicable elsewhere in the developing world. For in order to achieve its economic recovery objectives, Jamaica is in heavy competition with other countries of the Caribbean and Latin America for invariably scarce foreign investment. To meet Jamaica's goals for increased reliance on exports, Jamaican producers have to compete in quality and price with the products of other countries, both developed and developing. To re-attract both skilled individuals and capital which fled the country during the troubled 1970's, Jamaica needs to offer both political stability and a quality of life comparable with conditions in North America and England. To rebuild its shattered tourist industry that, at the end of the last administration, was operating at less than half its capacity Jamaica has to appeal to demanding vacation travel markets in the United States and Canada, just a short plane flight away. Indeed it is the proximity to North America, and the heavy dependence on North American sources for visitors, capital, and sales that have raised the aspirations of Jamaica's decision-makers far above the present reality.

The image Jamaica wants to project was conveyed in an advertisement placed by Jamaica National Investment Promotion Limited (JNIP) in the Wall Street Journal of October 8, 1982. (Appendix A)

Headed "THE OTHER SIDE OF JAMAICA IS ALL BUSINESS" the ad features a photograph of two of the UDC-created office towers on the Kingston waterfront. A sailboat appears in the bay, and Port Royal is in the background.

With a strong commitment to the free enterprise system, Jamaica's government is leading the way for your company's growth. Tax free incentives include zero taxes on profits, relief from import duties, no restriction on repatriation of profits. And if you locate in the Export Free Zone, exemption from customs duty and import licensing.

Add to this Jamaica's large, capable work force of English speaking people who can help you meet or exceed U.S. production rates at a fraction of the labor costs. And the fact that Jamaica is the hub of the Caribbean Basin, with two international airports served by twelve major airlines, plus shipping ports that receive and ship to Europe, the Americas, and the Caribbean.

All this means that our climate which has been so good for tourists is even better for your business.

The ad uses an urban scene to convey the message. But it is striking that the picture stops just short of the vacant buildings and rubble along Harbour Street, just short of the other, larger Kingston whose physical deterioration and social distress would by no means convey the image of a tidy, purposeful economy.

#### IV. The Issues of Urbanization

Jamaica's urban conditions have to be evaluated against the country's own aspirations and indeed the iron necessities of meeting those aspirations if national recovery is to proceed. The cities, both Kingston and the secondary centers, must serve as settings for those elements of economic growth which involve manufacturing, finance and business services, major retailing, and the support services for tourism. The cities have to attract foreign investors and provide them with support (utilities, housing for managers, transportation) as well as labor and tax incentives. For those investors and managers who can go elsewhere in the Caribbean or Latin America, the quality of Jamaica's urban life must be competitive. It is against these standards that urban development in Jamaica must be evaluated and may be found wanting:

##### A. Some Statistical Context

While it is extremely difficult to get accurate statistical information on urban conditions in Jamaica, we do have access to recent materials from the World Bank's structural review which provide series data on economic conditions over the period 1970-1981. From these, we can make some judgments about performance in those sectors of the economy which are exclusively or primarily urban. The tables are included in Appendix B and are summarized below:

##### 1. Labor Force and Employment

Jamaica's labor force grew by over 200,000 during the 10 year period, but the number of employed grew by under 140,000. By the end of the Manley administration (1980) over 270,000 were unemployed, almost 30 percent of the work force. This figure had slightly improved in 1981. Two industry sectors are almost entirely in urban areas: manufacturing and construction. Between 1972 and 1980 there was literally no growth at all in the manufacturing work force, which stayed at 77,000. This began to show a rise, to 82,000 in the first year of the new administration.

The figures on construction employment are even more devastating. In 1972, construction workers numbered about 40,000. This level dropped almost 40 per cent to 25,000 by 1980. In 1981, some recovery was evidenced to 29,000, but still well below the level of a decade before.

In contrast with these figures, employment in public administration actually rose from 67,000 to 109,000 in 1980, (dropping only slightly a year later), indicating that the public sector was absorbing an increasing proportion of the work force.

Thus, from at least the employment standpoint, two of the major urban and predominantly private sector activities on which Jamaica's economic future depends have either stagnated or decayed over the past 10 years. As indicated earlier, Kingston which is the center of manufacturing and construction on the island has a current unemployment rate estimated at 40 per cent.

## 2. Gross Domestic Product, 1970-81

The next table displays figures on GDP by sector computed in 1974 Jamaican dollars. Overall GDP was down about 5 percent during the 12 year period. Manufacturing, however, dropped by 20 percent. Construction was producing value at less than one-half the level in 1981 as in 1970. By contrast, production of government services had doubled in output, while certain urban service activities (Finance and Insurance, Real Estate and Business) showed modest increases.

## 3. Value Added in Manufacture, 1970-71

The final table displays information on value added by various types of manufacturing enterprise, many of which (i.e. footwear, furniture and fixtures) are urban enterprises and likely candidates for expansion in a production, export-oriented economy. The figures are also presented in 1974 dollars and generally display sharp drops or only modest rises in output.

For all of the above items, conditions in 1981 represented improvement over the final years of the earlier administration, but they were still marginal rises from conditions at the beginning of the 1970's.

The main point of the above material is that the productive sectors in Jamaican cities continue to suffer serious difficulties. The reasons for these difficulties relate to larger aspects of the Jamaican economy and political context. Certainly their urban setting is not a principal cause in decline.

But decline is not the issue. Growth is.

In a sense the urban setting is a housing for new economic enterprise. It is like the plant and equipment for a production process. If the plant leaks and the equipment doesn't function, production can not take place...and the word gets around to other interested prospects. The cities of Jamaica have to work, if the country's aspirations for new productive private sector investment are to bear fruit. It is the conclusion of the study team that Jamaica's cities do not work well enough to meet the objectives. Indeed they work so badly as to represent serious blockages to private sector expansion, and ultimately national economic recovery.

The AID mission's Private Sector Strategy paper cited above gave considerable attention to impediments blocking effective operations of the private sector. Among these were risk and uncertainty, bureaucratic obstacles, imperfect access to information, poor market infrastructure, and limited entrepreneurial and technical skills. All of these impediments are reflected in the operations of Jamaica's cities. Although we can not define these obstacles in precisely the same terms as the private sector study, their relevance will come clear in the discussion which follows.

## V. The Shortfalls

The wide gap between aspiration and reality in Jamaica's cities is marked by the following:

### A. Breakdown in utilities and services

The most obvious problem is that the very physical systems that must sustain a city break down and do so frequently, and most dangerously in Kingston. Electric power is intermittent and un-reliable. While most residential and commercial users have access to water, service can be cut off at any time. Management Audits conducted on both of these utilities through AID auspices have revealed serious shortfalls in basic capacity to sustain growth in Kingston and other cities. But over and above the lack of capacity which will be extremely costly to correct is the failure of the present administrative apparatus to maintain and operate the systems they have. Lack of minimally adequate standards, poor labor relations, poor organization are all cited as factors in the breakdown of operations. Even given the resources available, the authorities could do considerably better.

Other essential services are afflicted with similar problems. Traffic lights are installed throughout central Kingston, but they are often out. According to one recent study, only one half the amount of garbage generated daily in Kingston is ever collected: the rest is dumped into gullies, lies standing, or is burned in the streets--this despite a workforce of over 1,200 in the Public Cleansing Department. Although the telephones work, during the past summer a prolonged strike cut off both telephone and telex service to the outside world.

One of the very basic requirements that a new investor seeks is the assurance that public services are available and sustained. Indeed, it is a measure of a well-functioning urban system that these services are "invisible". They exist and can be taken for granted. Jamaica is far from achieving that state of affairs, a matter which must affect both domestic and foreign investment decisions.

While the issue of service breakdowns is most acute in Kingston, it afflicts the smaller centers as well which generally lack the capacity of infrastructure to absorb expansion---even if new investment were forthcoming.

B. Breakdown in the Quality of Life

Deterioration of urban services in Kingston is symptomatic of a deeper malaise in the quality of urban life. Vast areas of the central city resemble a war zone with abandoned and vandalized buildings, some stripped so bare that the walls have toppled. One public housing project in a no-man's-land between two hostile neighborhoods stands roofless and empty. A second project a few miles away is partially complete, but left unfinished for political reasons: this in a city where the shortage of shelter is still acute. Politics plays a considerable role in the withholding or awarding of services from neighborhood to neighborhood. Crimes of violence, even lynchings continue to make the news. And as the garbage piles up in rich neighborhoods and poor, the haze from open burning lingers.

Residents in Kingston, both in the poor areas near the center and in the well-to-do neighborhoods on the hills, seem victimized by a system that has collapsed.

These are all matters whose significance is difficult to quantify. But, in our opinion, quantification would be gratuitous. Kingston has a bad image that is well-deserved.

Consider the importance of that image to an investor contemplating a new plant or office complex. Is this a city to put a project, versus, for example calmer places in the Caribbean? What kind of conditions can a managerial staff expect to confront--including personal safety and education for their children? What about the workers themselves? The World Bank's recent structural adjustment study, for example, wrote about difficulties in establishing night shifts in new plants both

because of lack of public transportation and fears for worker safety. Wage rates in Jamaica are not so low that they, along with tax incentives, can swing the balance on a location decision. Quality of life and environmental considerations play important roles as well. The AID mission knows of firms which--after a review of conditions in Kingston--elected to go to the Dominican Republic. Another manufacturer told the Mission director he liked Jamaica, but wanted a site an hour outside of Kingston.

Over and above the question of attractiveness to outside investors, Kingston's deteriorated milieu can sap the enthusiasm of residents at all income levels. Certainly these conditions will also be assessed by Jamaicans who took their skills and capital outside the country during the Manley period. Security and tranquility in Kingston, along with the political climate, will be factors in evaluating a likely return.

### C. Administrative and Legislative Chaos

The governance of Kingston, and to a lesser degree other cities in Jamaica, is in a chaotic state. Nominally the Kingston and St. Andrew Commission is the governing body, although both water and power are administered by separate island-wide authorities, and KSAC lacks jurisdiction over major outlying sections of the metropolitan area responsible to other--equally paralyzed--Parish Councils. The KSAC which has elected Councillors and a Mayor, is essentially an amalgamation of two Parish Councils. It has considerable responsibility: for solid waste collection and disposal, traffic, fire, police, and certain welfare services. Its staff of 6,000 makes the KSAC one of the largest, if not the largest employer in the region. KSAC decisions are highly politicized, and in this context it is perhaps felicitous that the Councillors have little direct control over the permanent civil service which actually operates the functions. KSAC has little revenue raising authority, and is almost totally dependent on annual budgets awarded through the Ministry of Local Government and the Ministry of Finance. Most of the budget goes for salaries, and there are effectively no capital improvement funds.

One of the areas in which KSAC can raise funds directly is through towing illegally-parked cars and levying fines. While most jurisdictions throughout the world make money on towing operations, KSAC actually lost \$23,000 this past year on the towing program. Employees were pocketing the fines.

The litany of KSAC woes is a long one: offices scattered over the city; an aging garbage collection fleet with only half the vehicles in service at any given time; featherbedding by workers; few trained professionals below the overworked department heads; an outmoded system of land use control which can not be enforced.

It is in the area of land use and building control that some of the greatest difficulties occur. There is no operable plan for Kingston. The "development order" which acts as a zoning ordinance was adopted in 1966 when Kingston was half the size and has not been revised since. It is so strict as to be unenforceable, reflected in the widespread rash of illegal residential property conversions to the north of New Kingston. As economic conditions have improved somewhat, the requests for building permits are clogged between the City's planning staff and the National Town Planning Department which each have to review and approve. KSAC has a single trained planner who must act as reviewer, zoning administrator, and chief building inspector all in one.

Although KSAC has no authority over property taxation, Jamaica does have a national evaluation and levying system which, in theory, derives revenue from property as a means of defraying the costs of public services. The first re-evaluation since 1974 is in process. Based on that earlier assessment, Jamaica should have been collecting, nation-wide, \$34,000,000 annually from the property tax. The "best" year for collections was 1981, when \$29,000,000 was turned in.

Despite the fact that the fixed capital investment of real property should theoretically be a major source of public revenue, in 1981 property tax yielded less than either the cigarette or liquor taxes. In

Kingston there are perhaps hundreds of vacant and tax delinquent properties, many in the central area, left fallow by resident and absentee owners in the absence of any pressures to pay up or put the properties to productive use. Unlike the United States, the Jamaican government does not seize such holdings for tax delinquencies. It is thus incapable either of obtaining use from delinquent properties or of aggregating sites for new development in strategic areas of the city.

The fragmentation of local government in Jamaica is characteristic of a pattern which pervades government in general. In a country of only 2.2 million people, there are over 1,200 public authorities and agencies. On the one matter of land and development approvals for new industrial facilities, the World Bank structural review has identified 13 agencies with some decision-making responsibility. One observer told us that there are over 100 laws dealing with land.

The fragmentation of decision-making has been targeted by USAID, the World Bank, and IMF as one of the major "structural" issues for Jamaica to address in return for international financial support. Thus far, however, the fragmentation and powerlessness of local government has not been identified as one of the specific areas for reform. Studies on the issue have been legion--including at least three major reviews during the 1970's of the situation in Kingston--and there is no dearth of good ideas which sit for lack of implementation.

In our opinion the chaos of local administration, particularly in Kingston will, until addressed, seriously impede national economic recovery. This, and its economic significance, is one issue by no means unique to Jamaica in the developing world. Indeed the 1979 World Development Report referenced earlier singled out local administration as one of the prime issues for international agency attention:

Urban government presents very difficult tasks under the best of circumstances; in the cities of developing countries the problems faced by urban authorities are monumental, while the resources to deal with them are exceedingly scarce. But since the public sector

has a pervasive role in managing urban growth, the benefits from making urban governments more effective will be substantial. Even the best urban development strategy comes to naught unless there are institutions that can implement it. Improvements in the institutional framework are therefore a prerequisite for more efficient and equitable urban growth. (p 84)

In the specific case of Kingston, the time may be ripe for reform. Both the Mayor and the Prime Minister are openly aware that the system is not working. They are seeking international support for change, although the dimensions of change which may be acceptable are still unclear. According to the Mayor and other observers, however, even the unions and the professional staff may now be receptive to major reform because of their own frustrations in living within the present system.

#### D. Uncertainty and Risk; Effect on the Development Industry

Taken altogether, conditions in Kingston do not inspire investor confidence, either foreign or domestic. Perhaps the greatest tragedy, in light of the economic imperative, is the paralytic effect on Jamaica's own development industry. As we indicated above, one of the country's urban "strengths" is existence of a full complement of private "institutions" capable of undertaking the city building process. These range from private developers able to assemble sites and orchestrate their transformation; architects, engineers and other professionals; banks and insurance companies able to provide financing; and contractors to do the construction jobs. These are all skills and capacities that do not need to be imported---but much of the capacity and energy is now in mothballs, waiting.

The real potential lies in the ability of this industry to create values for Jamaica, the values of new offices, factories, hotels, and residential projects to house productive activity, and the values of a taxable base of fixed capital. If these facilities were built, and a valuation/tax system calibrated and operated appropriately, the values created could be a principal source of revenue to defray the costs of municipal services.

From all reports, there has been some increase in activity since the new government took office, some movement in the stagnant central area land market---particularly in anticipation of the International Seabed Authority as a prime user of downtown space. By and large the industry is waiting, however, for signs that show a reasonable long-term stability in national political conditions and a reasonable short-term effort to deal with Kingston's endemic problems. The two may well need to occur simultaneously for the potential to surface.

#### E. Stagnation of Secondary Cities

Despite all of the foregoing gloom, Kingston is still where the action is in Jamaica. Except for some projects in Montego Bay, spurred by the area's more hopeful tourism prospects and by concerted Urban Development Corporation effort, there is no "take off" in prospect for any of Jamaica's secondary centers. The problems of local governance are the same as in Kingston: weak Parish Councils with larger responsibilities than they can handle and revenue dependent on national allocations; lack of operable urban plans; insufficient infrastructure capacity and intermittent service. Yet some of the secondary centers are in resource promising regions which may afford some opportunity for manufacturing or agricultural processing, and some have entrepreneurial talent along with financial institutions and other business services. Especially given Jamaica's small size and good inter-urban transport connections, one or more of the secondary centers could have potential to expand as an alternative to continued concentration in Kingston--and to appeal to investors looking for such an alternative. Failing some concerted effort to address the development needs of secondary centers, however, the development gap between them and Kingston is likely to widen.

## VI. Some Key Questions

Given this portrait of urban development conditions and exigencies in Jamaica there are some key questions to pose and answer regarding international agency intervention.

### A. Haven't Things Gone Too Far? Why Should International Agencies Get Involved?

Urban development in Jamaica, particularly urban governance and the management of Kingston, is the proverbial "can of worms". There are probably no lasting solutions short of major structural change, although there are probably many ways in which current problems can be ameliorated through concerted management review. (Both the water and power audits conducted under AID auspices reached those conclusions in respect to these two utilities, and some immediate operational reforms are contemplated.)

The question as to whether the basic situation is still "tractable" can be approached from two perspectives.

The first is that conditions could get worse, and will probably do so, without intervention. Kingston will continue to grow. It will continue to absorb population who will generate demands for services. If the growth is not economically productive, there will be fewer resources to produce the services and defray their costs. Life will go on, as the quality of urban life deteriorates further. There is no "best" time for intervention in a situation such as this, and the Jamaican government has demonstrated its inability to grapple with the situation unaided.

The second approach recalls the fact that Kingston's situation (and to a lesser degree those of smaller centers) is not at all novel in the annals of world cities. Many capitals or chief cities have, over the course of time, outlived their institutional structure and confronted

chaos. There has regularly been a lag between the conditions which require urban governance and the system of governance employed. Perhaps the most striking contemporary example in North America was that of Toronto in the early 1950's. The real city was a collection of 13 separate jurisdictions, each with its own method of organizing and financing services. Economic growth was beginning to occur in an area that had stagnated since before World War II. Public services to support this growth could not be financed, and several of the jurisdictions were close to bankruptcy. The Province of Ontario appointed a Commission to review the situation, and after one year presented the communities with an ultimatum: Confederate in a new form of metropolitan government or the Province would eliminate individual units of government entirely and create a super city. All the communities elected federation. Toronto's Metropolitan system worked for that setting, and worked superbly, because conditions had become so chaotic that major structural change was the only option.

Similar outcomes have occurred in developing countries, moreover, recently, and with some outside assistance. In the early 1970's, Tunis, then about the same size as Kingston, was administratively paralyzed. There, with World Bank intervention and technical assistance, the Tunisians created a new form of area government, directly accountable to the Prime Minister. Subsequently, the Municipality has been able to attract highly-skilled technical staff for its operations.

Perhaps no city can have reached worse conditions than Calcutta by the end of the 1960's. Life in Calcutta was so bad that even in-migration had essentially stopped. There had not been a single major capital improvement project since before World War II. Once again the next higher level of authority, with its back to the wall, restructured the municipal administration, and conditions have apparently improved.

We are not suggesting that a total overhaul of the KSAC or Parish Councils is necessarily desirable or possible; although it is clear that some fundamental structural and operational changes are imperative. Now

may be just as good a time as any to make such changes. It will certainly be better than later.

Jamaica will need the technical skills and the objectivity of outside advisors to design the principal structural changes--whether these are the operations of the Public Cleansing Department, a change in the "development order" approach as the basis for land control, or ways of making local government more accountable to the citizenry and more financially self-sustaining.

There is no sense for any international institution to offer such assistance, however, unless Jamaica is prepared to deal with the root problems and accept structural change.

Commitment is needed and leadership is needed before any offers should be sealed. As we have noted above, there have been many studies on what to do about Kingston and its services. They make rich reading, but have accomplished little.

In our opinion, if international agencies do become involved in technical and financial support to urban development, they should be prepared to exact a price. The price should be that urban management be elevated to the status of a structural matter for which changes under the IMF, World Bank, and USAID agreements are committed. We believe the foregoing discussion has demonstrated how significant urban management can be to national economic recovery. It remains for the Jamaicans to recognize that significance. Conceivably, the Prime Minister's request for a frank appraisal of KSAC by the Mayor and the GOJ's interest in management assistance for Kingston, could be the first steps in that recognition.

- B. If Jamaica Agrees to Entertain Major Structural Changes Affecting Urban Development, Why Should AID be the Key International Agency? Why Shouldn't the Initiative, and the Financing, Come Primarily from the World Bank or Elsewhere?

A first response to this question is that there really is no basis for a monopoly on intervention in Jamaica's urban development. The problems to be addressed parallel the array of short and long-term problems at the national level, and there is plenty of room for multiple participants addressing various elements in keeping with their available resources and interests.

It is also clear that other international institutions are already addressing some of these elements. The World Bank, which is a major stake holder in Jamaica's recovery, is committed to take on Kingston's traffic situation and to finance, with considerable technical assistance, reconstruction of the urban bus systems. The Bank is also involved in water projects and was an original participant in sites and services schemes. Its plate may not be full, but it certainly has made some commitments.

The Inter-American Development Bank is another candidate. Even now IDB is considering a \$30,000,000 loan to support a wide variety of urban projects in small and middle-sized communities. While it might be persuaded to do more, its approach towards the prospective loan does not reflect sufficient concern with economic development objectives (The projects would be distributed over a very large number of communities in what we believe are small amounts of essentially ameliorative doses) to provide a perspective appropriate to the problems.

The Dutch government is an example of an interested bilateral donor. But the Dutch have already made their statement, through modest but important assistance to training programs in planning and building sciences. This assistance has run its course, and the Dutch intend to focus on lesser developed countries.

If a "lead" role is to be taken by any single international institution, we believe it should be USAID for the following two reasons:

1. The United States can bring to bear the proper perspectives.

On the one hand the U.S. has the skills in public administration to deal with the structural reorganization and management issues. Years ago we demonstrated this with the support and staffing of Brazil's IBAM. This is a capacity currently reflected in our public management assistance to city government in Egypt and to the training for urban and regional governance in Indonesia.

Even more important, however, the United States can bring to bear the critical private sector orientation in dealing with the land and economic development issues of urbanization. For this private sector empathy is critical, both to meet the overall political objectives of both Jamaica and the U.S. and to deal with the Jamaican reality. As we have emphasized frequently in this discussion, Jamaica has a private development sector thwarted by current conditions. Future economic growth which relies on foreign private firms investing in Jamaican cities needs a responsive array of Jamaican institutions dealing with land and buildings at the host country end. In our opinion American advisors, perhaps to the exclusion of those from other countries except Canada, have the required empathy and experience.

Already, the dynamics of the Jamaican real estate and land regulatory system are closer to that of the U.S. than to England from whence the legislative structure stems. Solving the problems requires an understanding of how private development enterprise operates and can be best channeled, an understanding which is best conveyed by U.S. professionals with sensitivity to Jamaican conditions.

2. USAID already has important commitments which bear on urban development.

The Agency is now engaged in a variety of activities that deal with urban issues. It has the contacts, perhaps far more so than any other

international donor, with the public and private sector institutions who must be mobilized in an urban development effort. For USAID, all other considerations being equal, a greater involvement in urban development issues would be a marginal, albeit conceptual, change from present operations.

C. If AID Were to Become Involved in Urban Development, Wouldn't This Be a Major Departure from Its Present Policies and Activities?

In reviewing the range of goals, objectives, and programs currently pursued by the Mission, we believe an initiative in urban development would be in keeping with all of these. It would be a largely conceptual extension of present support.

1. Mission-Wide Objectives.

One area for review is that of basic mission objectives. Here the most appropriate present source is the 1984 CDSS which states:

AID's goal is to promote economic growth in a stable and democratic Jamaica. The objectives which must be achieved to attain this goal fall into four basic programs; the resolution of short-term foreign exchange problems, the creation of a growing and healthy private sector, the improvement of public and private institutions, which directly affect the productive sectors of the economy, and the reduction of unemployment and the creation of new jobs. These are not new objectives, and the strategy to achieve them is on-going. Briefly, this strategy is to identify constraints to the achievement of the objectives within the four basic programs and carry out projects which overcome these constraints. Over the past year, projects have been developed which attack multiple constraints, and usually in more than one of the four basic program areas. (pp 1-2)

Of the four principal objectives, only the foreign exchange issue is not touched by urban development. The private sector is deeply affected and

must be a participant. Without improvement in the system of urban governance, the productive sectors of the economy will be hobbled. Unemployment is concentrated in Kingston and other cities, and its absorption directly depends on the speed with which productive activity (manufacturing, services, and construction) can be mobilized within the urban centers. While the CDSS is now under revision, we believe these basic operational objectives will be sustained.

## 2. The Private Sector Strategy

During the past year the Mission, and AID itself has become more deeply committed to support of the private sector in Jamaica. A private sector strategy has been prepared for the Mission. Several of the impediments which it identified to more effective private sector expansion are endemic to urban development conditions in Jamaica: e.g. bureaucratic obstacles, risk and uncertainty, imperfect access to information, poor market infrastructure and limited entrepreneurial and technical skills. To the extent that a concern with urban development can focus on ameliorating these conditions, the larger private sector strategy will be served. In proposing AID's goal for the private sector as one of building an effective private market system, the strategy articulated an approach which exactly parallels the approach appropriate to a goal for improved urban development:

Choosing a narrow focus is not a desirable option. The primary reason for this is that business activities in Jamaica, as in all countries, must be viewed in the context of a total system. If any part of the system--new business formation, daily operations, financing, access to services, or marketing--is not functioning properly, then every other part of the system is affected. This suggests that someone must take a system-wide view of the system if it is to succeed. USAID has a unique opportunity to promote such a view, by itself taking a system-wide approach. (p 22)

### 3. Program Commitments

It is just this system-wide approach which is still absent from those commitments of AID which bear on urban development. The Agency has taken pieces of the problem, many pieces to be sure, perhaps more than all of the other international donors combined. It is addressing them with competence, but at the level of the individual activities themselves. What are some of these?

#### a. Basic Utilities

The agency has recently sponsored thorough management audits of the national power and water systems. These are the two most critical utilities and each of the audits has prepared a blue-print for short and long term adjustments. If the GOJ follows through with the structural changes and obtains financing for the capital requirements, two of the most serious sets of obstacles facing both Kingston and other centers will be on the way to resolution. But the basic system of governance, and along with it other key municipal services, has yet to be addressed.

#### b. The Housing Guaranty Program

The most recent \$15,000,000 loan will help make a major breakthrough in the institutional and financial structure affecting shelter production in Jamaica. It will lead to the production of shelter both in Kingston and in other cities, filling a needed housing gap. It is the implementation of the earlier HGs and the new loan which has brought agency personnel into close contact with public sector officials and private sector leaders in institutions dealing with urban development. There is considerable interest on the part of PRE/HUD to follow through with additional

loans and to expand its interest into broader concerns affecting shelter. Thus far, the critical linkages between shelter and private

sector economic development activity have not yet been established. Nor have the larger concerns of urban infrastructure and services which affect the operations of individual housing estates been addressed. An explicit focus on urban development could provide the mechanism for desired expansion.

### c. Other Program Activity

A great many of the Mission's other technical and financial assistance activities relate to urban issues; support to the JNIP is bringing AID in frequent contact with investment proposals that are affected by the problems of urban services in Kingston and the lack of supportive conditions in the secondary centers. The rehabilitation of health centers is dealing with an important urban service. The anticipated work on tax policy touches on the fundamental shortcomings of the property tax. A major effort to improve the Port Authority will have to deal with the capacity and adequacy of services in Kingston. Support to small scale manufacturers and skills training efforts relate to the ability of Jamaica's urban areas to nurture new enterprise and increase employment. The agribusiness project will perforce be concerned with market, processing, and shipment centers. More directly, the presently contemplated technical assistance to UDC to improve its financial management will be an initial step in exposing the Mission to the process of land development in Jamaica.

All of these activities taken together reinforce our conclusion that AID in Jamaica has already made a commitment to urban development. This is a bit like the protagonist in Moliere's Bourgeois Gentilhomme who asked his instructor for the meaning of "prose", and when he got the answer replied, "That's what I have been speaking all the time."

In reviewing the sweep of AID concerns, therefore, we conclude that a direct articulation of a strategy for Mission involvement in urban development will provide a framework for these concerns. It will provide a set of goals and objectives against which these present efforts

can be measured. It will permit both the Mission and its Jamaican counterparts to begin to think systematically about some serious systemic problems which affect the country's economic recovery, and it will provide a setting for new initiatives if the Mission so elects.

- D. If AID does adopt an urban strategy, what can be done at the margin? That is to say, if resources are limited, where can the most productive effort be placed?

To some degree the answer depends on the strategy itself, a matter to which we turn in the next section below. At this point, however, it may be useful to state that small steps can have big pay-offs. The whole problem need not be gulped at once. Indeed the very representation to GOJ and private sector authorities that AID has an urban strategy could leverage some thinking in the direction of fundamental structural change. As we indicate in the sections that follow, an urban development strategy can be pursued with both technical and financial assistance, with soft money and hard loans. Incremental moves as well as major steps are both discussed.

## VII. The Proposed Strategy

The Mission's Private Sector Strategy paper defines strategy as "a coordinated plan to reach stated goals. Expressed differently, a strategy is a plan for using means to reach an end. A set of policies (philosophy) must exist to help decision makers within the organization to select and shape the tactics (actions) which achieve the goals." (p 22) This approach to strategy formation is valid for urban concerns as well.

### A. The Goal

To achieve conditions in which the cities of Jamaica can function as effective settings for national economic development, led by the private sector.

### B. The Policies

1. To foster institutional and operational changes in Kingston which can make the city work.

The strategy should recognize Kingston's significance as the main financial/manufacturing/service center and the dominant concentration of urban population. It should recognize that Kingston has to be "maintained" for the present array of activities to function. It should also recognize that Kingston must undergo additional expansion, building on the private land development industry and the existing base of productive enterprise for Jamaica's economic recovery program to succeed. Thus, one policy of the strategy should be to foster improved conditions in Kingston. AID should seek for ways to remove obstacles to the maintenance and extension of economic development in Kingston so that the Metropolitan Area can support and lead private sector growth.

2. To foster development of at least one secondary urban center, helping to provide it with sufficient strengths to serve as an alternative to continued industrial concentration in Kingston.

The strategy should recognize the need to spur economic growth of other cities which have nuclei of business enterprise and hinterland resources capable of production and marketing. As some of the secondary cities expand, economic improvement can spread beyond the Kingston Metropolitan area and viable alternatives for urban migration can be established. In supporting decentralized development, however, the strategy should be conscious of many past failures throughout the world to spread public investment too far too fast. Selective support to a limited number of promising areas has a greater chance for success than diffusion of investment and technical talent, despite the obvious political benefits. Thus, a Mission strategy for urban development should include support to the viability of other centers as well as Kingston, but should be extremely selective in its application.

3. To foster institutional reform in the national systems of resource allocation, planning, and taxation which bear on Jamaica's ability to manage and finance urban growth.

The strategy should recognize the need for fundamental reform in the operations of national and local institutions which manage cities throughout the country. The whole issue of urban management represents one of the major "structural readjustment" needs of Jamaica. In keeping with its larger efforts to assist the GOJ on institutional matters, AID's urban strategy should consider initiatives which improve the capability of public sector institutions that plan and implement urban growth, manage and supply utilities and services, tax land, and regulate land development.

C. The Tactics (Tools)

In pursuit of the strategy, the Mission should selectively utilize the wide array of tools at its disposal. These include: technical assistance and training, new phases of the Housing Guarantee Program, small business loans and loans for infrastructure from other Mission resources. In the initial phases of strategy implementation, technical assistance will be the most important tool. Accompanying any commitments in the urban fields should be exercise of the "conditionality" principle, utilizing AID's close relationships with Jamaican decision-makers to leverage necessary reforms.

(Note: A document spelling out program ideas will be developed subsequently.)

Appendix A

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Appendix B

Report No. 3955-JM

# Jamaica: Structural Adjustment, Export Development and Private Investment

June 3, 1982

Latin America and the Caribbean Regional Office

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Table 1.3: JAMAICA - LABOR FORCE AND EMPLOYMENT, BY INDUSTRY GROUP, 1972-1981

(thousands)

	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
<b>April</b>										
Labor Force	782.7	810.7	820.0	849.7	871.7	902.0	928.7	944.7	975.4	1007.2
Employed Labor Force	598.2	637.5	642.0	680.2	692.6	680.3	714.8	714.5	703.4	743.3
Agriculture, Forestry & Fishing	(205.2)	(216.4)	(255.3)	(219.6)	(249.9)	(239.6)	(261.6)	(250.7)	(255.6)	(277.0)
Mining, Quarrying & Refining	a/	a/	(7.1)	(7.6)	(7.3)	(7.2)	(6.2)	(6.7)	(7.0)	(7.5)
Manufacturing	(78.4)	(78.9)	(81.4)	(75.2)	(76.1)	(77.6)	(79.7)	(75.6)	(73.4)	(79.5)
Construction and Installation	(38.7)	(39.7)	(39.9)	(45.4)	(39.6)	(33.7)	(30.8)	(37.3)	(24.4)	(26.0)
Transport, Communications & Public Utilities	(25.5)	(27.5)	(28.3)	(31.9)	(30.6)	(27.7)	(27.8)	(29.0)	(33.9)	(31.8)
Commerce	(77.8)	(91.2)	(79.1)	(82.3)	(76.8)	(86.6)	(95.0)	(89.1)	(89.6)	(100.4)
Public Administration	(67.3)	(69.6)	(69.8)	(100.8)	(106.1)	(110.8)	(114.3)	(110.7)	(106.9)	(104.8)
Other Services not specified	(105.3)	(114.2)	(81.1)	(117.4)	(106.2)	(97.1)	(99.4)	(115.4)	(112.6)	(116.7)
Unemployed Labor Force	184.5	173.2	178.0	169.5	179.1	221.7	213.9	230.2	272.0	263.9
o/w non-seekers	(71.5)	(89.2)	(91.2)	(103.1)	(140.0)	(127.7)	(132.6)	(141.4)	(148.5)	(173.4)
<b>October</b>										
Labor Force	808.9	801.2	820.1	865.6	895.5	917.9	949.2	962.5	1006.9 <sup>a/</sup>	1023.3
Employed Labor Force	624.4	621.6	650.6	684.3	679.1	699.2	702.1	663.4	737.3	761.4
Agriculture, Forestry & Fishing	(203.5)	(201.2)	(221.2)	(234.1)	(237.9)	(248.3)	(252.3)	(213.3)	(271.4)	(269.2)
Mining, Quarrying & Refining	a/	a/	(8.5)	(7.3)	(8.4)	(7.5)	(5.7)	(8.5)	(8.7)	(8.8)
Manufacturing	(75.4)	(80.3)	(81.1)	(72.7)	(75.0)	(74.9)	(78.2)	(71.9)	(80.0)	(84.6)
Construction and Installation	(41.7)	(43.5)	(41.6)	(43.8)	(36.3)	(32.2)	(35.0)	(26.5)	(26.4)	(32.1)
Transport, Communications & Public Utilities	(26.8)	(25.4)	(25.5)	(31.2)	(32.4)	(31.4)	(30.8)	(29.7)	(34.8)	(34.4)
Commerce	(89.6)	(86.0)	(75.5)	(81.1)	(84.6)	(90.1)	(91.5)	(90.8)	(92.7)	(103.6)
Public Administration	(67.5)	(73.3)	(83.2)	(96.1)	(106.7)	(111.8)	(103.2)	(109.4)	(110.5)	(106.3)
Other Services not specified	(119.9)	(111.9)	(114.0)	(118.0)	(97.8)	(103.0)	(105.4)	(113.3)	(112.8)	(122.2)
Unemployed Labor Force	184.5	179.6	169.5	181.3	216.4	218.7	247.1	299.1	269.6	261.9
o/w non-seekers	(82.0)	(96.0)	(87.6)	(98.2)	(125.6)	(131.6)	(139.9)	(180.3)	(160.9)	(162.8)
<b>Annual Average</b>										
Labor Force	795.8	806.0	820.1	857.7	883.6	910.0	939.0	953.6	991.2	1015.3
Employed Labor Force	611.3	629.6	646.3	682.3	683.9	689.8	708.5	689.0	720.4	752.4
Agriculture, Forestry & Fishing	(204.4)	(208.8)	(238.2)	(226.9)	(243.9)	(244.0)	(257.0)	(232.0)	(263.5)	(273.1)
Mining, Quarrying & Refining	a/	a/	(7.8)	(7.4)	(7.9)	(7.4)	(5.9)	(7.6)	(7.5)	(8.0)
Manufacturing	(76.9)	(79.6)	(81.2)	(73.9)	(75.5)	(76.2)	(79.0)	(73.8)	(76.7)	(82.1)
Construction and Installation	(40.2)	(41.6)	(40.7)	(44.6)	(38.0)	(32.9)	(32.9)	(31.9)	(25.4)	(29.1)
Transport, Communications & Public Utilities	(26.1)	(26.5)	(26.9)	(31.6)	(31.5)	(29.6)	(29.3)	(29.3)	(34.4)	(33.1)
Commerce	(83.7)	(88.6)	(77.3)	(81.7)	(80.7)	(88.4)	(93.3)	(90.0)	(91.2)	(102.0)
Public Administration	(67.4)	(71.5)	(76.5)	(98.5)	(106.4)	(111.3)	(108.7)	(110.1)	(108.7)	(105.8)
Other Services not specified	(112.6)	(113.0)	(97.7)	(117.7)	(102.0)	(100.0)	(102.4)	(114.3)	(112.7)	(119.5)
Unemployed Labor Force	184.5	176.4	173.8	175.4	197.7	220.2	230.5	264.6	270.8	262.9
o/w non-seekers	(76.7)	(92.6)	(89.4)	(100.7)	(114.8)	(129.7)	(136.3)	(160.9)	(154.7)	(168.1)

a/ Survey taken in November.

Source: Department of Statistics.

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Table 2.2: JAMAICA - Gross Domestic Product by Sector of Origin 1970-81

(Million of 1974 J\$)

	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
Agriculture, Forestry and Fishing	149.8	167.5	170.6	160.3	162.7	161.9	166.3	171.0	186.7	166.4	161.5	163.8
Mining and Quarrying	139.7	149.3	158.9	181.6	197.0	157.2	124.9	146.7	150.4	148.0	163.3	164.8
Manufacture	348.1	356.1	397.8	400.6	386.8	396.1	376.7	350.1	332.9	314.6	275.5	280.2
Electricity and Water	16.4	18.5	21.0	22.2	22.2	23.1	23.8	23.4	23.7	23.3	23.6	23.9
Construction and Installation	261.7	263.1	255.5	225.7	213.5	210.8	168.6	133.5	138.3	137.2	95.6	100.7
Distributive Trade	423.2	435.2	509.4	491.6	409.2	420.4	344.1	330.6	313.7	299.2	279.2	293.1
Transport, Storage and Communication	109.1	115.6	122.6	124.5	137.0	142.8	137.7	130.0	129.4	129.9	125.5	124.3
Financing and Insurance Services	78.6	77.7	86.0	91.6	93.4	94.3	92.1	97.6	97.7	91.6	99.3	111.5
Real Estate and Business Services	194.1	191.1	197.8	208.9	204.6	211.9	212.9	216.7	210.4	216.0	215.4	222.6
Producers of Government Services	180.1	181.7	207.2	250.9	251.3	265.1	307.3	328.3	344.1	366.7	362.4	372.6
Miscellaneous Services	106.1	110.9	126.5	125.9	119.6	112.2	108.5	100.9	101.0	96.5	95.0	95.3
Households and Private Non-Profit Institutions	27.9	29.0	33.1	39.9	38.0	29.7	27.3	28.9	21.7	19.0	18.2	18.9
Imputed Service Charges	-52.6	-53.5	-55.1	-60.3	-65.7	-68.9	-64.0	-70.4	-68.0	-55.0	-66.7	-83.2
GDP at Purchaser's Value <sup>a/</sup>	1982.2	2042.2	2231.3	2263.4	2169.6	2158.7	2026.1	1987.3	1982.0	1953.4	1848.0	1888.5

a/ Totals may not add up due to rounding of particulars.

Source: Department of Statistics

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Table 2.10: JAMAICA - VALUE ADDED IN MANUFACTURE, 1970-81  
(million of 1974 J\$)

	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
<b>MANUFACTURE</b>	<b>348.1</b>	<b>356.6</b>	<b>398.1</b>	<b>401.1</b>	<b>387.2</b>	<b>396.5</b>	<b>377.2</b>	<b>350.7</b>	<b>331.9</b>	<b>315.9</b>	<b>279.2</b>	<b>260.2</b>
Food (excl. Sugar)	60.0	62.0	71.9	64.7	65.2	69.8	69.0	70.6	62.3	59.9	43.8	44.5
Sugar, Molasses and Rum	17.6	17.7	17.9	15.9	17.7	17.2	17.1	14.1	13.8	13.7	11.7	11.0
Alcoholic Beverages	33.0	31.8	37.7	40.1	47.5	50.6	45.5	44.4	46.1	45.6	46.9	44.9
Non-Alcoholic Beverages	7.0	6.9	7.7	7.7	7.7	7.2	6.9	7.5	6.8	6.0	6.4	5.2
Tobacco and Tobacco Products	34.6	38.2	42.4	40.5	42.0	44.2	42.4	42.5	41.0	45.4	44.6	45.5
Textiles & Wearing Apparel (excl. Footwear)	16.1	18.5	18.2	21.2	18.5	19.1	17.4	16.2	14.9	10.9	10.6	7.5
Leather & Leather Products (excl. Footwear)	1.1	0.9	0.9	0.6	1.5	1.3	1.5	1.5	2.2	1.1	1.1	1.9
Footwear	14.2	13.1	11.4	11.4	9.4	10.9	9.8	10.7	8.9	7.5	5.4	5.1
Wood, Wood & Cork Products (excl. Furniture)	3.0	3.2	4.4	4.5	4.0	5.7	5.3	6.7	4.2	3.6	4.0	3.5
Furniture & Fixtures, except primarily of metal	12.1	12.6	16.9	16.5	14.8	10.3	10.5	10.1	7.8	6.0	4.9	3.9
Paper & Paper Products, Printing and Publishing	14.2	18.4	20.4	21.9	21.8	22.1	18.6	14.7	15.3	15.9	17.9	21.7
Petroleum Refining	33.5	30.7	28.8	30.4	31.4	29.7	25.4	21.6	20.0	23.9	19.4	15.7
Chemicals & Chemical, Petroleum, Rubber and Plastic Products	27.4	28.9	38.2	43.5	35.5	36.1	38.1	33.3	35.6	31.9	25.8	30.5
Non-metallic Products (excl. Petroleum and Coal Products)	18.5	17.8	19.2	18.0	17.8	17.6	14.9	14.1	13.1	12.1	7.2	7.2
Metal and Fabricated Metal Products, Machinery and Equipment	51.9	52.2	58.1	60.6	48.6	51.1	51.4	39.6	36.7	29.9	27.3	30.0
Other Manufacturing Industries	4.2	3.8	4.1	3.5	3.7	3.7	3.6	3.0	3.1	2.5	2.1	2.0

NOTE: Partials may not add up to total due to rounding.

Source: Department of Statistics.